

CITY OF
SANTA CRUZ
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CITY OF SANTA CRUZ
COUNCIL AGENDA
REPORT
September 3, 2003

DATE: September 3, 2003

AGENDA OF: September 23, 2003

DEPARTMENT: Planning and Community Development

SUBJECT: **Building Inspector Training Fund**

RECOMMENDATION: That the City Council adopt a resolution authorizing Inspection Services to establish a building inspector training fund and to collect a fee on each construction permit issued to provide for state mandated training and certification maintenance costs for building inspectors as provided for in CCR Health and Safety Code, Chapter 7.

BACKGROUND:

On October 4, 1995 the Governor of California signed into law AB 717 that requires all building inspectors, plans examiners and building officials in the state to be certified if hired after this effective date and/or have not been continuously employed by the jurisdiction for two or more years prior to this effective date. The bill has since been codified in California statues within the State Health and Safety Code, Chapter 7 and commencing with Sec.18949.25.

The statute further requires that all building inspectors, plans examiners and building officials must maintain a continuing education program relating to construction codes of not less than 45 hours in a three year period.

The statute specifically excludes licensed architects, surveyors and engineers providing third party inspection or plan check services. Thus the City's plan check contract service is exempt from this requirement.

Because this is an un-funded State mandate the City of Santa Cruz has been picking up the cost of such certification and training without compensation via a budget item funded from the general fund. All of the current staff is certified in at least one field. However, it is desirable to secure additional certification in other sub-trade and specialty fields to help broaden the professional expertise that would benefit the City.

The state provides that for un-funded mandates the local jurisdictions may charge a fee that reasonably covers the cost of compliance. Inspection Services currently has a training budget of around \$3,000 annually. However, the cost of training is expected to rise sharply now that the

CA Building Standards Commission has tentatively approved the NFPA 5000 and NFPA 1 codes as the models for the next California Building Code. These codes are expected to become mandatory in California in the middle of 2004. This means that in the meantime staff will have to be retrained to understand and apply these completely new codes. A comparison of costs between the National Fire Protection Association and the International Code Council (that has succeeded the International Conference of Building Officials) revealed that the NFPA charges roughly twice as much per course than the ICC. Additionally, travel distances can be significant for both organizations and it is not uncommon to have to travel to the bay area or Southern California to attend sessions.

DISCUSSION:

The State has provided specific language in the statute that first requires the local jurisdiction to “bear the costs of certifications, certification renewal and continuing education”, but then provides that “the local agency may impose fees, including, but not limited to, fees for construction inspection and plan checks, which may be used to cover the costs of compliance with the article. A local agency’s actual costs of compliance with this article may include, but are not limited to, training and certification courses, certification exam and renewal fees, employee salary during training and certification courses, and mileage and other reimbursable costs incurred by the employee.”

Currently, the only accounting has been for the actual cost(s) of the course, exam or renewal fee and the City of Santa Cruz absorbs salary, overtime and vehicle costs. As a result, the amount budgeted each fiscal year is far below the actual cost to the city.

The building official estimates the actual cost will be between \$7,000 and \$8,000 just to meet the minimum three year training and ongoing certification requirements. However, 15 hours per year per employee is not sufficient to properly train and maintain inspectors. The actual training requirement is estimated at 30 to 40 hours per year per inspector, particularly in view of the upcoming code changes. This translates into \$6,000 a year for the inspection staff or \$18,000 every three years.

Inspection services issues approximately 1800 permits of all types in a year. These include building, plumbing, electrical, mechanical, grading, roofing, demolition and special inspection types. We have traditionally not attached additional fees to the sub-trade permits included in this total that comprise approximately 60 percent of the total permits issued. Instead, fees and exactions are taken at the issuance of the building permit itself leaving approximately 720 building permits that would be subject to the collection of an inspector training fee. This translates to about \$7.00 per permit issued to equal \$5,000 annually. However, it may now be more equitable to charge a smaller fee on each permit issued, including sub-trade permits. To accomplish the same goal, this would translate to just under \$3.00 on each permit. Trying to tie a fee to valuation or permit costs would present too much variation between lean and fat years and is therefore not recommended.

FISCAL IMPACT:

Reduction of approximately \$6,000 per year in training expenses for Inspection Services as currently established within the general fund.

Submitted by:

Approved by:

Eugene O. Arner, Director of
Planning and Community Development

Richard C. Wilson
City Manager

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Attachments:

- ~ Resolution authorizing establishment of Building Inspector Training Fund and collection of fees therefor.
- ~ **Copy of Section 18949.25-18949.31 (H&SC Chapter 7)**