

BUILDING-DEVELOPMENT COMMISSION
Minutes of March 18, 2008 Meeting

Jon Morris opened the Building-Development Commission (BDC) meeting at **3:07 p.m. Tuesday, March 18, 2008** in Auditorium I & II located in the Hal Marshall Service Center, 700 North Tryon Street, Charlotte, North Carolina.

Present: Jon Morris, Elliot Mann, Charley Watts, David Shultz, Buford Lovett, Ed Horne, William Caulder Harry Sherrill, Wanda Towler and Trent Haston

Absent: Danny Phillips, Barry Hanson and Brian Sigmon

Guest: Mark Baldwin (Home Builders' Association) and Cary Saul – Director of the Land Use and Environmental Services Agency

1. APPROVAL OF THE MINUTES

The members agreed to approve the February 2008 minutes at the April 2008 BDC Meeting.

2. BDC MEMBER ISSUES AND COMMENTS

No comments were offered.

3. PUBLIC ATTENDEE ISSUES AND COMMENTS

No comments were offered.

4. FY09 BUDGET

James N. Bartl – Director of Code Enforcement stated that the Department's strategy to balance the FY09 Budget would be done by requesting a transfer from the Special Fund and declaring eight (8) positions vacant (3 within Commercial Plan Review and 5 within Trades Inspections). He explained that in the event that the market warrants these positions being filled; this process allows hiring to take place without the formal process which includes the Board of County Commissioners (BOCC). He noted that an additional meeting to discuss City Zoning Fees will still have to be arranged with the BDC Budget Subcommittee.

Mr. Bartl reviewed the FY08 Expenses (as amended). There was discussion regarding the Green Permit Rebate Line Item. Jon Morris stated that if Wachovia or Bank of America fully utilized the Program; the funds currently available are sufficient to fund the projections over the next 3-5 years. Mr. Bartl added that a project could possibly receive \$100K at the platinum level depending on the permit fees and the certification level attained.

Charley Watts noted that the FY09 Budget reductions did not impact the technology plan developed over the last two years. The Subcommittee agreed not to reduce the technology funding because of the imminent Industry demands. Mr. Bartl noted that this was a legitimate expense which will be funded by the Special Fund Transfer. It was agreed that the BDC would receive a presentation on the Department's Five-Year Technology Plan at the April 2008 Meeting.

Elliot Mann noted that the even though revenue is down, inspection activity remains constant and to decrease positions could potentially impact service delivery. Mr. Bartl added that the Department collects (and uses) fees in advance of providing services and the Special Fund was created specifically for this type of scenario. It was noted that there is no formal "cap" set on the Special Fund. The balance will be approximately \$10.7 million after FY08 (HMC Renovations) and FY09 (Technology) deductions. It was also agreed that the Special Fund transfer would only take place if it is necessary. Therefore, if enough revenue is generated in FY09; the \$1.7 million dollars will remain in the Special Fund.

4. FY09 BUDGET (continued)

As an indicator of when to fill the positions declared vacant, Mr. Bartl stated that the BDC should continue to monitor the monthly statistics especially:

- Response Times
- Booking Lead Times
- Customer Service Issues received in the office and directly to the BDC members

Mr. Bartl noted that the Department is working to only use overtime hours to positively impact customer service issues. Currently, all overtime hours are being tracked and reviewed to determine if the customer would be better served using one of the various premium services available.

Mr. Bartl outlined the strategy for the remainder of FY08 which includes reviewing the April 2008 revenue numbers to determine if the Department will need to use any combination of the following options to balance the budget:

- Freeze Expenses
- Freeze Vacant Position; and/or
- Evaluate Lapsed Salary Available

Harry Sherrill asked if the option of a fee increase was considered. Wanda Towler stated that the current demand does not support a fee increase. However, the Special Fund was created to handle revenue shortfalls to cover “lag time” in fees being paid and the costs of delivering service. Trent Haston added that according to the presentation, there is approximately one million dollars available in lapsed salaries and the option of freezing vacant positions could potentially yield another one million dollars. Therefore, it is reasonable to believe that the current shortfalls can be covered.

Mr. Bartl reviewed the County’s Budget process. He noted that the Department’s budget has been sent to the County Manager’s Office (CMO) as a part of the overall FY09 County Budget. His transmittal letter provided an overview of the budget development, customer service and technology needs. It also announced the Department’s intent to access the Special Fund. The CMO will review the submission and contact the Department with concerns prior to submitting to the BOCC. The BOCC is expected to hold formal deliberations during the first week of June 2008. He noted that the FY09 Budget must be passed prior to July 1, 2008 – the beginning of FY09.

The motion by Charley Watts (seconded by Buford Lovett) for the BDC to support the Code Enforcement proposed FY09 Budget, including an expense and revenue level of \$24,871,511, with sources of expense and revenue as described in this BDC March 18 meeting, including a \$1,745,811 transfer from the Land Development & Construction Regulations Fund Balance Reserve passed unanimously.

