



MECKLENBURG COUNTY
Land Use and Environmental Services Agency
Code Enforcement

Memo

Date: August 9, 2005
To: John Komisin, Building-Development Commission Chair
From: Jim Bartl, Director
Re: Code Compliance Task Force Report to the BDC
cc: All CCTF members

At the request of the BDC, the Department and industry reconvened the Code Compliance Task Force (CCTF) to address issues regarding the inspection failure rate in Mecklenburg County. Over the last five months, CCTF members have conducted six meetings to review this issue and develop strategies to address the problem. Participation in CCTF discussion was strong, including an average of 8.3 industry members and five (5) Department members at each meeting; a meeting attendance summary is attached for your reference.

This memo will serve as the final report from the CCTF to the BDC on the reconvene effort.

1. Background.

The CCTF originally met in 1998 and 1999, producing a wide range of process and policy changes, many of which were subsequently implemented by the Department (reports from these efforts are available on www.meckpermit.com). A significant driver in the initial CCTF work was the idea that if we could push the inspection failure rate down, we would save time for customers, at the same time saving resources and reducing frustration for the Department. Several of the changes implemented at that time were instrumental in driving the inspection failure rate from the high 30% range to around 25%.

Over the last two years the industry and Department noticed an increasing trend in the inspection failure rate. The Task Force reviewed a five year history of the inspection failure rate, detailing this increase (a one page summary of this data is also attached). **In reconvening the CCTF, the goal was to identify strategies to stop inspection failure rate growth and drive that rate down to a new lower plateau of 20% or lower.** We believe we have a strategy to achieve that goal, as outlined in the following points.

2. Priorities Identified.

Through its meeting work, the Task Force identified the following priorities. These priorities were the initial ideas the CCTF perceived as areas on which to focus to drive the inspection failure rate down to the 20% minus goal.

2. Priorities Identified (continued).

High Priority Topics

- An account representative for each company; make PIN numbers mandatory
- Meet the inspector onsite
- Publicize inspectors' itinerary
- Better communications to all builders
- Understand all tools available to manage failure rates; keep failure rate issue in front with reports
- Establish inspector time range for site visit
- Apply the "deck brochure" format to communicating how to get the top 5 failure rate items right
- Make re-inspection a low priority; make time delays hurt
- Department training of industry on Top 5 failure rate items

Low Hanging Fruit

- Contractors who abuse the system with terrible a failure rate required to have third party inspections

Long Term

- Availability of Code Reference Materials
- Use of Code References with a failing "02" entry

3. Action Steps Proposed.

These are the specific changes the CCTF recommends for placement in service to drive the inspection failure rate down to the 20% minus goal, over the next 18 to 24 months. While each item contains a brief description, significant detail work remains on many of the items before the final implementation would be possible, as noted in Part 4 of this memo.

- 3.1** Establish a Point of Contact: Each company should have an account representative. The idea here is to have a key construction company executive realize what is occurring in the field, both positive and negative.
- 3.2** Auto-notification: Create a tool whereby customers are automatically notified that the inspector is traveling to their site within 10-20 minutes. The notification would be triggered by an inspector "click" that indicates where he/she is headed next.
- 3.3** Better Reports: Review our web-based contractor inspection failure reports to assure they give customers the information they need to better manage their performance as well as their subs.
 - Note: Staff is currently working on the development of new reports with the industry; good results.
- 3.4** Create a New "hammer": Develop a "hammer" as a disincentive for customers with grossly high inspection failure rates (percent threshold to be agreed upon). Lowering priority would be applied across the board. In addition, the high failure rate contractor would pick between third party inspection (3.4.2) or an added hourly charge for inspectors time onsite (3.4.3). Care must be taken to apply this uniformly.
 - 3.4.1**: Make their inspections a lower priority.
 - The "good" contractors (less than specified percent failure rate) would go ahead of the "bad guys" on the priority list. After two days, the "bad guys" assume a position of parity with the "good" inspection requests.

- 3.4.2:** Require a third party inspection prior to the inspection.
- A NC licensed professional will conduct inspections and post the results on the site at the time of the Department inspector's arrival.
- 3.4.3:** Require the contractor to pay for the Department inspection by the hour.
- Charged in addition to all other permit fees.
- 3.5** Better Code Information Onsite: study methods used to convey why the inspection fails.
- Is the inspection failure entry information effective? Should we audit the quality of this info/use across the board?
 - Can technology help improve delivering the message? (Example: rental car return processing.) Do contractors need the specific code section referenced in the failure instructions, and can they readily get to that info or instructions on how to "get it right"?
- 3.6** Training: industry training should continue to focus on the most frequent industry defect problems. Where significant training has focused on topics, with no resulting reduction in failure rates, ask why the message isn't connecting, or should consideration be given to other training methods.
- 4. Notes on Implementation.**
- Some of the action items above are readily achievable, such as establishing a point of contact (3.1), improving reports (3.3) and auditing the quality of inspection failure info onsite (3.5).
 - Auto-notification (3.2) will require technology development, but the idea is fairly simple. Using technology (3.5) to improve the message left onsite is more complex and we are probably cutting new ground here, which means it will take longer.
 - The effectiveness of training programs (3.6) should be carefully scrutinized, working closely with the industry. If the message is only getting through to the "choir", is there a way to drive it down to others, or do we just blow them off as "lost in the desert"?
 - While developing the hammer idea (3.4) is readily achievable, and if approved by the BOCC could go into effect fairly quickly, it will require careful crafting, including work with the County Attorney. Thought must be given to how someone gets on the "high failure rate contractor list", how they get off, and once their off, if they mess up, how soon they go back on, etc. POSSE system program changes will also be necessary to support this idea. As noted above, in working jointly with the industry, great care must be taken to develop an effective tool that will be applied fairly and uniformly across the board.

