

## 2009 Non-Mandated Expenditures Department Response

DEPARTMENT: Department of Building Inspections  
DEPARTMENT HEAD / ELECTED OFFICIAL: Tonia F. Edwards, AIA, CBO  
OCA TITLE: 080028

*Hamilton County departments and agencies have the opportunity to respond and provide insight to the Office of Budget and Strategic Initiatives (BSI) initial assessment as to non-mandated services. This response form should be used for each specific BSI assessment; not a general response for entire department. Take as much space as necessary for each question.*

1. Are there elements of the BSI non-mandated services that you believe are mandated? If so, provide the specific Ohio Revised Code (ORC) citation, Code of Federal Regulation (CFR) and/or relevant case law information. Please be especially diligent if there is a specific service or staffing level prescribed by law.

Having a Certified Building Department is not mandated by the ORC, and since building code enforcement is local, it is also not regulated by the federal government. However, once the BOCC, by resolution, becomes a Certified Building Department, there are duties that are mandated ORC 3781 and 3791, such as a permit application shall be adjudicated (if not approvable) within 30 calendar days of receipt, or it is deemed to be approved. Additionally, the *Hamilton County Building Code* specifies all of the various agencies that are to give their approvals prior to the issuance of a building permit or a Certificate of Occupancy; some of these approvals and their required notifications are mandated by the ORC or the federal government.

2. Who are the recipients of the service or activity for the non-mandated service? How many recipients? Please note any internal customers, other county departments, jurisdictions, businesses, etc. If the service is geographic specific (i.e., a satellite probation office), please identify the neighborhood, township or municipality.

The “recipients” of the services of the Department of Building Inspections are all of the property owners and occupants of buildings that lie within the boundaries of the twelve unincorporated townships and the eight contracted municipalities (Amberly Village, Elmwood Place, Indian Hill, Newtown, North Bend, Silverton, Terrace Park, and Wyoming) and all of the other population from other areas that use the buildings within the department’s jurisdiction.

The other customers of the department are the property owners, the Architects, Engineers, contractors, and sub-contractors who apply for building permits in the department’s jurisdiction.

Building permits are part of the CAGIS database. All of the agencies and utilities that are part of the building permit process (MSD, CWW, Zoning, Public Works – stormwater, Soil and Water – cut and fill, County Engineer, and local Fire Departments) use the building permit process to approve, limit, check, and stop work that affects their rules and regulations.

When an emergency response is required, certified departmental staff members are considered second responders that follow USAR into the buildings to determine the physical integrity of the affected structures. The department has and does respond to emergencies in

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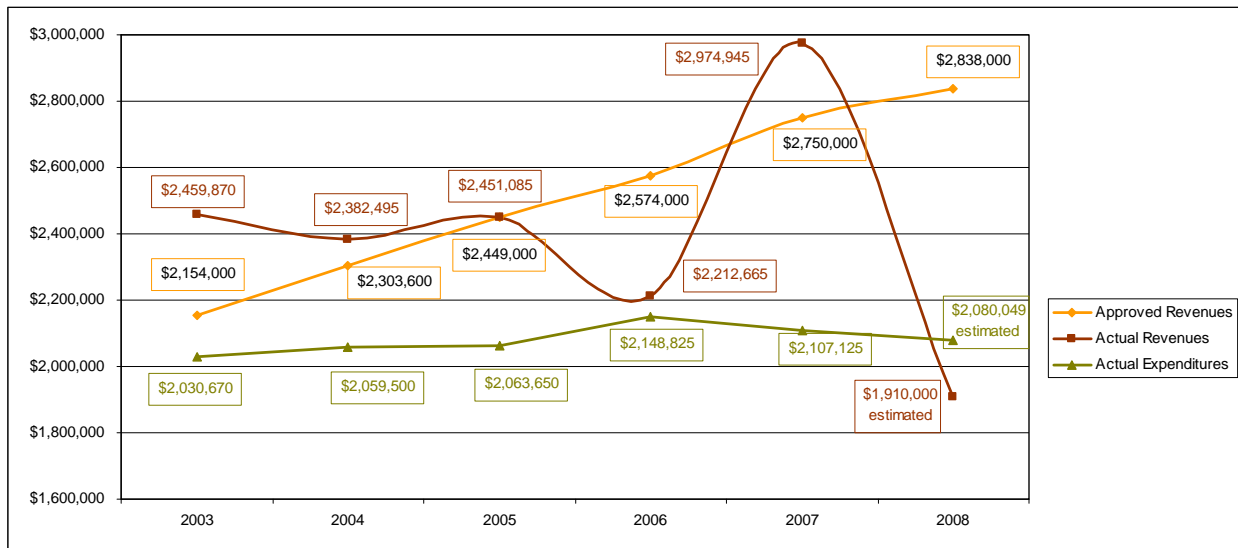
buildings caused by flood, tornado, landslides, and fire. Effective code enforcement is considered by FEMA to be the first step to disaster mitigation. DBI staff has been trained and have certificates through the Emergency Management Institute for FEMA.

