

**MINUTES OF
CITY OF LAS VEGAS
BUILDING & SAFETY ENTERPRISE FUND ADVISORY COMMITTEE
Development Services Center – Director's Conference Room
333 Rancho Dr., 2nd Floor
Las Vegas, Nevada 89106
City of Las Vegas Internet Address: <http://www.lasvegasnevada.gov>**

**Meeting of February 24, 2011
3:30 p.m.**

CALL TO ORDER: Steve Quinn called the meeting to order at approximately 3:35 p.m. and announced that the Open Meeting Law had been met.

ATTENDANCE:

Present: Chris Knight, Director of Building & Safety
Candace Falder, Director of Finance
Mark Vincent, Chief Financial Officer
Jim Chachas , Hobbs, Ong & Associates
Steve Quinn, Precision Construction, Inc.
Carmel Viado, Administrative Secretary
Bryan Scott, Assistant City Attorney
Bob Potter, Affordable Concepts, Inc.
Yolanda Palomo, Building & Safety

BUSINESS

Bob Potter motioned to approve the Minutes from the July 29, 2010 meeting. The motion was seconded by Jim Chachas and passed unanimously.

Chris Knight, Director of Building & Safety, went over the Fee Implementation Update handout, noting that new construction fees for plan check and inspections were not yet in place. The anticipated implementation date was March 31, 2011, a delay from the original January 31, 2011 deadline. He noted the fees that had been implemented as part of Phase One and Assistance City Attorney Bryan Scott suggested that the fee names be defined for clarity. Yolanda Palomo, Building & Safety, noted that several handouts defining the fees were available from the City of Las Vegas website.

Ms. Palomo pointed out that the delays in implementation were caused by the total redesign of the current permitting program. Rather than simply using a calculation based on valuation, the new fees were very specific in nature and required specific information prior to be entered into the system. The department's forms had been updated to request that data. The standalone mechanical, plumbing, and electrical permits required the customer to see a permit technician so those questions could be

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answered. Announcements and handouts were being provided to customers in an effort to educate customers on the new requirements for obtaining a building permit.

Ms. Palomo informed Mark Vincent, Chief Financial Officer, that an analysis of the new fee's impact on the department's revenues would not be available for several months. Existing projects were still under the valuation-based system and new projects would be under the fee-based system once all the fees went into effect. Mr. Knight clarified that fees would not be enforced retroactively and pointed out that City of Henderson's fees remained higher than the fees in the City of Las Vegas.

Regarding implementation of the 2009 International Energy Conservation Code (IECC), Mr. Knight stated that many requirements would impact commercial projects such as tenant improvements. Changes included the tightness of buildings and windows, and requirements for blower door and duct blaster tests.

Mr. Knight noted that the 2009 Suite of Codes, not including the 2009 International Residential Code (IRC), would be presented to the City Council with a tentative adoption date of March 6 and an effective date of July 5, 2011. The City of Las Vegas was participating in ongoing discussions with Clark County and the Southern Nevada Home Builders Association (SNHBA) regarding the residential fire sprinklers requirement in the 2009 IRC. Currently, only the City of Henderson has adopted the 2009 IRC. Mr Knight observed that Clark County and City of North Las Vegas had adopted the 2009 IRC without the residential fire sprinklers requirement, which had created a situation of lesser requirements than the 2006 IRC. He hoped to address any issues with the 2009 IRC and residential fire sprinklers by working with the SNHBA prior to attempting its adoption.

Mr. Potter recalled that the Las Vegas Chapter of the Association of Institute of Architects (AIA) and the Southern Nevada Chapter of the Commercial Real Estate Development Association (NAIOP) had requested membership on the Building & Safety Enterprise Fund Advisory Committee as part of the fee adoption. Assistant City Attorney Scott explained that the Committee's membership was determined by the Nevada Revised Statutes.

Mr. Knight stated that as part of the adoption of the 2009 suite of Codes, the Administrative Code had been amended to include an Appeals Board similar to those in other jurisdictions. The Appeals Board process would be implemented after the adoption of the codes, as requested by AIA and NAIOP. As part of the fee implementation, the Director's Advisory Panel had been created. The Panel meets monthly for an hour and half and is an opportunity for industry representatives to discuss about what the industry and the department can do better. Attendance has

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been good and several changes, including being able to call your inspector during the workday, have been implemented.

Mr. Knight went over the Fiscal & Calendar Summaries of Building Permits and the Performance Measurements report, noting that the number of permits was down by 200 permits from year to year and valuation was much lower than the previous year's. He observed that while projects submitted were remaining relatively the same, the revenues continued to decline. Hopefully, the new fees would stabilize those revenues. Going over the department's budget, he noted that the Enterprise Fund was still projected to lose money. Mr. Knight explained that the operating transfer out expenditure was the cost to move into the building and pointed out the impact of three pay periods in October 2010.

Bob Potter wondered if the budget impact of moving to a four-day work week had been determined in dollars and cents. Mr. Vincent explained that, all things being equal, moving to a four-day work week would save an estimated 3.8 percent savings in labor costs. Mr. Potter stressed the industry's unhappiness with the four-day work week and noted that the industry had lost the ability to conduct business on Fridays, a reduction of 20 percent. Mr. Knight pointed out that inspections were still being conducted on Fridays and the department's work hours had only been reduced by two hours. Mr. Potter suggested that the cost savings from the four-day work week be allocated to another option for improving services.

Regarding the Performance Measures reported by the department to the City Manager's Office, Mr. Knight explained that the areas highlighted in yellow and red reflected areas that need to be addressed. While the Reduction in Force (RIF) had put the department in a good financial position, the Performance Measures report indicated the negative service impact of losing those positions. The wait times to see permit technicians and cashiers have increased and the time for plan reviews has increased. The high number of requests for Express Plan Review has been another factor in pushing out review times, since the plans examiners are unable to work on regular plan reviews when they are working on express requests. Noting the department has only two cashiers, Mr. Knight pointed out the need for a third cashier, especially since other departments had expressed an interest in having Building & Safety hand all cashiering functions in the building and he would be open to sharing that cost of other cashier with those departments.

Mr. Knight stated that Code Enforcement, Sewer Billing, Off-site Inspections and Testing and Land Development divisions had joined the Building & Safety department as part of the City's reorganization. Those divisions are supported by the City's General Fund and great care was being taken to not use Enterprise Funds to support General

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Fund activities. There is a possibility of using some of those functions to support B&S functions and analysis was currently underway to determine how to best leverage those resources. Mr. Quinn supported Mr. Knight's request for an extra cashier as other divisions have been grouped under the Building & Safety Department's umbrella.

Mr. Vincent observed the intense interest in Enterprise Funds by other jurisdictions, noting the transfers out of the City of North Las Vegas' Building & Safety Enterprise fund was attracting intense scrutiny. He observed that the Enterprise Fund committee works really well in the City of Las Vegas and might not be as successful in other jurisdictions.

Mr. Vincent noted that the City's Budget Hearing was scheduled for the third Tuesday in May and Mr. Quinn requested that the next Committee meeting be scheduled no later than the first week of May.

CITIZEN PARTICIPATION

None.

ADJOURNMENT

The meeting adjourned at 4:32 p.m.

RESPECTFULLY SUBMITTED,

Carmel Viado, Administrative Secretary
Building & Safety