The original Code Compliance Task Force (1998-1999) was an exhaustive effort which developed a number of far reaching recommendations for change in process and policy. The CCTF changes which were implemented improved service to customers and also had a significant impact on lowering the inspection failure rate in Mecklenburg County. While this effort to reconvene the CCTF has been far shorter and single topic focused (how to drive the inspection failure rate down), we believe its conclusions and recommendations are every bit as significant as the original CCTF. We strongly encourage the BDC to support the action steps we have proposed in Part 3 of this memo.

We have posted this report on our website, along with an appendix containing all meeting notes. Interested parties should go to www.meckpermit.com, to "reference desk", to "publications", scroll to "CCTF reconvene report to the BDC". Task Force members are available to discuss their recent work with the BDC, should the Chair and BDC members so desire.

2005 Code Compliance Task Force Reconvene Attendance Summary

<u>Meeting Date</u>	<u>Staff</u>	<u>Industry</u>
5/24/2005	4	11
6/7/2005	4	8
6/22/2005	3	9
7/12/2005	5	10
7/26/2005	6	7
8/9/2005	8	5
AVERAGE	5	8.33333

Inspection Failure Rate Comparison FY01 thru FY05 (YTD)

Year-trade totals	res'd dis	res'd insp	res'd %	com'l dis	com'l insp	com'l %	other dis	other insp	total dis	total insp	total insp
FY01 Totals											
Building	24397	73502	33.19%	7020	27930	25.13%	932	4217	32889	105649	31.13%
Electrical	15057	49766	30.26%	8653	35833	24.15%	922	4013	24632	89612	27.49%
Mechanical	10270	43272	23.73%	2809	15040	18.68%	262	1179	13341	59491	22.43%
Plumbing	9044	48487	18.65%	2812	17886	15.72%	327	1584	12183	67957	17.93%
Total All	58768	215027	27.33%	21294	96689	22.02%	2443	10993	83045	322709	25.73%
FY02 Totals											
Building	25308	77363	32.71%	6274	24610	25.49%	767	3893	32349	105866	30.56%
Electrical	14074	50350	27.95%	6724	28557	23.55%	1039	4384	21837	83291	26.22%
Mechanical	10839	46627	23.25%	2697	12678	21.27%	348	1578	13884	60883	22.80%
Plumbing	9498	52261	18.17%	2529	13879	18.22%	344	1587	12371	67727	18.27%
Total All	59719	226601	26.35%	18224	79724	22.86%	2498	11442	80441	317767	25.31%
FY03 Totals											
Building	26436	77098	34.29%	5553	21683	25.61%	615	2750	32604	101531	32.11%
Electrical	14226	50263	28.30%	6186	27249	22.70%	612	2901	21024	80413	26.15%
Mechanical	10689	46439	23.02%	2319	12127	19.12%	198	803	13206	59369	22.24%
Plumbing	9065	52424	17.29%	1922	11627	16.53%	235	1247	11222	65298	17.19%
Total All	60416	226224	26.71%	15980	72686	21.98%	1660	7701	78056	306611	25.46%
FY04 Totals											
Building	27865	78933	35.30%	4887	19860	24.61%	516	2008	33268	100801	33.00%
Electrical	15255	53128	28.71%	4581	21603	21.21%	537	2309	20373	77040	26.44%
Mechanical	11729	50716	23.13%	1810	9733	18.60%	178	457	13717	60906	22.52%
Plumbing	8020	46652	17.19%	1986	11112	17.87%	318	1986	10324	59750	17.28%
Total All	62869	229429	27.40%	13264	62308	21.29%	1549	6760	77682	298497	26.02%
FY05 Totals YTD through 6/30/05											
Building	31028	80798	38.40%	5049	19786	25.52%	304	952	29481	82941	35.54%
Electrical	16142	54623	29.55%	4547	22819	19.93%	243	1048	17364	64756	26.81%
Mechanical	12546	53301	23.54%	1895	9831	19.28%	63	383	11870	52466	22.62%
Plumbing	8300	44753	18.55%	1950	11559	16.87%	139	832	8393	46849	17.92%
Total All	68016	233475	29.13%	13441	63995	21.00%	749	3215	67108	247012	27.17%