

Pikes Peak Regional Building Department

2880 International Circle
Colorado Springs, Colorado 80910

REGIONAL BUILDING COMMISSION MINUTES

October 24, 2018

3:00 p.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:

1. CALL TO ORDER

Chairman Tyler Stevens called the meeting to order at 3:01 p.m.

2. CONSIDERATION OF OCTOBER 4, 2018 MINUTES

A motion was made by Tom Strand to **APPROVE** the October 4, 2018 Building Commission Minutes as written, seconded by Mark Waller; the motion carried unanimously.

3. PUBLIC COMMENTS ON ITEMS NOT SCHEDULED ON THE AGENDA

There were no Public Comments.

4. NEW BUSINESS

a) Colorado Springs Chamber and EDC Presentation

Dirk Draper with the Colorado Springs Chamber and EDC (EDC) appeared and presented a video for the Building Commission and RBD staff to view. He stated outdoor recreation is part of the EDC marketing strategy. He stated the EDC was a small sponsor for the National Outdoor Retailers Show; and the EDC had also created the “Choose Pikes Peak” logo.

Mr. Draper stated the corporate perception of this region is very high. He stated housing costs and housing availability are strong in this region, as well as recreational amenities, among a number of other categories.

He stated the “secret sauce” is comprised of labor availability, proximity to major markets, corporate tax rates, labor costs, available buildings, highway accessibility, social issues, and energy costs. He stated companies have to have a site, a work force, access to markets, incentives and tax rates, infrastructure and utilities costs, and quality of life. He stated companies are finding it easy to recruit employees to the Colorado Springs area.

b) Resolution for Woodland Park Intergovernmental Agreement Renewal

Jina Koulchitzka stated RBD had serviced the City of Woodland Park in accordance with an executed Intergovernmental Agreement since December 1, 2013, by providing building department services which include: plan review, permitting services, elevator inspections, and inspection services for all structures built requiring a permit in Woodland Park after the effective date of the 2013 Intergovernmental Agreement (IGA). She stated Woodland Park had paid to RBD all permit fees collected for the construction, modification, or addition to each structure, including electrical, plumbing, and mechanical work that required a permit. She stated the 2013 IGA was for a period of five successive, one-year terms, and comes due on November 30, 2018. RBD proposes to continue services to the City of Woodland Park for a period of eight successive, one-year terms. Each party may terminate the agreement upon a 90-day written notice to the other party. Ms. Koulchitzka stated RBD would not provide zoning, enumerations, nuisance abatement code enforcement (other than building codes), or any other services not specifically provided for in the agreement without the written consent of Regional Building. She stated the Advisory Board had recommended approval of the Resolution for the Woodland Park IGA renewal.

Sally Riley, Planning Director for the City of Woodland Park (“City”), appeared and stated the City had a very successful relationship with RBD for the past five years, and it was looking forward to continuing that relationship. A motion was made by Mark Waller to **APPROVE** the Woodland Park Intergovernmental Agreement renewal, seconded by Tom Strand; the motion carried unanimously.

c) Resolution of Intent for Participation with External Organizations

Roger Lovell stated at the October 4th Building Commission Meeting this item was postponed as the Advisory Board had not yet recommended approval and this Commission had additional comments. He stated direction was given to staff to address the Advisory Board and Commission comments and refer the Resolution back to the Advisory Board. He stated after internal discussions with administrative staff, the following revisions were proposed to the Advisory Board: Under the 3rd bullet point, page 1, the second qualifier was revised to read: “(ii) *be directly related to construction activity*”

in El Paso County for capital improvements only for an amount not the exceed seventy-five (75%) of the Department fees paid or to be paid to the Department, except fees and sales and/or use tax, which the Department must and shall collect for other agencies.”

Mr. Lovell stated the intent of the change was to address two concerns shared by staff and the Advisory Board. He said, as initially proposed, the Resolution of Intent was very broad, and had the potential to result in numerous requests from 501(c)(3) entities seeking to make capital improvements. He said the Advisory Board was also concerned that should these funds be used for capital improvements that the project be completed at or below market rate. Mr. Lovell stated establishing that a proposed project meets market rate criteria would place a substantial burden on staff, the Advisory Board, and this Commission. He stated additionally, the Advisory Board suggested a financial “cap” on the proposed requests. He stated in order to address both of these concerns, the recommendation from staff is to limit requests for qualifying capital improvement projects to an amount not to exceed 75% of the Department’s fees, not to include fees and/or use tax collected for other Departments.

