

BUILDING-DEVELOPMENT COMMISSION
Minutes of March 17, 2009 Meeting

Jon Morris opened the Building-Development Commission (BDC) meeting at **3:02 p.m. on Tuesday, March 17, 2009** in Charlotte Conference Room located in the Hal Marshall Service Center, 700 North Tryon Street, Charlotte, North Carolina.

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

Absent: Not Applicable

Guest: Rob Kinniburgh (Charlotte Fire Department), Michelle Witt (Public Service and Information), Mark Baldwin (Home Builders' Association) and David Weekly (City of Charlotte Engineering and Land Development)

1. APPROVAL OF THE MINUTES

The motion by David Shultz (seconded by Ed Horne) to approve the February 2009 meeting minutes passed unanimously.

2. BDC MEMBER ISSUES AND COMMENTS

Jon Morris reported that he was just advised of a situation regarding an Express Review that happened today where there were questions regarding the individual interpretations from Code Enforcement, NCDENR and CMUD. He agreed to collect the facts and contact Phil Edwards to discuss the concerns.

Wanda Towler, Mark Baldwin and Elliot Mann met with the City Fire Marshal and agreed on an amicable proposal to streamline the residential review process. Ms. Towler stated that more details would be provided at the next BDC meeting.

Jon Morris announced that the annual City/County Customer Focus group scheduled for March 30, 2009 has been postponed until sometime in June 2009. All planning sessions will be adjusted as appropriate.

No additional comments were offered.

3. PUBLIC ATTENDEE ISSUES AND COMMENTS

No comments were offered.

4. FY10 BUDGET PROPOSAL

James N. Bartl- Director of Code Enforcement stated that the Department's strategy to balance the FY09 Budget and to keep expenses low by the following methods:

- Freeze vacant positions
- Eliminate part time and temporary staff
- Eliminating overtime; unless approved by CPM or Director
- Cancelled vehicle replacement order
- Reduce travel, computer and training (without impacting ISO requirements), printing and office supplies

He noted that permit revenues continue to drop significantly and asked the BDC to focus on the fact that the FY10 Budget was developed to support 242 employees. In the FY10 Budget; the Department is proposing a reduction of 70 full time positions.

4. FY10 BUDGET PROPOSAL (continued)

Mr. Bartl reviewed the Department’s strategy for FY10 and the rationale which included:

- Staff reductions
- A new line item for the Green Permit Rebate funds (7000)
- Acknowledgement that delaying computer/vehicle replacements are only a temporary strategy (good for 1-2 years)
- A new look at “look revenue” sources as well as
- Additional “new” other revenue sources

The following is the current Department FY10 Expense proposal:

FY10 Revenue Projection & Balance includes the following:

▪ Projected Permit Revenue	\$3,200,000.00
▪ Other Revenue	2,290,000.00
▪ New Revenue Sources	1,600,400.00
▪ <u>Special Fund Transfer.....</u>	<u>295,000.00 (Technology)</u>
▪ Total estimated FY10 Revenue	17,385,400.00
<u>Expense Projection for 172 Full Time Employees</u>	<u>17,378,473.00</u>

The BDC discussed the “New Revenue Sources” at length. The stability in the “Other Revenue” sources led the Department to believe that it is reasonable to include them in the FY10 Budget. The “New Revenue Sources” are targeted fee increased to address areas where the Department expenses are more than the revenue generated. Similar work was completed and led to past initiatives but most recently, the new Mega Projects Fee Structure and the Abandoned Plans Policy.

Mr. Morris outlined the importance of noting that with regard to the increase of the minimum permit fee, the BDC specifically sought to exempt affordable housing from the formula. Also, with out the revenue once received from large commercial and residential projects, keeping small projects at their current level clearly illustrates that not addressing this issue in the past has artificially suppressed their permit fees. Mr. Bartl suggested that the BDC consider whether it is now appropriate to have separate fees for MEP customers who do not utilize the Trade Internet Permit (TIP) automated process, to begin to steer the customers toward this option.

