



**BUILDING INSPECTION COMMISSION (BIC)
Department of Building Inspection (DBI)**

SPECIAL MEETING

Wednesday, December 12, 2011 9:00 a.m.

City Hall, 1 Dr. Carlton B. Goodlett Place, Room 416

Aired Live on SFGTV Channel 78

ADOPTED May 16, 2012

MINUTES

The regular meeting of the Building Inspection Commission was called to order at 9:12 a.m. by President Hechanova.

1. Call to Order and Roll Call - Roll call was taken and a quorum was certified.

COMMISSION MEMBERS PRESENT:

Reuben Hechanova, **President**

Kevin Clinch, **Commissioner**

Criss Romero, **Commissioner, excused**

Debra Walker, **Commissioner**

Sonya Harris, **Commission Secretary**

Warren Mar, **Vice-President, excused**

Mel Murphy, **Commissioner**

Frank Lee, **Commissioner**

D.B.I. REPRESENTATIVES:

Vivian Day, **Director**

William Strawn, **Communications Manager**

Pamela Levin, **Deputy Director, Administrative Services**

Edward Sweeney, **Deputy Director, Inspection Services**

Hanson Tom, **Acting Deputy Director, Permit Services**

Sonya Harris, **Secretary**

CITY ATTORNEY REPRESENTATIVE

John Malamut, **Deputy City Attorney**

2. President's Announcement.

President Hechanova welcomed everyone to the meeting. He announced that San Francisco was awarded the best Green Building Policy award last week in Durban, South Africa for its Green Building Ordinance. There were twenty two other cities that competed, and San Francisco was rated the top city in its ordinance to reduce carbon dioxide emissions and produce a ten year net of approximately \$1 billion in savings. The award is from the World Green Building Council's Government Leadership Awards for Excellence, comprised of the UN Habitat and the World Green Building Council. Most recently, Mayor Ed Lee released a press release saluting staff efforts of the Department of Building Inspection, Department of Environment, and the Public Utilities Commission for their commitment to a sustainable and green city.

President Hechanova acknowledged DBI staff who received letters of appreciation from

customers this past month - Ben Man and Evelyn Karcs.

President Hechanova greeted DBI staff and commissioners a wonderful holiday season.

3. Public Comment: The BIC will take public comment on matters within the Commission's jurisdiction that are not part of this agenda.

Commission Secretary Harris called for general public comment on items not listed on the agenda. There was no public comment.

4. Discussion and possible action to approve and swear in members of the Board of Examiners. Reappointments/Appointments recommended by the Nominations Subcommittee are: Michael Cashion, High-Rise Sprinkler-Building Owner. Seat to expire September 15, 2013.

Commissioner Lee reported the Nominations Committee met six weeks ago and revealed three possible applicants to the seat. They recommended Michael Cashion to the full Commission because his resume was impressive and fit what the Board needed. Mr. Cashion currently manages high-rise buildings such as 255 California Street. He lives in San Francisco and has experience dealing with advisory committees and the government.

Commissioner Walker seconded the recommendation. President Hechanova called for any additional comment.

Mike Cashion gave brief comments stating he was honored to be able to sit on the Board of Examiners. He served on the Graffiti Advisory Committee for two years and looks forward to continuing to serve the City.

Commissioner Walker thanked Mr. Cashion for his willingness to serve on the Board of Examiners.

Commissioner Lee made a motion, seconded by Commissioner Walker, to approve the appointment of Michael Cashion to the High-Rise Sprinkler-Building Owner seat.

RESOLUTION NO. BIC 032-11

There was no public comment on this item.

Commission Secretary Harris proceeded with a roll call vote and the motion carried unanimously.

President Hechanova administered the Oath of Office to Mr. Cashion to serve on the Board of Examiners.

5. Update on DBI's Notice of Violation (NOV) Procedures, including follow up.

Director Day provided Commissioners with the current process for the cancellation of permit applications. At this time, 21-day notices are sent prior to the cancellation of any application for permit. In the table, any project up to \$1 million has 360 days from the date is deemed acceptable for building plan review, not when it is submitted. This is a big item because the project can sit in Planning for any length of time. When it comes back to DBI for plan review is when the clock starts. Commissioner Murphy commented that is a problem as well because projects can also sit with a DBI plan checker for many months up to a year. Director Day stated the clock starts ticking at the beginning of the plan check by DBI, not after the last plan checker. Commissioner Murphy stated he would like to see a change to the code to address this item. Director Day responded that she can take this issue to the Public Advisory Committee (PAC) for further review, but that would differ from how the State looks at the issue.

