

BUILDING-DEVELOPMENT COMMISSION
Minutes of September 16, 2009 Meeting

Jon Morris opened the Building-Development Commission (BDC) meeting at **3:06 p.m. on Wednesday, September 16, 2009** in Charlotte Conference Room located in the Hal Marshall Service Center, 700 North Tryon Street, Charlotte, North Carolina.

Present: Jon Morris, Danny Phillips, William Caulder, Harry Sherrill, Bernice Cutler, Wanda Towler, Ed Horne, David Shultz, Elliot Mann and Trent Haston

Absent: Barry Hanson, Buford Lovett and Jon Wood

Guest: Mark Baldwin (Charlotte Home Builders' Association)

1. APPROVAL OF THE MINUTES

The motion by Wanda Towler (seconded by David Shultz) to approve the August 2009 meeting minutes passed unanimously.

2. BDC MEMBER ISSUES AND COMMENTS

Ed Horne thanked the Department for agreeing to speak to the Electrical Association regarding the proposed reorganization.

No additional comments were offered.

3. PUBLIC ATTENDEE ISSUES AND COMMENTS

No comments were offered.

4. FY09 SEPTEMBER 10, 2009 CHAMBER SUMMIT UPDATE

While he did not attend the September 10, 2009 due to a prior commitment, Jon Morris did receive feedback from the industry participants. The feedback indicated that the meeting held on September 10, 2009 was "less controversial" than previous events; however, the attendees would have appreciated receiving more details regarding the proposed reorganization. Mr. Morris deferred to Jim Bartl for additional input and specific details from the meeting.

Jim Bartl added that there were approximately 75-80 participants and the exchange was very positive. He noted that the Department was able to answer all of the questions posed by the participants. The meeting adjourned at 4:55 p.m. on September 10, 2009.

It was agreed that future meetings should be held shortly after the County Budget is approved. This would provide an opportunity for the Department to share the details and discuss the projected impacts for the upcoming fiscal year. Mr. Morris agreed to share the information with the meeting organizers.

5. FY09 FINAL BUDGET UPDATE

Mr. Bartl shared the final numbers for the FY09 Budget. The following information was provided:

- Expenses - \$2.8 million below projection
- Revenue - \$7 million below projection
- Special Fund Balance – (after set aside for the Green Permit Rebate program) is approximately \$3 million

He reminded the members of the agreement to review financial data from the entire first quarter prior to discussing the implications to the overall FY10 Budget projections. Jon Morris noted the Department's exceptional effort and result of reducing FY09 expenses. The members agreed to review the FY10 first quarter final numbers at the October 20, 2009 BDC meeting.

6. DEPARTMENT REORGANIZATION UPDATE

Mr. Bartl stated that management believes the current department structure is not effective with regard to handling current and future service demands. He outlined the Department's efforts to discuss and receive industry input on the current reorganization proposal (727 Plan). The following information was provided:

- Industry panel on future service delivery in commercial construction – August 26, 2009
- Staff meetings - September 10 & 11, 2009
- Customer brown bag lunches – September 11 & 16, 2009
- Proposal descriptions with cover memo's offering meetings to solicit input to:
 - City and Town Managers; following up with calls
 - Business and professional associations, including HBA, AGC, NARI, PENC, AIA and the MP trade associations

The following meetings have been scheduled:

- Apartment Association – September 18, 2009
- Charlotte Home Builders' Association – September 23, 2009
- CAAEC – October 15, 2009
- AIA-Charlotte – October 19, 2009
- Plumbing, Heating and Cooling Contractors – October 20, 2009

Trent Haston noted that NARI was still interested in scheduling a session. The Department will continue efforts to meet with SFPE, PENC and Town of Matthews. Mr. Bartl stated that the 727 Plan must be submitted to the County Manager's Executive Team for comment as well. He provided the members with a handout that summarized the comments received to date. He also requested input from the BDC.

There was discussion regarding the need for the final proposal to include "real authority" to ensure that the Department's maintains an effective "regulatory" model. Mr. Bartl noted that the Department surveyed fifteen (15) authorities, received 7 responses and only one authority was contemplating a similar structure. It was noted that if the Department remains flexible as unique circumstances are presented; there should be limited impacts to service delivery. Although there is a vast difference in the service delivery models, the Department is diligent at ensuring its code interpretations align with the North Carolina Department of Insurance (DOI).

Finally, Mr. Bartl shared the Department's public relation plan for the next thirty (30) days. He outlined the Department's intention to introduce Collaborative Review and Team Plan Review as a part of the reorganization because these initiatives compliment the team based service delivery philosophy change.

By consensus, the members agreed to consider issuing its endorsement of the final 727 Plan at the October 20, 2009 BDC meeting.

