

Scott McClure, questioned if we could adopt the 2012 code and modify. Jon explained we can be more restrictive or less and have jurisdictional ordinances for local issues. Any main changes would have to go through the Building Code Board. If you have any amendments go to the Building Code Board, they are set up for this reason.

2. Crawl Space Increase - Code requires 18" increase our requirement to 24"

Dwaine, explained the 18" minimum comes from the Code to protect wood against decay it doesn't really address anything you put into the crawlspace, plumbing and return air. He showed some picture of good & bad overdug crawlspaces. Cost would probably be longer pony studs in the crawl space. Just wanted to bring it forward to get the boards opinion. This is something we want to look at being more restrictive than the code. We normally look at just minimum code and we can make it work but we do get a few complaints about just having the bare minimum space to run all the equipment for the home.

Scott Standley, if it would cost the homeowner any more money.

Dwaine, it will depend on how the contractor does it. If they increase the height of the concrete wall there may be added expense for concrete but if they do the overdig as shown in the picture it is on a two foot stem wall but has 32" of clearance. I've never heard a homeowner complain mainly it's the contractors trying to get in there and get their job done.

Scott Standley, if they needed to make a recommendation on it.

Dwaine Thomson, just asking for comments at this time to see if you want us to look into this more. I know there are some clearance issues with HVAC appliances in tight crawl spaces.

Scott McClure, comments about horizontal units.

James Ray, the way we are doing it seems to be working good. He doesn't have any of his subs complaining about lack of space.

Jon Laux, asked James what his overdig policy is.

James Ray, in the City limits we always try to drop our joists & overdig the interior of the hole.

Jon Laux, do you have a specified amount from edge of footing out how far you dig.

James Ray, normally three foot minimum.

Jon Laux, we have a couple of contractors that do that, some that are four or five feet, and others with no overdig at all. This picture is hard to see but the plumbing vent is about 18" with is the top of the footing of that pony wall.

James Ray, if they are dropping their floor joist and aren't overdigging I feel really bad for the plumbing and heating guys.

Jon Laux, that is what we are asking? Should we go with a direction that three foot out should we go with an overdig so we have the access?

James Ray, I think it should be required if they drop their joist they must do the overdig.

Jon Laux, Okay

Jarrod Bordi, Hanging joist is where we have the problem.

James Ray, if they do an eight inch footing and twenty-four inch stem wall there is plenty of space if they aren't hanging the joist.

Jon Laux, Then you get people who use 11 7/8" I joist and not 9 1/2" so you lose that amount of space. So it is something that gets really restrictive for people getting in and out and installations. It isn't a code requirement but for the ease of installation should we give them the extra with an overdig? Is that something you want to direct us to do or leave code as is?

James Ray, I think most people are overdigging if they drop the joist. We missed one where we dropped out joist and it did work but the heating guys and plumbers did complain.

Jon Laux, This is not based off of a code requirement. Should we give direction for easier installation and future potential clearance issues in regards to mechanical or plumbing.

James Ray, As a Department I think you should. I would red line the plans that if they are going to drop their joist they have to do the overdig. It gives you as inspectors room to crawl around, insulators, everybody.

Jon Laux, It would require a direction and a policy change for us to do.

James Ray, I don't think you would catch any flack from buildings if you made that a rule so I don't know why we don't.

Jon Laux, We did investigate stacking of joist and the expense it incurred and heard that it is quite a bit more expensive so we thought overdig.

Scott Standley, So are we going to work on a recommendation, policy change? I think on the recommendation we all think it is a good idea but are we going to make it a mandatory change?

Dwaine Thomson, What we would need to do is put something down in writing and bring it back to you.

Scott Standley, So table it until you bring it back.

Dwaine Thomson, We'd bring it back and then to Council. Where we are going would be considered above code so we would need to have a policy.

James Ray, I think that would be a good policy.

Scott Standley, So we will table it until you bring it back.

