

City of Las Vegas

**BUILDING AND SAFETY ENTERPRISE FUND ADVISORY COMMITTEE
CITY HALL, 400 STEWART AVENUE
CITY CLERKS FIRST FLOOR CONFERENCE ROOM
CITY OF LAS VEGAS INTERNET ADDRESS: www.lasvegasnevada.gov**

MINUTES

**September 27, 2011
8:30 AM**

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR ACTION UNLESS SPECIFICALLY NOTED OTHERWISE. UNLESS OTHERWISE STATED, ITEMS MAY BE TAKEN OUT OF THE ORDER PRESENTED AT THE DISCRETION OF THE CHAIRPERSON. TWO OR MORE AGENDA ITEMS FOR CONSIDERATION MAY BE COMBINED; AND ANY ITEM ON THE AGENDA MAY BE REMOVED OR RELATED DISCUSSION MAY BE DELAYED AT ANY TIME.

DUPLICATE AUDIO CDS MAY BE AVAILABLE AT A COST OF \$5.00 PER CD THROUGH THE CITY CLERKS OFFICE.

1. CALL TO ORDER

Minutes:

MEMBER CHACHAS called the meeting to order at 8:38 a.m.

PRESENT: CHAIR QUINN (excused until 8:45 a.m.) and MEMBERS VINCENT, CHACHAS, POTTER and KNIGHT

Also Present: YOLANDA PALOMO, Building and Safety; DENNIS B. MOYER, Building and Safety; THOMAS E. HAYES, Building and Safety; CARMEL VIADO, Building and Safety; ASSISTANT CITY ATTORNEY BRYAN SCOTT, CHIEF DEPUTY CITY CLERK VICKY SKILBRED and DEPUTY CITY CLERK ANGELA CROLLI

2. ANNOUNCEMENT RE: COMPLIANCE WITH OPEN MEETING LAW

ANNOUNCEMENT MADE: Meeting noticed and posted at the following locations: City Clerk's Bulletin Board, City Hall Plaza, 2nd Floor Skybridge; Clark County Government Center, 500 South Grand Central Parkway; Las Vegas Library, 833 Las Vegas Boulevard North; Grant Sawyer Building, 555 East Washington Avenue; Bulletin Board, City Hall Plaza (next to Metro Records)

3. PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS ON THE AGENDA FOR ACTION. IF YOU WISH TO BE HEARD, GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED

Minutes:

MEMBER KNIGHT provided an overview of a proposed seven-day week inspections program to address the increase in held-over inspections from Fridays to Mondays, resulting from the implementation of the four-day work week. The proposal is to hire two additional inspectors to work Friday through Monday, which is still a four-day work week, to help reduce the held-over inspections, to do residential inspections on weekends and to be available for inspections on gas line leak emergencies and fire dispatch calls. The proposal would affect the budget because he intends to call back two employees. He submitted the Friday through Saturday inspection program for the record.

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MEMBER KNIGHT informed MEMBER POTTER that he did not have the percentage data on the types of hold-overs. He further indicated that if there is a hold-over on Friday, it will become a priority for Monday. Inspectors will notify the contractor if an inspection is being held over. If an inspection is held over on Friday, it will become a priority on Monday. The proposed program will allow inspections to be done on Saturday or Sunday, by contacting with an on-duty supervisor on Friday.

CHIEF DEPUTY CITY CLERK VICKY SKILBRED explained that several boards and commissions were taken over by the City Clerk's Office with the intent of ensure greater compliance with the Open Meeting Law, in support of the City Council's strategic goal for greater transparency and sustainability. The point of contact will still be Building and Safety, but the City Clerk's Office will take over the creation of the agenda and minutes. The audio of the meeting will be posted within 24 hours and the final minutes will be posted on line once they have been approved.