7. GATEKEEPER DATA

Department officials collected 3 weeks of data (154 events), which showed:

- 27% of projects had no checklist
- 16% had plan omissions (seal, Appendix B, # plans) which would have led to failed 1st cycle
- 65% were not signed by the A/E of record

7. GATKEEPER DATA continued...

A meeting was held with BDC representatives (Shultz, Cutler and Sherrill). The following agreements came out of the September 16, 2009 meeting:

- The Department will continue to review and advise customers of deficiencies thru September 30, 2009
- After October 1, 2009:
 - The A/E signature must be present
 - Staff checks only drawing count, gate form complete and signed
 - Failing submittals will pay the cost of any lost review hours
 - Incorrect drawing content will be picked up as part of review pass/fail
- The Department will issue a letter to customers to explain the agreements
- The Department will develop a hybrid form gate checklist for design-build
 - The A/E signature acknowledges responsibility for their drawing sets and accepts the results from the related plan review pass/failures; and
 - The Design-build contractor signature acknowledges responsibility for the entire project and accepts the results from the related plan review pass/failures and all gate failure charges

Harry Sherrill noted the changes required to clarify the Gate Checklist and the Plan Review Submittal Guide.

8. DEPARTMENT REPORT

A. STATISTICAL REPORTS

A-1. Permit Revenue

August- \$840,783 so FY10 YTD is \$1,779,327

FY10 projected at August - \$2,462,048; below projection by \$682.7K or 28%

- Reminder: Department and BDC plan to review July-Aug-Sep revenue and expense levels.

A-2. Construction Value of Permits Issued

August total - \$146,639,929; so FY10 YTD is 276,047,835

FY09 Total at August – \$777,439,835; so FY10 is down \$501.4 from FY09 at August or 64.5% of FY09

A-3. Permits Issued

	July	August	3 Month Trend
Residential	3317	3306	3332/3981/3317/3306
Commercial	1852	1957	1938/2899/1852/1957
Other (Fire/Zone)	468	401	435/423/468/401
Total	5637	5664	5705/7303/5637/5664

- Residential same; Commercial up 5.7%; Total up slightly (.04%)

A. STATISTICAL REPORTS... continued

A-4. Inspection Activity - Inspections Performed

Insp. Req.	July	August	Insp. Perf.	July	August	% Change
Bldg.	4998	4764	Bldg.	4974	4751	-4.5%
Elec.	5799	5387	Elec.	5702	5482	-3.85%
Mech.	3430	3095	Mech.	3421	3100	-9.4%
Plbg.	2776	2407	Plbg.	2774	2402	-13.4%
Total	17,001	15,653	Total	16,871	15,735	-6.74%

- Inspection performed down 7.28%
- All trades down from July totals; B & E drop <5%, MP drop @10% or higher

A-4. Inspection Activity - Inspections Response Times

Insp. Resp. Time	OnTime %		Total % After 24 Hrs. Late		Total % After 48 Hrs. Late		Average Resp. in Days	
	July	Aug	July	Aug	July	Aug	July	Aug
Bldg.	99.1	96.8	99.3	97.7	99.7	99.0	1.03	1.12
Elec.	95.8	93.6	96.2	94.5	98.7	98.4	1.10	1.17
Mech.	99.3	99.2	99.4	99.3	99.7	99.8	1.02	1.02
Plbg.	99.5	99.7	99.5	99.8	99.9	100	1.01	1.01
Total	98.1	96.6	98.3	97.2	99.4	99.1	1.05	1.10

- All are well above 90% goal
- Mechanical & Plumbing at or above last month; building and electrical down >2%

A-5. Inspection Failure Rates:

OVERALL MONTHLY AV'G @ 86.72%, compared to 86.75% in July

Bldg: July – 80.47% **Elec:** July – 87.06%
 August – 79.77% August – 87.3%

Mech: July – 88.48% **Plbg:** July – 92.6%
 August – 88.7% August – 93.67%

- Still at close to historic highs

A. STATISTICAL REPORTS... continued

A-6. ONSCHEDULE & CTAC NUMBERS

CTAC:

- 109 first reviews
- Projects approval rate (pass/fail) - 69%
- CTAC was 47% of OnSchedule first review volume (109/109+121 = 220) = 47%

OnSchedule:

