Pikes Peak Regional Building Department

2880 International Circle
Colorado Springs, Colorado 80910

REGIONAL BUILDING COMMISSION MINUTES

April 28, 2022 2:00 p.m.

MEMBERS PRESENT: Chair Tom Strand, Colorado Springs City Council
Vice Chair Don Wilson, Mayor of Monument, Colorado
Carrie Geitner, El Paso County Commissioner *(Joined the Meeting Late)*

MEMBERS ABSENT:

OTHERS PRESENT: Roger Lovell, Regional Building Official
Virjinia Koultchitzka, Regional Building Attorney
Jay Eenhuis, Deputy Building Official – Plans
John Welton, Deputy Building Official – Inspections
Erin Garcia, Director of Finance
Matt Matzen, Front Counter Supervisor
Linda Gardner, Executive Administrative Assistant

The Regional Building Commission meeting was conducted in a hybrid form, allowing Commission members, Department staff, and the public to attend in person at the Pikes Peak Regional Development Center, 2880 International Circle, Colorado Springs, Colorado 80910, Room 100-14, or virtually via a program called Microsoft Teams live events, which is accessible via Pikes Peak Regional Building Department's website Boards & Committees' page at: https://www.pprbd.org/Information/Boards.

1. **CALL TO ORDER**

   Chair Tom Strand called the meeting to order at 2:01 p.m.

2. **CONSIDERATION OF THE MARCH 24, 2022 MEETING MINUTES**

   A motion was made by Don Wilson to **APPROVE** the March 24, 2022 Regional Building Commission Minutes as written, seconded by Tom Strand; the motion carried unanimously.

3. **CHANGES/POSTPONEMENTS/NOTICE OF NEXT MEETING**

   The May Regional Building Commission meeting date and time: Thursday, May 26, 2022, beginning at 2:00 p.m. The meeting will be conducted in a hybrid form: in person at the Pikes Peak Regional Development Center, 2880 International Circle, Colorado Springs, Colorado 80910, Room 100-14, and virtually via a program called Microsoft Teams Live events. Sufficient and timely instructions for public participation will be made available at: https://www.pprbd.org/Information/Boards.

4. **PUBLIC COMMENTS ON ITEMS NOT SCHEDULED ON THE AGENDA**

Public comments on items not scheduled on the agenda shall be limited to three (3) minutes.

There were no public comments.

5. **ADVISORY BOARD REPORT**

Roger Lovell presented the Advisory Board Report.

6. **BUILDING OFFICIAL REPORTS / NON-ACTION ITEMS**

a) Financial Statement through March 31, 2022.

Erin Garcia presented the financial statement for the month of March 2022. She said for the month of March, the operating cash balance ended at $14,029,588 with a cash balance as a percent of budget of 59 percent. She said the monthly revenue was $1,949,031, which year-to-date is 24 percent of budget. Ms. Garcia stated the expenditures were $1,957,611, and year-to-date expenses were at 20 percent of budget. The net loss for March was $8,580, and year-to-date net income is $792,197. She stated the Department is feeling the impact of the current inflation rate of our economy; fuel has increased 59 percent, insurance, internet and telephone costs have also increased.

b) Building Report through March 31, 2022.

Matt Matzen presented the Building Report for the month of March 2022. He said there were 536 single-family houses permitted in March, which was 19.11 percent more than this time last year. He stated there were 51 commercial building permits, which was a decrease of 7.27 percent from this time last year. Mr. Matzen said the total valuation of permits issued in March for residential homes was $206,544,812, which was an increase of 20.80 percent from this same time last year. He stated the total valuation for commercial permits was $100,090,394 for the month, which was an increase of 32.86 percent from this same time last year. Mr. Matzen stated the total valuation year-to-date across all permits was $1,125,660,550, which is a decrease of 8.97 percent from the previous year. He said there were seven permits with a valuation over $3 million in March.

c) Plan Report through March 31, 2022.

Jay Eenhuis presented the Plan Review Report for the month of March 2022. There were 554 single family plans, which was an increase of 28 percent compared to March of the previous year; 115 new commercial plans, which was an increase of 150 percent; and a total of 1,970 plans for the month of March, which was an increase of 37 percent compared to March 2021; and 4,748 plans year-to-date, which was an increase of 10 percent over the previous year. Mr. Eenhuis stated the Plan Review Department performed 5,204 solo reviews in March, and 608 walk-through reviews, for a total of 5,812 logged reviews for March 2022, which was a decrease of 14 percent from the previous year; and 15,763 logged reviews year-to-date, which was an increase of 12 percent over the previous year. He stated electronic plan reviews are at 91 percent year-to-date.

d) Inspection Report through March 31, 2022.