Mr. Lovell stated upon presentation of this revised criteria to the Advisory Board, the Board recommended changing the “or” after (i) to “and” as well as adding “market value criteria” to the qualifier. As proposed, the 2nd qualifier reads: *“The funding request must: (i) be directly related to the construction industry in El Paso County and be directly related to the construction activity in El Paso County for capital improvements only at or below market value criteria for an amount not the exceed seventy-five (75%) of the Department fees paid or to be paid to the Department, except fees and sales and/or use tax, which the Department must and shall collect for other agencies; or (ii) promote the education, knowledge and awareness of the construction industry in El Paso County; or (iii) improve the administration, implementation and enforcement of the adopted construction codes and standards in El Paso County.*

Mark Waller stated the two critical changes are “related to construction industry” and “related to construction activity”. He stated he believes this prohibits the Salvation Army from requesting a donation. Tyler Stevens agreed with Mark Waller and also stated the 75% cap is also a major change. Mr. Waller stated he agrees with the changes; Tom Strand stated he would like to take this document back to the City Council and have the City’s legal staff review it. Mr. Waller stated he believes it should be more restrictive.

Todd Anderson, HBA, stated the HBA approves the current revisions to the Resolution of Intent. He stated he hopes the HBA will have its 501(c)(3) in place next month to be in a position to ask RBD for funds in accordance with the Resolution of Intent. Mr. Waller stated he believes the proposed revision to this Resolution of Intent will have no bearing on the potential request to support Careers in Construction (CIC), and he would like to put this item on the agenda for the November Building Commission meeting. Mr. Anderson stated HBA is very hopeful to be able to add more schools and students to this program.

Tom Strand stated the City is giving \$500,000 to the Salvation Army Low Barrier Housing Program, and he is still hopeful that RBD might entertain a request from the Salvation Army for funds once the Resolution of Intent is in place. Mr. Anderson stated the City's Development Review Enterprise has a surplus of \$1.6 million, and they do not have a resolution at this time. He suggested that might be a source of funding for the Salvation Army.

Marla Novak, HBA, stated she had made recommendations to the Advisory Board that the applications must be construction industry related. She stated HBA supports the current revisions in the Resolution of Intent.

d) Resolution 2018-5 (Building Official Salary Raise)

Tyler Steven stated there is an error in the Resolution that it should be a salary raise "to" instead of "of" \$79.00 per hour, as of October 19, 2018. A motion was made by Tom Strand to **APPROVE** the Building Official Salary Raise to \$79.00 per hour, as of October 19, 2018, seconded by Mark Waller; the motion carried unanimously.

5. **ADVISORY BOARD REPORT**

Jina Koulchitzka presented the Advisory Board Report. She stated the Advisory Board approved the Woodland Park IGA renewal, and approved the Resolution of Intent as amended. She stated no one appeared on behalf of the Salvation Army, so the Advisory Board dismissed this request as it was the second meeting that the Salvation Army had not appeared. She stated the Advisory Board also was advised of the amendments to the Pikes Peak Regional Building Code, 17th Edition, 2nd Reading, with regard to the adoption of the 2017 National Electrical Code, which must be adopted by RBD within a 12-month time limitation after adoption by the State; and the Flood Insurance Rate Map (FIRM) adopted by FEMA, which must be adopted by RBD by December 7, 2018. Ms. Koulchitzka stated RBD staff will be appearing before all of the jurisdictions that it services, with the exception of the City of Woodland Park, for purposes of obtaining approval from each jurisdiction for adoption of the amendments to the 2017 Pikes Peak Regional Building Code, 17th Edition, 2nd Reading.

6. **BUILDING OFFICIAL REPORTS**

a) Financial Statement

Ryan Johanson presented the financial statement for the month of September 2018. He stated RBD did a permit and plan review fee study for jurisdictions across the State, and it found that RBD had the lowest fees in the State, while being the largest building department in the State. He stated this fee study shows why RBD was so busy. Roger Lovell stated RBD staff was working with the EDC to provide this information to the community. Mr. Johanson said the current operating cash balance was \$12,523,921. He said the cash balance was 76% as a percent of budget. Mr. Johanson said the current month revenue was \$1,663,251, and the year-to-date revenue was \$14,289,442. He said

the expenditures were \$1,162,014, which resulted in a gain of \$501,237 for the month of September, and the year-to-date expenditures were \$10,950,879, which resulted in a year-to-date gain of \$3,338,563. Mr. Johanson stated the Licensing Rewards Program had been very successful, and RBD gave discounts for license renewals in the amount of \$25,425 in September, and \$524,182 had been discounted year-to-date through the Permit Fee Discount and Licensing Reward Program.