Mr. Bartl thanked the members of the FY09 BDC Budget Subcommittee which included Charley Watts, Elliot Mann, Wanda Towler, Will Caulder and Jon Morris. He acknowledged the support received from Anne Bland and Ruth McNeil. He noted the independent research conducted by Eddie Prince and Geri Walton along with the research done on Mega Projects by Willis Horton and Patrick Granson. He thanked Geri Walton for scheduling the meetings and the BDC at large for continuing the support the Department’s budget process over the past years.

Wanda Towler noted that this was one of the most challenging budgets and she thanked the staff for making it easy for the BDC to review the revenue and look at the different options to balance the budget. Ed Horne stated that the staff members working directly with the budget are true professionals.

5. DEPARTMENT REPORT

A. STATISTICAL REPORTS

A-1. Permit Revenue

February Total: \$1,621,168; FY08 YTD Total \$14,553,776
 FY08 Projected thru February- \$16,125,913; \$1.572M or 6.6% below projection

A-2. Construction Value of Permits Issued

February Total - \$335,570,971; FY08 YTD = \$3,048,695,995
 FY07 Total at February – 3.08955B; \$40.85M or 1.2% down

A-3. Permits Issued

	Jan 08	Feb 08	3 Month Trend
Residential	3349	3357	4121/2939/3349/3357
Commercial	2886	3087	3717/2553/2886/3087
Other (Fire/Zone)	599	660	556/425/599/660
Total	6834	7104	8394/5917/6834/7104

- For February; residential up slightly, commercial up 7%; total up 3.95%
- Note 1: FY08 permit totals at February
 - Residential; after 8 months; total 29,876, up 5.1% from FY07 (28,416) February YTD.
 - Commercial; after 8 months; total 25,818, down 15.57% from FY07 (30,578) February YTD.
 - **Total:** after 8 months; total 60,413, down 4.1% from FY07 (63,531) February YTD.
- Note 2: FY08 total permits after 8 months; total 2951, down 40.98% from FY07 (4992) February YTD.

A-4. Inspection Activity

Inspections Performed

Insp. Req.	Jan 08	Feb 08	Insp. Perf.	Jan 08	Feb 08	% Change
Bldg.	7226	7089	Bldg.	7178	7010	-2.34%
Elec.	7176	6778	Elec.	7161	6754	-5.68%
Mech.	4453	4475	Mech.	4441	4439	same
Plbg.	4158	3838	Plbg.	4144	3809	-8.81%
Total	23,013	22,180	Total	22924	22012	-3.98%

- **Note 1:** - Inspections Requested– up 0.26%; Inspections Performed–up 0.56%
 - Inspections performed were 99.6% of those requested
- **Note 2:** FY08-FY07 comparison in Feb; FY08 total @ 22012, FY07 total @ 27887, down 21.9%
- **Note 3:** FY08 total inspections after 8 months; 219,679, down 11.08% from FY07 (247,051) Feb YTD.

A. STATISTICAL REPORTS (continued)
A-4. Inspection Activity

Response Times

Insp. Resp. Time	OnTime %		Total % After 24 Hrs. Late		Total % After 48 Hrs. Late		Average Resp. in Days	
	Jan	Feb	Jan	Feb	Jan	Feb	Jan	Feb
Bldg.	97.2	97.9	97.7	98.5	98.5	99.5	1.14	1.05
Elec.	97.9	98.1	98.3	98.4	99.5	99.7	1.05	1.04
Mech.	99.2	99.3	99.3	99.3	99.7	99.8	1.02	1.02
Plbg.	99.1	99.5	99.2	99.6	99.9	100.0	1.02	1.01
Total	98.1	98.6	98.5	98.8	99.3	99.7	1.07	1.03

A-5. Inspection Failure Rates:

OVERALL MONTHLY AV'G @ 18.3%. down slightly (0.27%) from 18.57% in January

Bldg: January – 24.85%
 February – 24.56%

Elec: January – 18.9%
 February – 18.0%

Mech: January – 16.34%
 February – 16.94%

Plbg January – 12.44%
 February – 11.51%

A-6. ONSCHEDULE & CTAC NUMBERS

CTAC:

- 138 First reviews
- Projects passing first review - 60%
- CTAC was 44% of OnSchedule first review volume (138/138 + 176 = 314) = 44%)

OnSchedule:

- February, 07: 180 1st review projects; on time/early – 95.7% all trades, 94.8% B/E/M/P only
- March, 07: 162 1st review projects; on time/early – 95% all trades, 95.3% B/E/M/P only
- April, 07: 126 1st review projects; on time/early – 92.3% all trades, 91.7% B/E/M/P only
- May, 07: 151 1st review projects; on time/early – 93.4% all trades, 92.1% B/E/M/P only
- June, 07: 161 1st review projects; on time/early – 95.5% all trades, 95.5% B/E/M/P only
- July, 07: 154 1st review projects; on time/early – 95.0% all trades, 93.6% B/E/M/P only
- August, 07: 165 1st review projects; on time/early – 92.1% all trades, 92.5% B/E/M/P only
- September, 07: 146 1st review projects; on time/early – 91.7% all trades, 93.8% B/E/M/P only
- October, 07: 146 1st review projects; on time/early – 92.7% all trades, 91.6% B/E/M/P only
- November, 07: 174 1st review projects; on time/early – 89.1% all trades, 87.8% B/E/M/P only
- December, 07: 140 1st review projects; on time/early – 92.4% all trades, 93% B/E/M/P only
- January, 08: 148 1st review projects; on time/early – 94.7% all trades, 94.9% B/E/M/P only
- February, 08: 176 1st review projects; on time/early – 89.6% all trades, 89.2% B/E/M/P only

A. STATISTICAL REPORTS (continued)

A-6. ONSCHEDULE & CTAC NUMBERS

Booking Lead Time:

- OnSchedule Projects: **see new reporting chart posted on line**, on February 25, showed:
- 1-2 hour projects: at 1-3 work days booking lead time
- 3-4 hour projects: at 2-4 work days booking lead time
- 5-8 hour projects: at 2-5 work days booking lead time, except City Zoning at 25 days
- Express review – booking lead time was; 10 work days for small projects, 27 work days for large
- NC Rehab Prelim Review – booking lead time was 27 work days.

B. UPDATE ON DEPARTMENT INITIATIVES

B-1. North Carolina Building Code Council Update

The NC Building Code Council (BCC) met in Raleigh, NC on March 10 & 11. The following votes occurred, relevant to the BDC.

- The BCC adopted the 2009 NC Building Code family and the BCC received petitions held public hearings, or approved final changes to various codes: count as follows; Residential Code - 6, Building Code - 4, Mechanical Code - 1, Plumbing Code – 4 (**Jim Bartl**)

B-2. Industrial Machinery Policy

- Approved by the BOCC on March 5, 2008. This is now part of the Building-Development Ordinance. (**Jim Bartl**)

B-3. REHAB Transition Team

- Department transition team began meetings on January 23, 2008. Target date for transition completion remains April 15, 2008. (**Geri Walton**)

B-4. Residential Expansion Transition

- The program change started up as scheduled on March 1, 2008. An excellent article was in the Charlotte Observer on March 2, 2008. We continue work on getting the word out to the industry via e-mails, industry meetings and brown bag lunches. The development of the electronic Master Plan submittal-review tools continues. (**Tim Taylor**)

B-5. CO/CC/TCO Follow-up Work

- Update on Project Permit Master Plan Details (PPMP): Program implementation is complete.
- Expired Permits: Phases I & II are fully implemented and complete.
- Expungement of Records Project: we are currently working to develop business rules to address expulsion of expired permits from the database for all records exceeding the documents retention schedule. The goal is deletion by removing the associated relationships in a logical, sequential method in order to not lose critical secondary project objects, e.g. contractor object and/or address object. (**Wendell Dixon**)

B. UPDATE ON DEPARTMENT INITIATIVES (continued)

B-6. Commercial Plan Review Strategy Update

- **Public Hearing Update:** Meeting continue with Architects/Engineers to discuss their reactions and field questions from the February 11, 2008 Public Hearing. We have 7 of the “Architect’s Forum Goes on the Road” scheduled, and we will use this as a vehicle to receive input on the proposal. On March 20, 2008, all comments and public reaction will be review with the PRTF; this meeting will also serve as an open forum for A/E’s who spoke at the public hearing to provide further feedback.

- **Commercial Process Change Schedule (What’s Next)**
 - Request vote of support from BDC on Fee Ordinance Change on April 15, 2008.
 - Charge Mega project reviews by the hour, and reducing their permit fee 25%
 - Remove the preliminary code review exemption from 3rd & 4th cycle review charges
 - Continue working on the details of charging for 2nd reviews, seeking agreement with A/E’s
 - Hold detail discussions with A/E’s on charging for 2nd reviews to reach agreement
 - Implementation schedule after February 19
 - Process improvements are priority: March 1 thru July 1
 - Plan Review scope revisions
 - Push ahead with detail development of High Performing Special Stream
 - Timeline/schedule details on other process changes included in handouts and posted on web

B-7. April 2008 BDC Agenda

- LUESA Fee Ordinance RFBA on changes to review fees for Mega projects and 3rd or later reviews.
- Advisory Board recommendation in support of Butch Simmons nominations to ICC Board of Directors
- Five Year Technology Plan
- Quarterly Reports
- BDC Quarterly Bulletin Exercise

6. ADJOURNMENT

The March 18, 2008 Building Development Commission meeting adjourned at 4:40 p.m.

The next **BDC Meeting** will be held at **3:00 p.m. on Tuesday, April 15, 2008** in the Auditorium of the Hal Marshall Service Center.

The **BDC Work Session** is scheduled for **11:30 a.m. on Wednesday, April 9, 2008** in the Hoffman Conference Room of the Hal Marshall Service Center (basement level).