John Welton presented the Inspection Report for the month of March 2022. He said the inspectors in all departments did a total of 31,730 inspections in March, with a total of 78 field inspectors. Mr. Welton said each inspector averaged 17.6 inspections per day, and the average available time per inspection was 21.0 minutes.

7. **UNFINISHED BUSINESS / NON-ACTION ITEM**

There was no Unfinished Business.

8. **NEW BUSINESS**

a) House Bill 22-1362, Building Greenhouse Gas Emissions Update.

Roger Lovell stated the Department strongly opposes HB22-1362, Building Greenhouse Gas Emissions. It is his professional opinion this bill will create tremendous uncertainty in the industry, cause a total loss of local control, and raise costs, significantly exacerbating the current affordable and attainable housing crisis.

As with all legislation, it is important for lawmakers to read and understand the contents of the proposed legislation prior to passing. With HB22-1362 that is not possible because the bill requires adoption of building codes that have not even been written yet. The way the bill is structured, local governments are required to adopt future International Energy Conservation Code (IECC) and Model Electric and Solar Ready Code language identified by the Colorado Energy Office (CEO). Adoption of unwritten public policy creates irresponsibility on the part of state lawmakers.

The impact of HB22-1362 is much greater than the 2021 IECC alone, as it seeks to require adoption of additional codes that will result in added cost, complexity, and regulation. Local jurisdictions have the tough task of trying to solve the affordable/attainable home crisis, yet this bill will greatly increase the cost of construction and initial cost of housing.

Mr. Lovell stated the bill establishes a number of significant dates, each of which come with their own set of changes:

a) On or before July 1, 2023, the CEO shall identify for adoption the Model Electric and Solar Ready code language.

b) On or before January 1, 2025, a Board of County Commissioners and municipalities must adopt and enforce an Energy Code that achieves equivalent or better energy performance than the 2021 IECC as well as the Model Electric and Solar Ready Code.
c) On or before January 1, 2030, a Board of County Commissioners and municipalities must adopt and enforce an Energy Code that achieves equivalent or better energy and carbon emissions performance than the Model Low Energy and Carbon Code.

Mr. Lovell stated the added costs for an average house would be up to $11,000 per house should this bill be passed. He stated it could take from 39 years to 75 years for homeowners to recover this initial building expense.

Mr. Lovell stated he testified at the House Committee for Environment earlier in April regarding this bill. The Committee voted straight down party lines, and there does not seem to be much concern about the increased costs. The bill is proceeding to the Senate for consideration.

The Building Commissioners jointly expressed their concern about the passing of HB 22-1362 and encouraged Mr. Lovell to "ramp up" the Department's objections to this bill. Virjinia Koultchitzka stated the Department will be closely monitoring the bill and anticipates providing testimony before the Senate.

9. **COMMISSIONER REPORT(S) OR COMMENT(S)**

Tom Strand stated the Colorado Springs region has been identified as the 9th best place for a small business to start. In addition, Colorado Springs is the 2nd best place to date.

Greg Dingrando gave a brief presentation regarding the Careers in Construction Job Fair that took place that day. He stated there were 150 students in attendance and one position was filled. Chair Strand stated the two most popular positions were in welding and carpentry.

10. **FUTURE AGENDA ITEM REQUESTS**

a) Recommendation for Resolution Re: the State-run Paid Family and Medical Leave Insurance (FAMLI) Program.

11. **EXECUTIVE SESSION REQUEST**

There were no Executive Session Requests.

12. **ADJOURN**

The meeting adjourned at 3:05 p.m.

Work Session (will start at the conclusion of the regular Regional Building Commission meeting and not earlier than 2:30 p.m.)