The following motion by Charley Watts with the second by David Shultz passed unanimously:

“I move that the BDC support the Code Enforcement proposed Fy10 budget, including an expense and revenue level of \$17, 378,473, with sources of expense and revenue as described in this BDC March 17 meeting, including a

- *Reduction of staff level by 70 full time positions to 172 full time positions total*
- *Selected fee increases, per Dept proposed list, where current fees do not cover service cost*
- *\$295,000 transfer from the special fund, allocated to ongoing technology development”*

Elliot Mann pointed out that the 70 position reduction also includes 19 vacant positions. There was a question regarding the Department’s plan to balance future inspection and permit activities. Mr. Bartl stated that in a Reduction in Force (RIF) scenario; positions can be reinstated within one year without the formal interview process. Mr. Morris asked the members to consider how they will explain the FY10 Budget Proposal to their constituency as well as the general public. By consensus, the BDC agreed that the continuous drop in revenues and inspections throughout FY09 has made it possible for response times to be exceptional. It is always the Department intent to provide consistent and exceptional customer service in all areas; however, the staff reductions are expected to impact the response time immediately.

4. FY10 BUDGET PROPOSAL (continued)

The Department intends to begin a public relations campaign which will be lead my Michelle Witt (attending) and Bill Carroll of Mecklenburg County’s Public Service and Information Department. The campaign is expected to give the Industry (approximately) a three month notice and effectively advertise the premium service options available.

In the interest of time, Mr. Bartl suggested that the BDC discuss the details of the “Plan B” at their upcoming Work Session. Mr. Morris pointed out the “Plan B” was included in their meeting packets and outlines five strategies of which two are highly unlikely to be approved by County Management. By consensus, the members agreed to hold more detailed discussion on the Department’s “Plan B” at the next BDC Work Session.

There was a question regarding staff notifications. Mr. Bartl stated that staff was made aware of the impending reductions approximately five weeks ago. Additional notifications have been arranged with County Human Resources providing guidance to the Agency’s management team.

Mr. Bartl thanked the members of the FY10 BDC Budget Subcommittee which included Harry Sherrill, Trent Haston, Charley Watts, Elliot Mann, Wanda Towler, Will Caulder and Jon Morris. He acknowledged the outstanding and consistent support received from Anne Bland and Ruth McNeil. He noted the independent research conducted by Eddie Prince, the Core Process Managers and administrative assistants. He thanked Geri Walton for scheduling the meetings and the BDC at large for their attention and support to the Department’s budget process over the past years.

Mr. Morris stated that although difficult, the conversation held to reach agreement on the FY10 Budget were healthy and needed to garner a clear understanding of the Department’s budget strategy. He acknowledged that although not discussed; the February statistics were included in the meeting packets. He ended by conveying his respect for the entire budget process and also recognized the value and “remarkable” expertise of Anne Bland and Ruth McNeil.

5. DEPARTMENT REPORT

A. STATISTICAL REPORTS

A-1. Permit Revenue

February total - \$ 552,165; FY09 YTD is \$8,916,411

FY09 Projected in February - \$13,824,920; below projection by \$4,908,509 or 35.5%

A-2. Construction Value of Permits Issued

February total - \$105,449,475; FY09 YTD is \$2,027,299,474

FY08 Total at February – \$3,048,695,995; so FY09 total is down \$1.0214B or 33.5% from FY08

A-3. Permits Issued

	Jan 09	Feb 09	3 Month Trend
Residential	2577	2546	2767/2595/2577/2546
Commercial	2076	1533	1929/1800/2076/1533
Other (Fire/Zone)	339	421	347/317/339/421
Total	4992	4500	5043/4712/4992/4500

A. STATISTICAL REPORTS

A-4. Inspection Activity - Inspections Performed

Insp. Req.	Jan	Feb	Insp. Perf.	Jan	Feb	% Change
Bldg.	4724	4988	Bldg.	4679	4932	-+5.47%
Elec.	5505	5586	Elec.	5377	5608	+4.3%
Mech.	2894	2965	Mech.	2884	2953	+2.4%
Plbg.	2482	2751	Plbg.	2463	2749	+11.6%
Total	15,605	16,290	Total	15,403	16,242	+5.4%

Note:

- Inspections Requested – up 4.4%
- Inspections Performed – up 5.4%
- Inspections performed were 99.7% of requests

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	
	Jan	Feb	Jan	Feb	Jan	Feb	Jan	Feb
Bldg.	98.3	98.6	99.3	98.8	99.5	99.7	1.04	1.04
Elec.	94.9	95.5	97.5	95.8	98.7	99.5	1.10	1.10
Mech.	99.7	99.5	99.8	99.6	99.9	99.9	1.01	1.01
Plbg.	99.5	99.6	99.8	99.6	99.8	100	1.01	1.01
Total	97.5	97.9	98.8	98.0	99.4	99.7	1.05	1.05