b) Building Report

Matt Matzen presented the Building Report for the month of September 2018. He said there were 314 single-family houses permitted in September, which was 0.32 percent more than this time last year; and 40 commercial building permits. He stated there were 5 apartment buildings permitted in September, for a total of 87 apartment units. Mr. Matzen said the total valuation of permits issued in September was \$272,847,092, which was 37.18 percent more than this same time last year; and the total valuation of permits issued to date in 2018 was \$2,505,366,858, which was an increase of 6.31 percent over this same time last year. He stated the front counter was averaging 417 phone calls per day and 107 walk-in customers per day in October. Mr. Matzen said there have been 199 single-family home permits to date in October.

c) Plan Review Report

Jay Eenhuis presented the Plan Review Report for the month of September 2018. He said there were 335 single family plans, which was a 4 percent increase from September 2017; 37 new commercial plans, which was an increase of 54 percent; and a total of 903 plans for the month of September, which was an increase of 24 percent compared to September 2017. Year to date, 8,069 plans were submitted, an increase of 24 percent from the first nine months of 2017. He stated there were 100 Commercial Plans submitted electronically in September 2018, or a 79 percent increase compared to September 2017; and 166 Residential Plans submitted electronically, which was an increase of 68 percent; for a total of 460 E-Plans in September 2018, a 39 percent increase from September 2017. Year to date, approximately 3,592 percent of all plans submitted had been submitted electronically. Mr. Eenhuis stated the Plan Review Department performed 1,496 Solo Reviews in September, and 2,296 Walk-through reviews, for a total of 3,792 logged reviews for September 2018, and 33,176 logged reviews year-to-date, which was an increase of 19 percent from the previous year.

d) Inspection Report

John Welton presented the Inspection Report for the month of September 2018. He said the inspectors in all departments did a total of 24,282 inspections in September, with a total of 57 field inspectors. He said each inspector averaged 23.1 inspections per day, and the average available time per inspection was 15.8 minutes. He stated RBD was very busy on the inspection side, with August having been the highest inspection month on record.

7. UNFINISHED BUSINESS

a) Update on 2019 Budget

Roger Lovell stated, as approved by this Commission, the Department's Budget for 2019 was presented to the El Paso County Board of County Commissioners (BOCC) on Thursday, October 18th and was approved by the BOCC. He stated Department staff presented this Budget to the City of Colorado Springs Budget Committee on October 9th, and as a Work Session item before City Council on Monday of this week. He stated the comments received were positive, and it was suggested by members of City Council that perhaps a joint City Council / BOCC meeting could help for approval of the Department's 2020 Budget, as approval of the Department's Budget is "awkward". Councilmember Geislinger also questioned what the Department has done and can further do to address affordable housing as he requested at last year's budget presentation. Mr. Lovell stated he mentioned the recent hydrology studies conducted in the Cheyenne Creek Watershed and the Security Creek Watershed that combined will remove an estimated 898 structures from the floodplain altogether eliminating the need for mandatory NFIP Flood Insurance saving property owners thousands of dollars a year. He stated further, those homes that remain in the floodplain will benefit in reduced rates based on revised mapping of the floodplain. He stated he also addressed how Department fees compare on a state wide level (being the lowest residential fees) and the temporary fee reductions that have been implemented in 2017 and 2018 as well as the \$2 million proposed temporary fee reduction in 2019. Councilmember Geislinger has requested additional information on how other departments in the State have enacted impact fees at time of permit to address affordable housing.

Mark Waller asked what the City is really looking for from RBD in the way of affordable housing. Tom Strand stated he believes that the City will be coming up with a plan in the future; it is just an area of concern for the Colorado Springs City Council. Mr. Lovell stated RBD's permit fees for residential construction are the lowest in Colorado, so he is not sure that RBD can do anything else in regard to this issue.

b) Carbon Monoxide Awareness

John Welton stated carbon monoxide awareness within the community is a big issue. He stated all of RBD inspectors have CO detectors on them when doing inspections. He stated Jack Arrington, Chief Plumbing/Mechanical Inspector, had been spreading the word on this issue for the past six years. He stated RBD staff would like to present a CO detector to each of our Building Commissioners.

8. FUTURE AGENDA ITEM REQUESTS

a) Housing and Building Association's Careers in Construction Request.

9. **EXECUTIVE SESSION REQUESTS**

There were no Executive Session requests.

10. **ADJOURN**

The meeting adjourned at 4:37 p.m.

Respectfully submitted,



Roger N. Lovell
Regional Building Official

RNL/llg

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