4. FOR POSSIBLE ACTION TO APPROVE THE FINAL MINUTES OF THE REGULAR MEETING OF FEBRUARY 24, 2011

Motion made by STEVE QUINN to Approve

Passed For: 5; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

MARK VINCENT, ROBERT T. POTTER, STEVE QUINN, JAMES CHACHAS, CHRISTOPHER KNIGHT;
Against-(None); Abstain-(None); Did Not Vote-(None); Excused-(None)

Minutes:

MEMBER POTTER inquired on the status of the implementation of the new codes and if all governmental entities adopted the same codes. MEMBER KNIGHT responded that he would address that issue under Item 6.

CHIEF DEPUTY CITY CLERK VICKY SKILBRED noted that the City uses Roberts Rules for small boards, which does not require a motion to be seconded. ASSISTANT CITY ATTORNEY BRYAN SCOTT indicated that the by-laws might be different for this board, and it would depend on how the resolution was created. For this meeting, the motion will be seconded, and CHIEF DEPUTY CITY CLERK SKILBRED will verify the by-laws. CHAIR QUINN indicated that a motion could be made without a second and discussion could continue until the final motion.

CHIEF DEPUTY CITY CLERK SKILBRED explained that the board will be receiving the minutes in draft form to give the board an opportunity to add any comments. A hard copy will not be provided at the meeting, and the minutes will be approved by reference in the future.

MEMBER POTTER asked the status on plans check in terms of timelines. MEMBER KNIGHT responded that there is an average six-day review on all plans for Building and Safety only. It does not include Planning, Public Works, Fire, or Traffic. The overall time from a tentative improvement or out-of-the-ground plans check is two weeks.

MEMBER POTTER asked if any complaints were received about fire inspections. MEMBER KNIGHT responded there were none.

5. REPORT BY DEPARTMENT OF BUILDING & SAFETY REGARDING FEE IMPLEMENTATION

Minutes:

MEMBER KNIGHT submitted a copy of the advisory sent on May 26, 2011 informing the industry of the fee increases effective June 6, 2011. He also submitted a fee comparison on cost-based fees versus valuation-based fees. The study involved fees from November of 2010 through June of 2011. Money was made under the new fee schedule that would not have been made under the old fee schedule, and the volume increased. There was a 50/50 split between increase in fees and increase in volume. All fees have been implemented, and given the number of permits issued, only about two percent

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of the complaints received were about the scale of the fees. There have been issues where fees did not make sense and an adjustment had to be made to the photovoltaic fees.

In response to MEMBER POTTER'S query, MEMBER KNIGHT replied that adjustments can be made to decrease the different fees. He is currently looking at wall construction fees that seem high, but there is no conclusion yet. The one instance regarding a fee for block-wall construction is being investigated.

YOLANDA PALOMO, Building and Safety, remarked that the fees implemented in November were miscellaneous fees and included the June commercial TI (Tenant Improvement) fees for new projects and that were permitted under the new fee structure.

MEMBER VINCENT explained that the comparison is between the fees that changed. This represents a 40-45 percent of revenue increase. This answers the question of how much of the gross revenue increase was driven by the fee change. MEMBER KNIGHT added that adjustments are being made as they move along. The biggest issue is lateness of the implementation of the bulk of fees. The implementation did not take place until June 6, 2011 and the full impact will not be known until January 2012.

CHAIR QUINN asked if the City is requiring reviewing of the contracts. MEMBER KNIGHT replied that there is no need because the City is not under valuation-based fee schedule. He added that North Las Vegas did increase its fees in trying to stabilize the budget. MEMBER VINCENT added that the valuations did not have anything to do with providing service.