A-5. Inspection Failure Rates:

OVERALL MONTHLY AV'G @ 86.7%, improved from 86.94%, in January

<p><u>Bldg:</u> January – 82.19% February – 79.83%</p>	<p><u>Elec:</u> January – 87.6% February – 88.2%</p>
<p><u>Mech:</u> January – 86.28% February – 87.84%</p>	<p><u>Plbg:</u> January – 93.61% February – 92.79%</p>

A. STATISTICAL REPORTS

A-6. ONSCHEDULE & CTAC NUMBERS

CTAC:

- 100 first reviews
- Projects approval rate (pass/fail) - 82%
- CTAC was 41% of OnSch first review volume (100/100 + 142 = 242) = 41%

OnSchedule:

- February 08: 176 1st review projects; on time/early – 89.6% all trades, 89.2% B/E/M/P only
- March 08: 176 1st review projects; on time/early – 91.4% all trades, 89.9% B/E/M/P only
- April 08: 167 1st review projects; on time/early – 92.9 % all trades, 91.3% B/E/M/P only
- May 08: 169 1st review projects; on time/early – 96.3 % all trades, 96.1% B/E/M/P only
- June 08: 184 1st review projects; on time/early – 92.2 % all trades, 91.5% B/E/M/P only
- July 08: 158 1st review projects; on time/early – 91.8 % all trades, 91.8% B/E/M/P only
- August 08: 165 1st review projects; on time/early – 92.4 % all trades, 93.4% B/E/M/P only
- September 08: 174 1st review projects; on time/early – 89.6 % all trades, 90% B/E/M/P only
- October 08: 173 1st review projects; on time/early – 95.2% all trades, 95.6% B/E/M/P only
- November 08: 134 1st review projects; on time/early – 93.4% all trades, 92.9% B/E/M/P only
- December 08: 154 1st review projects; on time/early – 85.3% all trades, 81.5% B/E/M/P only
- January, 09: 132 1st review projects; on time/early – 92.8% all trades, 91.4% B/E/M/P only
- February, 09: 142 1st review projects; on time/early – 93.2% all trades, 91.7% B/E/M/P only

Booking Lead Times

- OnSchedule Projects: **for reporting chart posted on line**, last week of February 2009, showed
 - 1-2 hour projects; at 1 work day booking lead time, except 2 days for Mech/Plbg
 - 3-4 hour projects; at 2-3 work days booking lead time, except 4 days for Mech/Plbg
 - 5-8 hour projects; at 3-5 work days booking lead time, except 8 days for building reviews
- CTAC-BEMPFp running 3 work days on plan review turn around 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. CC/CO/TCO details and other Documents work

- **Project Permit Master Plan Details (PPMP)**: There are currently 19 master plan projects in the program and 4 preliminary master plan projects. All active projects are progressing without any known issues. Preliminary projects are still in the review stage, with the initial meeting between the Department and customer complete.
- **Expungement of Records Project**: The expungement process for all trades/projects meeting the document retention schedule is complete. This includes deleting 1.2m+ records; an additional 175K+/- permits from calendar year 2003 are also scheduled for deletion in FY09. Moving forward automation is in place to run a weekly expungement process aligning with the documents retention schedule.
- **Green Permit Rebate Program (GPR)**: The overall funding for the program is 1.2mm. To date, we have paid in rebates 6k, for 1 project, and we currently have 142k in rebates pending for 16 projects.

B. UPDATE ON DEPARTMENT INITIATIVES

B-2. Commercial Plan Review Strategy

- The PRTF and A/E Sub-Committee will jointly meet on March 24 to update on project development status, including review of the technology and to receive an overall program update.

B-3. CPM Comments

- No comments were offered.

6. ADJOURNMENT

The March 17, 2009 Building Development Commission meeting adjourned at 5:19 p.m.

NOTE: The **BDC Work Session** is scheduled for **11:30 a.m. on Wednesday, April 8, 2009** in the Hoffman Conference Room of the Hal Marshall Service Center.

The **next BDC Meeting** is scheduled for **3:00 p.m. on Tuesday, April 21, 2009** in the Charlotte Conference Room of the Hal Marshall Service Center.