



Arapahoe County

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Board Summary Report

File #: 21-297

Agenda Date: 4/6/2021

Agenda #:

To: Board of County Commissioners

Through: Bryan Weimer, Director, Public Works and Development

Prepared By:

Bryan Weimer, Director, Public Works and Development

Presenter: Bryan Weimer, Director, Public Works and Development

Subject:

2:30 PM *Proposed Customer Paid After Hours Overtime Inspection Program

Purpose and Request:

This Study Session is to present a proposal to the Board of County Commissioners (BoCC) for a new program within the Building Division of the Public Works and Development Department. The proposal would be to establish a voluntary after-hours building inspection program paid for by customers. Staff is requesting direction from the BoCC on whether they support the establishment of such a program to offer to customers that request this service for various reasons.

Background and Discussion:

The proposed Customer Paid Overtime Inspection Program was proposed to the Executive Budget Committee on March 30, 2021, and they unanimously supported the proposal and the program.

The Building Division within the Public Works and Development Department manages approximately 40,000 to 50,000 inspection requests per year, or roughly 200 plus per day. At the request and encouragement of our customers, many construction projects will benefit from the ability to schedule inspections after hours and weekends. The "Overtime Inspections Program (OTI)" is a premium service, using existing staff on a volunteer basis for a premium fee to perform inspection. This fee would be over and above the normal permit fee.

The "Overtime Inspections Program (OTI)" is being proposed to assist customers in keeping and/or making up schedules on their construction projects. We have had requests from customers to pay for inspector overtime to assist them with their projects. The Department is dedicated to continuing services to support desires of citizens, businesses, and customers of Arapahoe County and the OTI program is another tool which can be used by customers to accomplish their goals.

As part of the OTI program, all national, state, and local standards and specifications remain in full force and effect and failure to comply with any County Codes, rules and regulations may result in the stoppage of work, and/or a Summons issued by Code Enforcement.

The OTI Program will generally have the following components:

1. A request for inspections under the OTI Program must be submitted by the contractor to the Arapahoe County Public Works and Development Department - Building Division no later than three business days (72 Hours) in advance of requested appointment date.
2. This is a voluntary program on behalf of customers and inspection staff. There are no guarantees on inspector availability. Participation in this program on the part of Building Inspectors is completely voluntary.
3. OTI inspections are inspections scheduled outside of the inspector's normal work hours on a weekday or are scheduled on weekends or holidays. OTI inspections will not be scheduled during the inspector's normal work hours, as OTI inspections are conducted outside the scope of regular assigned inspections on an overtime basis. Such inspections are done based on the customer's request to complete the inspection ahead of normal timeframes, and for this reason, a specific fee is charged to customers who request OTI inspections.
4. The rate charged for these inspections will be \$110 per hour per inspector. This rate includes actual costs incurred by the Department for providing this service. A two-hour minimum charge will apply in all cases. Time beyond the first two hours will be charged in one-hour increments.
The \$110/hour per inspector rate will would apply to weekends and minor holidays. Employees will would receive the standard 1.5 overtime premium rate for work performed on those days.
5. A rate of \$125/hour per inspector will apply on major holidays defined as New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. Employees will receive the double time premium rate for work performed on those days.
6. The hourly rate charged to the customer for this program includes salary costs for the inspector, travel time and travel costs, and other direct costs incurred by the County for administering this

program.

7. The customer requesting this service will be asked to estimate the number of hours that the requested inspections will take (verification and concurrence provided by staff). Customers will be required to pay upfront either the estimated number of hours requested on this form or the two-hour required minimum, whichever is greater. This will be considered an initial deposit to perform the work. The OTI will not be conducted without this payment being made. On the day that the OTI work is performed at the conclusion of such work, the inspector shall notify the Program Coordinator of the actual hours to be charged to the customer. On the next business day, the Program Coordinator will determine whether the customer is due a partial refund from the County (i.e. the “deposit” paid was greater than the actual charges incurred) or if an additional payment from the customer is due to the County (i.e. the “deposit” paid was less than the actual charges incurred). If an additional payment is due from the customer, the customer will be notified and given three business days to make full payment.
8. Implementation of the program will require modification of our permit management system, addition of payroll codes, and development of a standard operating procedure.

We have investigated to determine if other agencies provide this service and the following is a summary of the findings.

- City of Aurora, 2-Hr Minimum, \$132/Hr
- Jefferson County, 2-Hr Minimum, \$100/Hr
- Castle Rock, \$125 for first inspection with \$50 for each additional inspection
- Lakewood, 2 Hr Minimum, \$110/Hr
- City of Centennial thru SafeBuilt, 2-Hr Minimum @ \$250 and increments of 2-Hrs
- Adams County, 2-Hr Minimum, \$100/Hr

PWD has been providing this service within other service areas. The Engineering Services Division has offered overtime inspection services to contractors when critical inspections were needed over the weekend (ex. inspections over weekend to allow paving of roadways to be completed before weather events). While not heavily used, it is a service that is provided for our customers to allow them to make business decisions of its use (both voluntary on customer and County staff part).

Fiscal Impact: The fiscal impact associated with program would be a slight positive for the County revenue, but essentially this program is self-funded (i.e. customers pay for the service and we use these funds to pay for the expenses of implementing the program). The exact amount of revenue and expenses is unknown at this point, as it will depend on the interest and utilization of the program.

We request that the Public Works and Development Department retain all revenue collected under this program within our overtime budget, since we will be paying expenses for inspection out of that same budget, thereby making it more of a revolving account. If implementation of the program is supported, we propose collecting the revenue and then requesting through the quarterly budget supplemental process to use that revenue to increase our expenditure budget to cover the costs of the program. This would apply to both the Building and Engineering Services Division implementation of the overtime inspection programs

Alternatives: The alternatives for the proposal would be for the BoCC to support the implementation of the program or not support the implementation of the program. If supported by the Board, Staff will finalize the policy and standard operating procedures for the program and bring such forward for adoption by the Board via a Consent Agenda item at a future hearing date.

Alignment with Strategic Plan:

- ☒ Be fiscally sustainable
- ☒ Provide essential and mandated service
- ☒ Be community focused

Staff Recommendation: PWD Staff recommends that the BoCC support the implementation of a Customer Paid After Hours Overtime Inspection Program for building and engineering inspections and directs PWD to finalize the program and bring it forward for BoCC adoption. Furthermore, staff recommends that revenue collected as part of this program be recognized and kept within the respective cost centers of the divisions implementing the programs. If supported and approved, this program would provide another service for customers whom choose to use it.

Concurrence: The proposal and program is supported within PWD and specifically the Building Division. Engineering Services would continue to provide this service as well, but with some more structure established around its implementation. Furthermore, the Executive Budget Committee and the Finance Department are supportive of this program.