6. REPORT BY DEPARTMENT OF BUILDING & SAFETY REGARDING THE ADOPTION OF THE 2009 SUITE OF CODES

Minutes:

MEMBER KNIGHT reported that in April of 2011 the City of Las Vegas adopted the 2009 suite of codes; the 2008 National Electric Code, the 2009 Energy Conservation Code, the Uniform Plumbing and Mechanical Codes, and the International Building Code. However, the City did not adopt the 2009 International Residential Code (IRC). The County and the cities of North Las Vegas and Henderson have adopted the IRC. The County and the cities of North Las Vegas and Mesquite adopted the code without requiring residential sprinklers; Henderson is requiring residential sprinklers. There is a draft of the ordinance and there is an agreement with the Southern Nevada Home Builders Association (SNHBA) to move forward with the adoption of the IRC perhaps in November. The IRC will be adopted with the requirement for residential sprinklers with an economic trigger as part of the ordinance. The economic trigger is the cumulative total of residential permits issued in the cities of North Las Vegas, Henderson, and Las Vegas and Clark County. If the cumulative total of residential permits issued in any calendar year totals 10,000 or more, residential sprinklers will become a requirement in the City of Las Vegas. There will still be the standard six-month period to get recurring plans up to speed. If that economic trigger does not occur between now and 2015, discussion will resume on requiring residential sprinklers. Currently, a home under 5,000 square feet does not require residential sprinklers; however, once the economic trigger is reached, every permit issued will require residential sprinklers.

MEMBER POTTER asked how many cities similar in size to the City of Las Vegas are requiring residential sprinklers. MEMBER KNIGHT responded that it depends on the impact on the house. The argument has been the price per square foot. It is a major coup for the City of Las Vegas to adopt an ordinance with an economic trigger agreed to by the SNHBA. The economic trigger takes into account the current economy, but there has to be a time to require residential sprinklers.

MEMBER POTTER asked how the 10,000 number was decided. MEMBER KNIGHT replied that it was through information provided by the home builders. Currently, 5,000 permits are issued Valley-wide. The peak was over 20,000 in any calendar year and 10,000 was the median across the board.

MEMBER KNIGHT stated that if a home is over 5,000 square feet, the fire department conducts the plan review and inspections; however, requiring residential sprinklers under the RIC, will make the Building Official responsible for the

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plan review and implementation of the IRC, not the fire department. It is a 13-D system, a simple system that becomes part of the potable water system. It falls under plumbing requirements and plan reviewers are already certified. When he contacted the International Code Council (ICC), he was told that in order to inspect and review plans, an examiner must have an ICC certification for residential sprinkler systems. Plumbing plans examiners already have that certification and the inspectors will have to get that certification. The fire department disagrees with him because they are inspecting the 5,000 square-foot homes and charge an additional fee. Building and Safety will not charge an additional fee for plans check and inspection. The fire sprinkler industry supports the fire department doing inspections because the fire department will give them a time-specific inspection. From Building and Safety's standpoint, that discussion was deferred until 10,000 permits threshold is reached.

MEMBER POTTER asked how the City of Henderson handles its inspections. MEMBER KNIGHT was not aware, but said the difference between the City of Henderson and the City of Las Vegas is that Henderson's fire inspection and fire plan review are under the Building Department.

CHAIR QUINN verified that the sizing of the meter involves the Las Vegas Valley Water District. He believes it is one service that goes to the house, but there are some who are pushing for two services. The increase in size of the meters is \$125.

7. REPORT BY DEPARTMENT OF BUILDING & SAFETY REGARDING ENTERPRISE FUND BUDGET

Minutes:

MEMBER KNIGHT reported on the Enterprise Fund Budget and submitted charts of the FY 2011 Budget versus Actuals as of September 12, 2011 and FY 2012 Budget versus Actuals as of September 15, 2011. There is a fund balance of \$4,997,000; 50 percent of operating expenses would be \$3,578,000. There is more money in the operating reserve than State Statute currently allows; therefore, he will be working to bring that into conformance with state law.

MEMBER VINCENT added that the audited financial statements are not final. It is not expected that anything would affect the Enterprise Fund. He remarked that one of the things that MEMBER KNIGHT talked about is if Building and Safety is meeting the performance metrics or meeting the needs of the customers and whether there is a need to add more staff; thus the reason for considering hiring inspectors to work Friday through Monday.