- Are there county revenues associated with the non-mandated services? If so, please provide the methodology for any lost revenues. Please consider state or federal reimbursements, grants, fees, etc. Please note if the service or activity is included in the county's indirect cost plan.

Yes, DBI collects building permit and inspection fees for all of its work, and while those fees go into the General Fund, the department has always spent less (out of the General Fund) to perform those services than it has brought in.

The chart below shows DBI actual expenses, actual revenues, and approved revenues for the past five years with 2008 estimates. It demonstrates that DBI has maintained its expenses increasing less than 5% from 2003 to the highest amount in 2006 which is way below inflation. The drop in 2007 expenditures is due to staff vacancy; 2008 expenditures are lower due to cuts in staff as well as savings created by bare minimum spending.

The revenues reflect construction activity in the department's jurisdiction.



The department does not receive state and federal reimbursements, grants, fees, etc. DBI is not included in the county's indirect cost plan.

- If the county did not provide the non-mandated service, is there the potential for increased expenditures in another jurisdiction within Hamilton County? If so, please list the specific municipality and/or township.

Yes, under the ORC 504.13, if the County does not have a Certified Building Department to enforce the *Ohio Building Code* and the *Residential Code of Ohio*, the townships can then have their own building departments (Anderson, Colerain, Columbia, Crosby, Delhi, Green, Harrison, Miami, Springfield, Sycamore, and Symmes).

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In addition, the municipalities that have contracts with the Department of Building Inspections would have to set up their own building departments, hire additional staff to their residential building departments if they already have one, or contract with another jurisdiction to perform those inspection services. If the township or jurisdiction elected to not set up its own certified building department, then the building code enforcement for commercial structures would revert to the Ohio Board of Building Standards out of Columbus. In that case, there would be no enforcement of the *Residential Code of Ohio*.

All of the agencies listed above which are part of the building permit process would/could incur additional costs to enforce their rules without a County building department which controls the checks and balances of work allowed or prohibited by their various rules.

5. Does the non-mandated service include Board of County Commissioner policy via resolution or motion?

Hamilton County was certified by the Ohio Board of Building Standards to have a building department on October 30, 1979, so the resolution would have been before that date. Ohio adopted its first state-wide building code for commercial structures effective in September 1959.

In fact, the first *Hamilton County Building Code* was adopted on November 16, 1949, so there is a long tradition of building code enforcement in Hamilton County. With each subsequent edition of the local building code, the Board of County Commissioners has adopted the rules by resolution.

6. Are there contracts or agreements that preclude the elimination of a non-mandated service? If so, please provide the specific language as to termination and/or amendment terms.

As mentioned above, the Department of Building Inspections has contracts with Amberly Village, Elmwood Place, Indian Hill, Newtown, North Bend, Silverton, Terrace Park, and Wyoming municipalities which could be terminated by the contract agreement. These are perpetual contracts.

The Department of Building Inspections also has a contract with the Inspection Bureau, Inc. (IBI) to perform electrical inspections and plan examination of electrical drawings. The contract was renewed in 2007, and will expire in 2010. There is a termination clause in the contract.