3. Fee Change Follow-up

Dwaine Thomson, Since July we have gone through a fee change policy. We were trying to make our fees comparable to what we have been charging and make them easier to get into our new computer system. The handout shows the month of July, the numbers in red show those that the valuations given are below what we would have valued them off the old system.

Scott Standley, Are you catching flack off the new fees?

Dwaine Thomson, Yes a little bit. We have one contractor that doesn't want to include the profit. We don't care what the profit is we just want the total value.

Scott Standley, What I'm asking is if they are complaining about the fee itself or just the way you are getting to it? And, is this contractor a normal complainer?

Dwaine Thomson, No not normal. We have had a couple of issues. Wendy fields most of them at the front county and then mentions them to me.

Scott Standley, It looks like the old fees and the new fees aren't that far apart.

Dwaine Thomson, That was the whole objective. The one thing we are having a problem with is that we said within 20% up or down so that is really a 40% margin. I think we would have been more reasonable if we would have gone 10% above & 10% below to narrow the field a little bit more. There are a couple, not permitted yet, that we need to get bid sheets from because I question their cost.

Scott Standley, It looks like the top end ones get a little more overvalued than the others.

Dwaine Thomson, We've got one there that come in \$300,000 which was more than what we would have originally charged. If you look down at the totals over \$400 was in one permit.

Scott Standley, And \$300 in another. The others make a wash.

Dwaine Thomson, This is just the residential but we had a few new commercial. One shows a little less the other was above what our old valuation would have been.

Scott Standley, You recommend we tighten that valuation from 20% to 10%?

Dwaine Thomson, If things don't change. It is upon me to get ahold of those that are below that 20% and bring them up so we keep a level playing field on what we are charging.

James Ray, Didn't you set \$70 a square foot as the average.

Dwaine Thomson, We did and that is what we are looking at. What I will do is look at these and take the square footage times that by \$70 then multiply that by 20% to get the average and check to see if they are within that margin. I think it is being abused a little bit. They are knocking down what they are really going to get for it to compensate for the extra fee we are charging for the plan review fee. Which is a new fee.

James Ray, I knew people were going to undervalue their houses intentionally to have a lower permit fee.

Jon Laux, At the end of the fiscal year that \$70 goes away so basically the contractors can adjust what that valuation is and take that valuation down lower so that 20% keeps dropping down instead of staying level.

Scott Standley, I think the 20% was for your discrimination not the builder.

Jarrold Bordi, The problem is verifying their values are accurate.

Scott Standley, And that was really for your database information more than the fees.

Dwaine Thomson, There is some slack here that needs to be looked at and tightened up and if that doesn't happen we may need to go back to the drawing board.

Scott Standley, What do you want us to do? If tightening it up by 10%, I think we gave you that discretion. We are not intending to change the \$70 in our minds. If you need to tighten it down, in my world, get to it.

Jon Laux, But the \$70 was not adopted by the City Council.

Jarrold Bordi, It is based on averages.

Scott Standley, We can't help City Council.

James Ray, Can't you or we make it a fixed deal?

Jim Munn, Why aren't we doing it based on square footage? It seems absolutely ludicrous when people can manipulate the numbers to take advantage on fees. Why aren't you doing it on square footage when that is a known constant across the board?

Jon Laux, I think the reason was because of the ease of the new program.

Jim Munn, If this doesn't work for you guys lets get this thing fixed.

Scott Standley, I'm agreeing.

James Ray, You need to make it a hard and fast rule of \$70 a square foot period or whatever you think it should be.

Jim Munn, I find it mildly interesting that City Works doesn't work right.

Dwaine Thomson, We spend a lot of research before we implemented this and it was what some other cities did to simplify their fee process.

Jim Munn, Is it working for you?

Dwaine Thomson, It seems to be working.

Jim Munn: But it is being manipulated by certain people.

Jarrold Bordi, Potentially, but it is the first month.

Scott Standley, But the intent was for you guys to have a base to start with, the Builders don't have a choice. They bring in a set of plans and the square footage is the square footage and you guys are the ones who should manipulate it if anyone does. If they are manipulating it you guys are just allowing it and you shouldn't do that.