MEMBER KNIGHT added that one permit check tech was called back to address performance issues regarding the wait-time for permit checks. Cashiering was also an issue and he requested a full-time cashier. The City is currently working to establish on-line payment. The City Manager has received a lot of negative feedback from customers not being able to pay for their licenses on-line. The IT Department has assured him that Building and Safety will be on-line at the same time as Business Services. If Building and Safety gets on-line payment, the cashiering need will not be as strong. Currently, credit card readers have been placed with the permit techs and Planning techs. Thirty percent of payments are done with a credit card, making it convenient for customers, and availability may improve that. Because of this, management approved only two part-time employees for cashiering services.

MEMBER POTTER asked if Building and Safety provides over-the-counter permit approvals. MEMBER KNIGHT replied that when he took over Building and Safety, there were two types of reviews; normal and express plan reviews. Currently, there is over-the-counter review for no additional charge, but must have three sheets or less pertinent to the project and three disciplines or less and the plan will be reviewed immediately. If the plan is satisfactory, the permit is issued immediately. The expedited review is \$200 an hour for 4,000 square feet or less with a three-day turn-around. MEMBER KNIGHT remarked that the market has changed and Building and Safety does not review large projects, and the plan reviews have been adjusted to the size of the project.

CHAIR QUINN asked if there is a charge for deferred submittals. MEMBER KNIGHT discussed with CHAIR QUINN that deferred submittals are part of the plan review. A deferred submittal is done as a convenience to the customer. YOLANDA PALOMO, Building and Safety, added that there has always been a charge for deferred submittals; it used to be \$100, now it is \$125. It is usually related to items that were not in the original plan that need a structural review. MEMBER KNIGHT stated that people want Temporary Certificates of Occupancy (TC of Os) and have deferred submittals

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that are still outstanding that they never managed. Revisions and deferred submittals along with the special inspection documents are the biggest deterrent in being able to issue TC of Os.

MEMBER KNIGHT explained that previously the Enterprise Fund was solely his focus. The City of Las Vegas has had a major reorganization under which Building and Safety acquired new budgetary items from the General Fund; Civil and Planning plan review and Code Enforcement. MEMBER KNIGHT introduced DENNIS MOYER, previously from the Civil Plan Review section, who is now the Permit Manager over all plan review functions.

MEMBER POTTER asked if the merger of civil plans check will shorten the timeframe for plans check. MR. MOYER replied that the actual time in the system is very similar to Building and Safety's; 10 working days. Many times the plans go back to the developer or engineer.

MEMBER CHACHAS asked if there are fees associated for the service being provided to the department. MEMBER KNIGHT replied in the affirmative and stated there are two funds; the Enterprise Fund and General Fund. Those activities funded by the Enterprise Fund are still funded by the Enterprise Fund. The building inspectors still do building inspections. MEMBER KNIGHT introduced TOM HAYES, Manager over the Offsite Inspections and Testing, which is another area added to Building and Safety; a General Fund function. Fees associated with that function go to the General Fund and inspections are paid out of the General Fund. MR. HAYES is now Manager over all inspections.

MEMBER VINCENT remarked that it could be advantageous for different kinds of inspections, and trying to put the resources in the department structure that makes the most sense and can be most efficiently utilized. But the accounting mechanism to keep things separate is all the same. MEMBER KNIGHT added that the General Fund is supporting the Enterprise Fund. MR. HAYES is paid out of the General Fund and yet he supervises the inspection supervisors and inspectors performing inspections under the Enterprise Fund. Under the Statute, the General Fund can be used to subsidize the Enterprise Fund. Under the City's reorganization, he was given the management help he needed from the General Fund at no cost to the Enterprise Fund. MEMBER CHACHAS remarked he would rather keep the funds clean, given heightened awareness of the Enterprise Fund activity at the legislature. MEMBER VINCENT stated the City has moved to a job-cost system. No significant discussion has been held as to how these charges should be handled, partly due to the unstable environment, but all mechanisms are in place. The City has a robust job accounting system, as long as people are tracking their time appropriately on their timecards. The difficulty is determining how to slice that and where it adds value. MEMBER KNIGHT added that the heightened awareness of the difference between the Enterprise Fund versus the General Fund has caught up to the City of Las Vegas. He has been diligent in guarding the expenses of the Enterprise Fund and will continue to do that.