7. What are the equipment/non-personnel expenditure considerations with discontinuing a non-mandated service? (i.e., surplus equipment).

The department has multiple computer workstations and printers, 13 field laptops and printers, 2 large flatbed scanners, and 4 small format scanners, and IVR system with file server, document management file server, over ten years of digital documents recording the records of construction in Hamilton County, offsite paper documents prior to digitalization dating back to 1992, 13 trucks/suvs, multiple software licenses, miscellaneous office furniture and equipment, i.e.; copier, fax, desks, chairs, calculators, typewriter, department code and

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resource library, multiple copies of the building codes and reference standards, etc.. Finally, the department is an integral part of the CAGIS database.

8. Do any of the non-mandated services include employees represented by a bargaining unit? If so, please note the union and provide information as to reduction-in-force and job abolishment considerations.

Not applicable.

9. For positions within non-mandated services, are there special circumstances that preclude a traditional job abolishment process? Separation costs will be addressed centrally including leave balance payouts, unemployment compensation and severance (based on current Commission policy).

As required for the non-represented departments under the BOCC.

10. In addition to positions associated with non-mandated services, the Budget Office included a review of management layers, support staff, and currently vacant positions. Please comment on the impact of eliminating these positions.

The Budget Office report shows only one position for the Department of Building Inspections, the Building Official. Of course, this situation is impossible. The *Ohio Building Code* and *Residential Code of Ohio* could not be enforced by only one person within the jurisdictions served by the department. In 2007, the department issued 4,006 permits, performed 22,171 inspections, and issued 4,664 Certificates of Occupancy and Certificates of Completion.

Until 2007, DBI had six plans examiners with one supervisor. Two plan examiner vacancies opened in that year; one was vacated when one was promoted to supervisor, and the vacated position was left un-filled due to County budget constraints. The Budget Office removed this position, without consulting the Department of Building Inspections, from the Table of Organization. Then at the beginning of 2008, a plan examiner retired, and while this position is still on the Table of Organization, it is still vacant due to the hiring freeze. The consequence of this has the Plan Examination division with only four examiners, two of which *are still in training*, as it takes over three years for a plans examiner to become fully qualified and efficient. During 2008, the department had to reset its plan review turn around time to six days for residential and 16 (from 12) for commercial applications as the reduced plan examination staff could not keep up to those shorter goals. When construction work is heavy, which it can be now, but in spurts, the department is not able to meet the current goals. Additionally, another senior plans examiner has announced plans to retire during the summer of 2009. The vacant plans examiner position needs to be filled as soon as possible, because it takes over six months until the new professional can competently perform residential plan examinations in a reasonable amount of time. At this time, when one or two plans examiners are out of the office due to unexpected conditions, the applications are stalled until the staff returns. There is simply not enough staff to complete the work required.

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The department has 12 building inspectors and 2 supervisors. This group performs all of the inspections on building permits and on buildings as requested by owners under the requirements of the state building codes. In times of building failures, these staff members inspect buildings for structural adequacy and safe occupancy. The department's goal is to perform inspections on the day requested which the staff meets over 99% of the time. These positions are needed to respond to the construction industry time scheduling, and by the timely and efficient inspections, owners are allowed to occupy their structures on time with a Certificate of Occupancy.

The rest of the department staff is made up of the Permit Coordinator along with four Permit Specialists, the Fiscal Officer, and an Administrative Assistant. The Permit Coordinator along with the Permit Specialists process all building permits, including routing all applications to the various agencies and utilities, scan all permit records, and work with the customers. The Fiscal Officer handles all permit revenues, including credit cards, tracks and helps prepare the budget, pays the bills, works with the Auditors office, and is responsible for all contacts with the County Personnel Department. The Administrative Assistant, along with her work for department staff, is responsible for referral and complaint tracking, and is the Secretary for the Hamilton County Board of Building Appeals and Board of Building Standards.

The loss of any of the above positions will affect and could greatly inhibit the department's ability to perform quality and efficient code enforcement for the residents, property owners, and businesses of Hamilton County.

