

Lake Elmo Building Department

Our mission is to provide professional plan review, permitting and inspection of building construction projects to ensure a safe built environment for all those who live and work in the City of Lake Elmo.

Request for increase in staffing:

As presented in detail during the 2017 budget review process, the Lake Elmo Building Department is experiencing an increase in workload due to a variety of reasons. The workload for the department related to residential new construction is directly related to the real estate market, and the real estate market for new home construction in Lake Elmo is strong.

It is requested that the FTE combination building inspector position requested in the 2017 Building Department budget (effective 1/1/17) be moved forward, recruited and filled as soon as possible to meet current and forecasted future workload demands.

The alternative of using an external contracted resource was reviewed. The use of such a resource creates inconsistencies in inspections, workload and established relationships with our customer base. Utilizing a contract based inspector as a supplement to staff positions would only address a long term need with a short term solution. It is estimated that the lost revenue from utilizing a contract inspector to the City would be double the fully loaded cost to hire the proposed FTE.

Workload

The City of Lake Elmo Building Department has issued 139 new construction home permits from January 1, 2016 through August 17, 2016. There are currently 39 new construction home permits in for permit or awaiting development release for permit. When preparing the 2017 budget information in June, the building department estimated 202 new home build outs based on permit trends at that time. Based on the activity since that time, the building department is on pace to issue over 250 residential new construction permits in 2016.

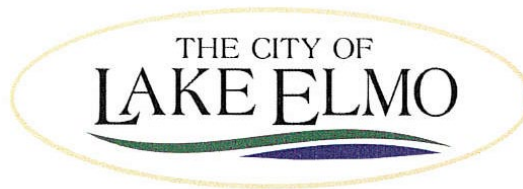
The City of Lake Elmo Building Department currently has several large scale commercial construction projects started.

The Northeast Metro Intermediate School District 916 Pankalo Elementary School project located at 8568 Eagle Point is a 78,000 sf public school project under construction.

The Arbor Glen Senior Living project permit has been issued and construction is beginning at 11020 39th Street North.

The Oak-Land Junior High School addition and remodel at 820 Manning Avenue is scheduled for completion by the time school starts up.

The Health Partners Specialty Dental Clinic build-out located at 8515 Eagle Point Boulevard is scheduled for completion in October.



The new construction value of these commercial projects permitted from January 1, 2016 through August 17, 2016 is \$84,335,275.11; generating permit revenue of \$198,415.90 and plan review revenue of \$45,136.43. Included in these numbers was unbudgeted revenue of \$189,481.33 in permit revenue and \$45,136.43 in plan review fees due to the building official having certifications and delegation authority with the State of Minnesota allowing for the work to be done in-house rather than by the State Department of Labor and Industry Construction Codes and Licensing Division inspector.

The number of inspections associated with large scale commercial projects varies according to the scope and type of the project. A project similar to the Pankalo school project will command several hundred inspections during the course of the project while a project such as the Arbor Glen Senior Living project will require between 800 and 1,000. Commercial inspections tend to differ from residential inspections; the time required to perform a commercial inspection is generally longer than a similar type of inspection on a residential project.

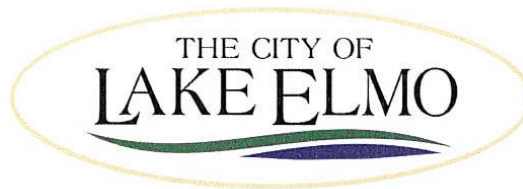
Performance Standards/Expectations

A combination building inspector performance standard for average number of field inspection is 2,000 +/- inspection annually. This performance matrix allows time in a daily schedule for plan review and other duties associated with the position. A working Building Official can typically perform 1,200 to 1,500 inspections annually. The reduced number of field inspections is due to management and supervisory duties, administering the code enforcement program, and concentrating the field inspection workload on the commercial projects.

The current staff has been able to complete an increased number of inspections due to the building inspector on average working 10 hours of overtime every week as well as the Building Official working an average of 55 hours per work. However, there is no plan in place for backing up the staff for vacations and there is concern over burning out the existing resources.

The current staffing of the Lake Elmo Building Department is set at one Building Official and one combination building inspector for 2016 who can perform 3,500 to 4,000 inspections working an average of 50 hours per week each. The building department recommendation for the 2017 budget includes the addition of one FTE combination building inspector effective 1/1/17 to meet the current and future needs projected.

The department conducted 3,670 inspections from January 1, 2016 through July and it is anticipated that over 8,000 inspections will be requested and completed by December 31, 2016 based on the current trend of scheduled inspections and anticipated workload of the commercial projects listed above.



The Lake Elmo Building Department conducts plan review and field inspection for all permitted construction projects in the city. The building department staff also responds to and administers property maintenance complaints, works with developers, contractors and residents in a wide range of capacities from plan review to guidance and local ordinance interpretation. On average, 2,000 field inspections per year accounts for approximately 6 work hours per work day. One hour per day on average should be dedicated to field inspection follow up work, recording inspections, follow up correspondence with builders, etc. Two hours per day on average should be allocated to plan review duties.

The Lake Elmo Building Department has set the following performance standards for duties assigned as primary responsibilities:

Residential Plan Review, New Construction:	2 weeks from submittal
Residential Plan Review, Remodel or Alteration:	1 week from submittal
Commercial Plan Review, New Construction:	3 weeks from submittal
Commercial Plan Review: Addition/Alteration:	1 week from submittal

Completing Inspection requests: The requests for inspections is currently set at 24 hour notice. The inspection schedule is often filled as needed and many inspection requests are accommodated either next day or same day as times are available.

Budget Impact

The 2016 Building Department Budget is set at \$260,765.91

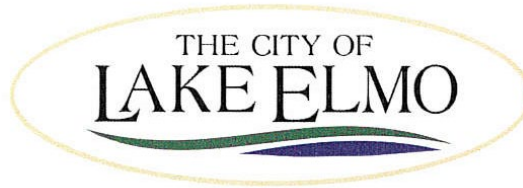
The budget projections through December 31, 2016 project a total expense of \$212,972.31.

Budget revenue projected from the Building Department for 2016 was set at \$873,629.00.

Budget revenue was revised and projected at June 30, 2016 from the Building Department for 2016 to be \$1,104,600.75.

The actual Building Department revenue is currently projected to exceed the original 2016 budget projections as well as the revised projection made in June 2016 and can be seen in the table below.

There will be no negative impact to the 2016 budget as the actual Building Department revenue far exceeds projections. It is anticipated that the cost for filling the position the remaining of 2016 is approximately \$20,000.00.



		Projected (6/30/16)	Projected (8/17/16)
	2016	2016	2016
	Budget	Actuals	Actuals
Revenue	\$873,629	\$1,104,601	\$1,500,000
Expense	\$260,766	\$226,930	\$226,930
Net	\$612,863	\$877,671	\$1,273,070

Staffing Request

Due to the current new construction demand, it is requested the FTE combination building inspector position requested in the 2017 Building Department budget be recruited and filled as soon as possible to meet current and forecasted future workload demands.

The current trends show the new construction market to be very strong and expectations are that the workload levels for the Building Department support this new position for a minimum of 5 years out based on the projected average new home build outs.