MEMBER KNIGHT noted that the argument could be made that supervisory hours should be charged to the Enterprise Fund and his time to the General Fund, but that is not being done at this point because of the instability of the Enterprise Fund. He does General Fund functions, but his time is paid out of the Enterprise Fund. It is a cost-saving to the Enterprise Fund to leave it as it is right now.

MEMBER POTTER verified with MR. MOYER that civil plan checks are done in 10 days and that drainage studies are managed by Public Works, done prior to the submittals of the civil plans and with a turn-around time of six weeks.

MEMBER KNIGHT acknowledged that the reorganization was far reaching, but it was an excellent step. Approximately 20 percent of permits come from Code Enforcement activities that help fund the Enterprise Fund. Building and Safety is working hard to having a more symbiotic relationship of all these activities and to level those activities to the best benefit, not only for the customer and the residents of the City of Las Vegas, but also government itself in maintaining costs. He announced that the Sewer Billing inspections section is moving Monday, October 3, 2011.

MEMBER POTTER asked how the City handles notices of violation on the commercial industry and if any revenue is generated from those violations. MEMBER KNIGHT replied that the County has an annual inspection program, but the City does not have one at this time. He proposed to be included for the 2009 Code adoption, but got considerable pushback and more footwork needs to be done. He is beginning discussions with various private sector entities, especially the downtown industry, which would allow limited scope projects under an umbrella permit. A pilot program was done with the Union Plaza, and they were thrilled with the results and the remodeling was within the scope of an annual permit. Tied

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to that, there will be an annual inspection program, and like the residential sprinklers, there will be a timing factor. He wants to be able to use the annual permits to allow the industry to make corrections to bring their facilities up to date.

8. **CITIZENS PARTICIPATION: PUBLIC COMMENT DURING THIS PORTION OF THE AGENDA MUST BE LIMITED TO MATTERS WITHIN THE JURISDICTION OF THE COMMITTEE. NO SUBJECT MAY BE ACTED UPON BY THE COMMITTEE UNLESS THAT SUBJECT IS ON THE AGENDA AND IS SCHEDULED FOR ACTION. IF YOU WISH TO BE HEARD, GIVE YOUR NAME FOR THE RECORD. THE AMOUNT OF DISCUSSION ON ANY SINGLE SUBJECT, AS WELL AS THE AMOUNT OF TIME ANY SINGLE SPEAKER IS ALLOWED, MAY BE LIMITED**

Minutes:
None.

9. **ADJOURNMENT**

Minutes:
The meeting adjourned at 9:53 a.m.

Respectfully submitted:

Angela Crolli, Deputy City Clerk

Carmel Viado, Administrative Secretary
Building & Safety

Facilities are provided throughout City Hall for the convenience of disabled persons. If you need an accommodation to attend and participate in this meeting, please call the City Clerks office at 229-6311 and advise of your need at least 48 hours in advance of the meeting. The Citys TDD number is 386-9108.

THIS MEETING HAS BEEN PROPERLY NOTICED AND POSTED AT THE FOLLOWING LOCATIONS:

City Hall Plaza, 400 Stewart Avenue, Vending Area
City Clerks Bulletin Board, 400 Stewart Avenue, 2nd Floor Skybridge
Las Vegas Library, 833 Las Vegas Boulevard North
Clark County Government Center, 500 S. Grand Central Parkway
Grant Sawyer Building, 555 E. Washington Avenue