- August, 2008: 165 1st review projects; on time/early – 92.4 % all trades, 93.4% B/E/M/P only
- September, 2008: 174 1st review projects; on time/early – 89.6 % all trades, 90% B/E/M/P only
- October, 2008: 173 1st review projects; on time/early – 95.2% all trades, 95.6% B/E/M/P only
- November, 2008: 134 1st review projects; on time/early – 93.4% all trades, 92.9% B/E/M/P only
- December, 2008: 154 1st review projects; on time/early – 85.3% all trades, 81.5% B/E/M/P only
- January, 2009: 132 1st review projects; on time/early – 92.8% all trades, 91.4% B/E/M/P only
- February, 2009: 142 1st review projects; on time/early – 93.2% all trades, 91.7% B/E/M/P only
- March, 2009: 143 1st review projects; on time/early – 90% all trades, 89% B/E/M/P only
- April, 2009: 112 1st review projects; on time/early – 93.46% all trades, 93.23% B/E/M/P only
- May, 2009: 123 1st review projects; on time/early – 92.31% all trades, 89.83% B/E/M/P only
- June, 2009: 130 1st review projects; on time/early – 93.88% all trades, 93.77% B/E/M/P only
- July, 2009: 124 1st review projects; on time/early – 95.12% all trades, 94.36% B/E/M/P only
- August, 2009: 121 1st review projects; on time/early – 95.27% all trades, 94.27% B/E/M/P only

Booking Lead Times

- OnSchedule Projects: for reporting chart posted on line, on August 31, showed:
 - 1-2 hour projects; at 1 work day booking lead time, across the board
 - 3-4 hour projects; at 2-4 work days booking lead time, across the board
 - 5-8 hour projects; at 3 work days booking lead time, except electrical (4 days) & Building/Mechanical-Plumbing (6 days)
- CTAC-BEMPFp running 3 work days on plan review turnaround time, across the board
- Express Review – booking lead time was; 5 work days for small projects, 5 work days for large

B. UPDATE ON DEPARTMENT INITIATIVES

B-1. Electrical Permits for Low Voltage Contractors

- A meeting is scheduled with industry representatives for Thursday, September 17, 2009 at 9:30 a.m. in the Hoffman Conference Room (basement level of HMC). An additional meeting must be scheduled with Danny Phillips and David Shultz preferably on Monday – Wednesday.

B-2. Action Strategy for Quarterly Report Most Common Defects

- The Trade Chiefs outlined their approach to (reduce) impact the Most Common Defects list. It included reviewing the defects listed for clarity and reviewing the assessment with industry members that participate on their respective consistency teams, providing contractor specific seminars to review the defects and offer assistance as necessary. The BDC accepted their responses as information.

B-3. Commercial consistency issues added to report

- This item will be addressed in October 2009.

B. UPDATE ON DEPARTMENT INITIATIVES continued...

B-4. Customer Stakeholders for the EPM/EPS Project

- The technology team will send invitation letters describing the above work to confirm participation and implementation schedule.

B-5. NC Building Code Council Update

The NC Building Code Council (BCC) met in Raleigh, NC on September 14-15, 2009 and the **following votes occurred**, relevant to the BDC:

- The BCC accepted 10 new code change petitions
- The BCC held a public hearing on 9 petitions
- The BCC to final action, adopting 3 code changes, and denying the petition to roll back AFCI requirements on residential

The BCC's 2012 code adoption process is moving forward. The BCC is considering lengthening the Code change cycles. The issue deals with the benefit of adhering to the ICC's 3yr code change cycle, vs. falling back to a 6 year (or longer) cycle.

- The BCC likely will call for a committee to study this after December 2009
- Lengthening the Code change cycle could negatively impact the Department's ISO score

B-6. CC/CO/TCO details and other Documents work

The summary below indicates the PPM is stable and the data only changed slightly this month:

- Project Permit Master Plan Details (PPMP): there are 22 current master plans. All active projects are progressing without any known issues.
- Green Permit Rebate Program (GPR): we have 22 applications in the program, which represents \$369K in rebates pending. We have two completed projects. Last month Bank of America applied for \$194K in rebates for work associated with the new tower project located at 150 N College St. The Department total refunded amount is \$7K.

B-7. CPM Comments

Patrick Granson and Willis Horton acknowledged that the data collected to support the A/E Pass Rate Incentive Program is currently being audited for accuracy.

Wendell Dixon introduced Dorice Sutton, Administrative Support Coordinator. Ms. Sutton will supervise the administrative support team.

Chief Rob Kinniburgh invited the members to visit the Charlotte Fire Department display at the 21st Century Business Exposition.

No additional comments were offered.

9. ADJOURNMENT

At 4:20 p.m., Mr. Bartl announced that the North Carolina Building Code Council (BCC) found in favor of the Department and DOI on the Outdoor Utility Transformer Appeal brought by REBIC. The September 16, 2009 Building Development Commission meeting adjourned at 4:38 p.m.

NOTE: The next **BDC Meeting** is scheduled for **3:00 p.m. on Tuesday, October 20, 2009** in the Charlotte Conference Room of the Hal Marshall Service Center (first floor).

Please mark your calendars.