Jarrold Bordi, We are bound by how the ordinance was adopted and the ordinance changes every fiscal year based on the averages they give us. If they low ball their value every year every fiscal year it will go down.

Scott Standley, I think you are worried about thing we aren't going to allow to happen.

Jarrold Bordi, But we have to go by what is City ordinance.

Scott Standley, I know it and we are trying to make the ordinance. So we aren't going to allow that to happen. We have set \$70 and we are going to stick with that and maybe even take it up, I don't know. But that is what we are going to recommend. We don't have a choice other than recommendation but that is what we are after.

Dan Brizee, When you establish a value of \$70 a square foot for a house, that should cover the things that aren't frills. If the value of the house goes up because you put granite or other amenities does it make a bit of difference to our inspectors? Probably not. But it does take the value of the house up. If \$70 a square foot is the number than that is the number and don't let people push you around on it. Don't let them manipulate it.

Dwaine Thomson, The one thing that came up is that \$70 a square foot is for the dwelling, that would not include the garage.

James Ray, Or the cost of the land.

Dwaine Thomson, What we have done here, these figures, do not include the property value.

James Ray, Does that include a three car garage or two car garage.

Dwaine Thomson, Taking a look at it and applying \$70 a square foot for everything garage included. We are still trying to simplify. I agree that fair is fair. It would be nice to get this to work because it would simplify our system but if it doesn't work.

James Ray, I think you need to figure the garage space, covered patio space, floor space, add it all together and times it by .50 instead of .70 or whatever that number needs to be to make it work. That way they are paying for everything under roof. Because you are inspecting the covered patio's and garages but not getting any permit money for them.

Raub Owens, Just as a reminder for them claiming the value is to reward someone who is able to building less expensively rather than charging them for someone who doesn't. Part of the point was if we pick a value and assign it we will be wrong every time. Part of the argument was that at least 75-80% of the time if you tell us what you build it for we assume you are telling us the right amount and we have the correct amount to assess it. I think that was part of the thinking.

Scott Standley, That was the intent. The \$70 was just a checker type thing.

Raub Owens, There will be someone who uses the system and the 20% up of down was to give us some indication that we should look a little more closely.

Scott Standley, So you would like to tighten that down to 10 and I think in your world what you need to take it to is what you need to take it to.

Scott McClure: I agree that that was the original discussion because Habitat for Humanity was here and others. I also recognize that there are houses going in for substantially more than that and so we just tried to set a parameter and maybe it was too loose. I wouldn't have a problem, if that were your experience, to pulling that in. I guess I'd hate to readjust the formulas and take this in & that out but you will never find the perfect system, we just need to find a workable system. Another thing is we are just getting started on this, I hate to far a month into it and totally change the rules. Lets get a little experience before we start really saying it's broken.

Raub Owens, I think this is just to keep you guys up to date, give it three more months.

Scott Standley, I think that's a good idea.

Dan Brizee, You have actually collected more money than you would have.

Raub Owens, Overall

Dwaine Thomson, And we have, we are still in the black, always have been and always will be. That is why we gave you the new fee and old fee. We are collecting a little more than what we have.

Dan Brizee, I appreciate that you are keeping track of it and looking at it but I think you need a little more data. We understand where you are but need more data.

Dwaine Thomson, The biggest thing I want to do is make sure we are all working on the same level playing field. I don't want the building permit fee to weigh in on if you get the job or not. There are some things I can get into to see what these houses are really selling for and put some heat on some of the people trying to undercut the situation and if they don't want to play we will just have to tighten up the rules.

Scott Standley, So we are back to punishing the masses for the few.

Dwaine Thomson, If you don't want to give us a fair price we will just add the 20% above what you give us.

Scott Standley, We have given you that leeway to do that. I think that is what it's all about, just make sure you think it is fair.

Dwaine Thomson, This gives me an idea of what's happening and where are we. Is everyone being honest.

Roger Laughlin, How are you allowing them to adjust the \$70 per square foot.