11. What is the performance impact of not providing the non-mandated service? For example, wait times, waiting lists, case loads, operating hours and other consequences of not providing the service.

The consequence of not providing the non-mandated service would result in unsafe, substandard buildings within Hamilton County. With no local department, building permits would have to be obtained from the State of Ohio in Columbus until all of the home-rule townships set up their own building departments. Wait times and costs associated with this situation would be costly for those trying to build and develop in Hamilton County.

In the case of a natural or man-made disaster, response time would be greatly affected as qualified inspectors would have to be located from other areas which might also be affected. Comparable examples are the natural disasters in New Orleans or Texas, where responders had to be located from distant communities. In fact, DBI sent two inspectors last year to help with the response to the Lima, Ohio flood.

12. Are there any alternatives that result in savings to the general fund?

Since the fees collected annually by the Department of Building Inspections are in excess of its expenses, dissolving the department would also eliminate those additional monies. So the alternative would be true, there would be no savings to the general fund, and there would be additional loss of revenue to the general fund.

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13. Are there more efficient ways to deliver a mandated service that may allow for the savings to offset the cost of a non-mandated service?

No, there are no other (or more) efficient ways to deliver this service than having a County Building Department. If there was no County building department, all of the jurisdictions that are served by the department would be faced with having to create their own department which would add twenty building departments in Hamilton County. Because these jurisdictions would not have enough volume to staff a department full time, this would be inefficient to the local governments, property owners, builders, developers, contractors, Architects, Engineers, and all associated construction businesses when compared to the one stop location the County provides. In addition, by decentralizing code enforcement, the continuity, knowledge, efficiency, quality and professionalism would be lost or challenged, and it would be detrimental to *the proactive economic growth that is one of the 2009 Budget Goals for the BOCC*. As a consequence of lowered standards due to decentralization, the building stock would not be specifically standardized and *could lead to a degradation of quality of life in county neighborhoods and continued population loss*.

14. Is there an opportunity to transfer any non-mandated expenditures to another funding source (i.e., restricted fund or grant)?

No, department staff is not aware of another funding source.

15. Does your department have any fees that could be raised to offset the cost of a mandated service?

Yes, the department has proposed fee increases for specific procedural and penalty fees, in addition to three new fee types, procedural and penalty types. These fees are estimated to add an additional \$137,000 to the department's revenues. Also, in 2009 the building permit fees will increase by 5.3% in line with the September edition of *Engineering News Record Construction Cost Index*.

### Other Considerations and Comments:

The ISO (Insurance Services Organization) has rated the Department of Building Inspections a 2 for the last six years. (The rating scale ranges from 1 to 10 with 1 being the highest.) When DBI received a 2 for the first time, it was the 70<sup>th</sup> building department in the United States to receive that honor. (There was only one department with a rating of 1.) Atypically, the department has maintained the same rating through two evaluation cycles. The ISO rating is used by insurance companies to set insurance rates on buildings and structures, so buildings within DBI's jurisdiction would have lower insurance rates than those in other building department jurisdictions.

Hamilton County set the *state standard* back in 1993 when it met the requirements of an agreement with the Home Builders Association to review plans within 4 working days of

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application. This agreement raised residential permit fees 40% instead of the proposed 12%. The additional fees were to pay for two additional Plan Examiners (up from 4) and one Permit Specialist along with all of the expenses required for education, code books, supplies, furniture, and equipment. The agreement also stated that: “...the increase will allow the Building Department to decrease turn around time on a standard – no revision – permit to four days” and, “If there is not a marked improvement in the efficiently (sic) and permit turn around time the County will roll back the increase to the original 12% proposed.”

At this time, the Department of Building Inspections, has a staff vacancy in Plans Examination of two (one on the Table of Organization and one removed in 2007) which are needed for the department to function at the level expected by our customers: the applicants, the builders, the contractors, the Architects, and the Engineers. This is a department that has continually met and exceeded the goals and expectations of the BOCC, the Administration, and its customers. DBI’s revenues support its expenditures.