1. **CALL TO ORDER**

Chair Tom Strand called the Work Session to order at 3:06 p.m.

a) Department's Recommendation Re: Electing Coverage or Declining Participation in the State-run Paid Family and Medical Leave Insurance (FAMLI) Program *(non-action item; this item will be presented for a vote and a recommendation for approval during the May 26, 2022 meeting).*

Virjinia Koultchitzka stated this work session is to provide information and substantiation for the Department's recommendation re: the State-run Paid Family and Medical Leave Insurance (FAMLI) program. Colorado voters approved Proposition 118 in November 2020, paving the way for a State-run Paid Family and Medical Leave Insurance (FAMLI) program. Since Pikes Peak Regional Building Department is a local government, as defined throughout the Colorado Revised Statutes, as amended, the Department has the option to participate or not in this program. As a result, the Department requested that its employees review the information provided by the Department pertaining to the FAMLI program and provide comments, which the Department reviewed and considered in three main categories: opt-in, opt-out, or no comment. Ms. Koultchitzka stated (i) if the Department decides to elect coverage (i.e., opt in), all employees will be automatically enrolled in the program; and (ii) if the Department decides to decline participation (i.e., opt out), all individual employees may still enroll in the program. The Department may not decline participation in the FAMLI program in part. By the Department not participating in the program, all Department employees have the right to voluntarily opt into FAMLI benefits pursuant to C.R.S. §8-13.3-514.

Ms. Koultchitzka stated this program provides Colorado workers State administered paid time off to address family and medical needs funded through payroll premiums paid by employers and employees. She stated Colorado is the 9th State
facilitated paid FAMLI medical leave program in the United States. Colorado's FAMLI program will be administered by the Division of Family and Medical Leave Insurance overseen by the Colorado Department of Labor and Employment (CDLE).

FAMLI is a shared fee to employers and employees based on .9% of wages. Premiums paid into the FAMLI program will be placed into a trust fund administered by the State of Colorado. The trust fund will be created such that all benefit payments and administration of the program will be separate and independent of other State funds. Employers and their employees are both responsible for funding the program and may split the cost 50/50 with .45% paid by the employer and .45% paid by the employee. This rate is set through year 2025 by Proposition 118. After 2025, the rate may change based on the amount of money in the FAMLI trust fund. Local government employees who have individually opted into the program will not pay a double premium amount.

Ms. Koultchitzka stated currently the Department has 146 employees. As stated earlier, the Department's employees were provided detailed information regarding the FAMLI program for their review and education on the program. She stated the Department received a substantial amount of employees' response, exceeding a majority thereof. It received 84 responses, as follows: 15 no comments, 58 opt out, and 11 opt in responses. Ms. Koultchitzka stated each local government must notify FAMLI of its initial decision by January 1, 2023; that is the day local governments are supposed to start paying into the system. She advised that, notwithstanding recent instructions by the CDLE to this regard, the Department follow the adopted regulatory requirements in accordance with which a vote to decline participation does not go into effect until 180 days thereafter; therefore, a recommendation for resolution adoption no later than July 1, 2022.

Erin Garcia stated currently the Department follows the Federal FLMA laws and regulations. The Department allows its employees to take paid time off using their vacation and sick balances, and once depleted, they go to an unpaid leave for the remainder of and up to a total of 12 weeks. If an employee is to take time off for sick family members, the Department allows that employee to use all accumulated vacation, personal, and comp leave balances, plus 80 hours of sick time. The Department also offers short-term disability that employees can purchase, but it does not cover time off for a family member, but it does reimburse employees up to 60% if taking FLMA for personal use.

Ms. Garcia stated the FAMLI program is designed to benefit a low wage earner who does not have access to a paid leave program. Low wage earners are reimbursed at 90%; higher wage earners are reimbursed up to 37%. Should the Department decide to opt in to the FAMLI program, it would cost the Department approximately $49,000 annually. By 2025 that contribution rate can increase to 1.2%, at which time it would be at a cost of $72,000. If the Department opts into the program, it would be for a three-year term; but if it chooses to opt out, it would be for a term of eight years with a resulting governing body action thereafter for continued declination of participation.

Ms. Koultchitzka stated based on the overwhelming response from its employees to not participate in the FAMLI program, the Department's recommendation to the Advisory Board and to the Regional Building Commission will be to consider not participating in the FAMLI program. She stated this item will come back before the Regional Building Commission on May 26, 2022, with a specific recommendation by the Department and a resulting Resolution for the Board members to review, consider, and vote on.

The Work Session adjourned at 3:25 p.m.

Respectfully submitted,

Roger N. Lovell
Regional Building Official

RNL/llg

Accommodations for the hearing impaired can be made upon request with forty-eight (48) hours' notice. Please call (719) 327-2989.

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