Dwaine Thomson, I'm not allowing it.

Roger Laughlin, I guess I'm really confused.

Dwaine Thomson, The way it has been working is that we have a bottom line that we want the total value including profit, exempting out the property value. I look at their value and compare it to \$70 a square foot and if it is within the 20% range then they are good but if they are lower than I call and ask for their bid sheet.

Roger Laughlin, I thought our intent was basically \$70 a square foot. If they wanted to build a 1200 square foot house it is \$70 for that or if they want to build a 4500 square foot house it is \$70 for that. I'm confused about this going down.

Dwaine Thomson, Well, the values being presented to us.

Roger Laughlin, Are you still allowing the contractor to give you a value?

James Ray, They are.

Dwaine Thomson, We are.

James Ray, That's how they get it.

Dwaine Thomson, They have to sign an affidavit stating this is right.

Roger Laughlin, I thought our intent was \$70 to build so if they wanted to build a 1200 square foot house it is \$70 and if they wanted to build a 4500 square foot house with granite, etc it is up to them, we just cover our costs.

James Ray, Bottom line is you have a certain amount of money to run your department. I don't understand why it matters to what the value of the home is as long as you get the permit fee you need to run your department. So why do you even ask why not take it and times it by \$70 and don't even ask.

Roger Laughlin, What do you care? If \$70 allows you to cover your costs for inspections. I think the committee felt that if you are charging more for granite countertops it really isn't fair but if you are charging \$70 to everyone because that's what is basically costs then what they adds to it is their business. Am maybe I not really understanding.

Dwaine Thomson, Well I'm not sure that is really how we presented that.

Scott Standley, They were trying to get the values of the house.

Dwaine Thomson, \$70 was just a base check.

Scott Standley, It wasn't as much about the permit as it was about the value.

Dwaine Thomson, If the value doesn't hit within the \$70 a square foot it is questionable.

James Ray, What at this point would it take to establish that fee? So you weren't getting guess work and people being dishonest.

Raub Owens, It would have to go back through City Council.

James Ray, Then go to them and say this isn't working the way it was intended.

Scott Standley, So City Council didn't adopt the \$70.

Raub Owens, They adopted the ordinance that gives you that range as long as it is in the range of the \$70.

Scott Standley, well lets recommend it to be within 5%.

Scott McClure, I still say we are fixing something we don't know is broken. I think you need to go bend some people ears and get them back in line and let them know what the process is and find out what the reaction is. If you still have outliers that are not going to react properly unless we put the hammer on them so be it. But we don't know that's the situation now. I've seen it before that you put in a law or regulation and before you even get half started you change it. It's nonproductive and confusing to the public to tell them one thing then two months later you tell them something different.

Dwaine Thomson, There are some ways I can take a look at this and contact certain contractors to bend their ear that if they don't want to tell us the true value, I'll have to implement the extra percentage.

Scott McClure, And if it doesn't work, it doesn't work. I'm not saying this is the perfect solution but on the other hand we don't know if it is an acceptable solution.

Dwaine Thomson, We are just trying to get this thing off the ground and I wanted to share with you some of the things that July produced. Give me some more time and hopefully we will have a lot better report at the next meeting.

IV. INPUT AND/OR ITEMS FROM THE BUILDING ADVISORY BOARD

Scott Standley, Input on the next advisory board? Sounds like we are going to talk about fees again.

Jon Laux, crawl spaces.

Scott Standley, I think you will get that if you get it here.

V. UPCOMING MEETINGS/SCHEDULE:

Scott Standley, Upcoming meetings, when are we going to schedule one? Approximately three months. What are our options? Anyone have any November problems? Either the third week or second? Anyone have any problems in November? So lets to do the third week in November, the 21st.

VI. ADJOURN MEETING

Scott Standley, Move to adjourn.

James Ray, So Moved

Meeting adjourned at 12:17 pm

Any person(s) needing special accommodations to participate in the above noticed meeting should contact Wendy Thompson at (208) 735-7238 at least two (2) working days before the meeting.