Director Day added they are looking at increasing the time limit of the notification from 21-days to give people more time to actually get funding together for the permit or plans renewal. President Hechanova inquired if there were any declarations issued with regard to project delays that can be the basis by which the approval of extension can be given or if it is automatically given. Director Day stated extensions are automatically given. Staff has not been cancelling permits just to cancel permits unless the project sponsor requests it to be cancelled. Commissioner Murphy stated he would like to further discuss the possibility of a 24-month extension at an upcoming PAC meeting.

Commissioner Walker inquired if the initial renewal process required customers to go through the Planning and DBI review again or if it's a perfunctory evaluation of needing more time. Director Day stated if the project has been approved by Planning for over three years, DBI does send it back to Planning as a cursory approval. So far, they've only received one denial. Commissioner Walker asked if this applied to only larger projects. Director Day responded that it could apply to any level of project. Commissioner Walker asked if this was a State law with regard to Planning. Director Day responded that it was a three year entitlement to Planning. The City is less restrictive than the State. The State is more lenient with the time frames. The State allows for one 180-day extension, regardless of the size of the project. The City has extended this to 360 days and the second extension is automatic. Commissioner Murphy stated the extensions are not cheap – ranging between 4-5% of the project valuation. Commissioner Walker stated it is a goal to have policies that encourage projects to happen.

President Hechanova inquired what happens when there is an ownership change related to these permits. Director Day stated entitlements remain the same. Project sponsors should notify DBI of any change in ownership.

Commission Secretary Harris asked for public comment on this item.

Nancy Wuerfel asked if the Director could clarify the terms of how a permit is cancelled by the permit holder who does not wish to continue a project. Director Day stated it has been DBI policy to have a written letter from the project owner to cancel a project and request a refund. Refund forms are available. Requests via email should be followed up by written confirmation

attached to the request for refund. This is part of the Controller's request to process refund with an actual wet signature and not just an email.

6. Update on digitizing records of existing data that can facilitate services such as 3-R reports.

Deputy Director Pamela Levin gave a report on the digitization project. Currently, there are two positions budgeted for this project. Upon further review of the volume of what needs to be done, staff has determined they will need an additional five positions. Justifications will be provided to the Commission during the budget process. During the budget process for FY 2011-2012, DBI set aside \$1.7 million. Staff estimates they will need a total of \$5 million for this project. This is based on experience from other jurisdictions. Project duration is estimated to be 3-5 years. There is a large volume of various types of records to be indexed and digitized.

Commissioner Walker asked for clarification on \$1.7 million. This amount was budgeted for the past two years. The remaining \$3.3 will be additional funding requested for this project. This project is unrelated to the permit tracking system funds. It was asked if any other departments were participating in this project. Ms. Levin stated they can look into this, but for the most part, it is a DBI project. When other city agencies request records, DBI does charge for the service. Law enforcement agencies are not charged for service. President Hechanova asked where records were stored. Ms. Levin replied that a majority of records are housed within the Department and additional records are stored off site.

Commissioner Murphy inquired if the additional monies would allow for the project to be done in house. Ms. Levin stated that the proposal they have is to do the indexing and quality control in house. The actual scanning would be contracted out. DBI has limited space to be able to set up a large scanning operation. They have provided a copy of the proposal to the unions for review.

Commissioner Lee asked a question about DBI's record retention policy and how long property records are required to be kept or archived. Ms. Levin responded that State law requires DBI to keep these records on file. Commissioner Murphy asked if it would be possible for DBI to contract out this project to a company who is set up to do this. Ms. Levin stated DBI is proposing to contract out a significant portion of the project through an RFP (Request for Proposals). However, they want to make sure that the records are indexed correctly. Commissioner Walker stated the proposal is to temporarily have additional staff to accelerate the process. Ms. Levin added, there is not enough staff in Records Management to keep up with its current performance measures, respond to records and 3R requests. This proposal is for temporary staff to get the project accelerated as much as possible. President Hechanova inquired if current staff experience slow periods whereby they can start the process of indexing for this project. May Yu, Records Management stated 10 years ago, their division had 23 staff. They are currently operating with 10 staff. All staff covers the counter, answers phone calls, handle walk-in inquiries, and monitor requests via fax. Some staff is assigned to scan documents in house. They have a tight timeframe.

Commissioner Murphy stated the answer should not be throwing more money and staff to resolve the problem. He suggested taking another look at how they are doing things. Commissioner Walker disagreed and stated they have looked at this and discussed the need to

digitize DBI records in order to make the new permitting system effective. They must make the investment, as staff has been whittled down to the bare necessities when workload appears to be increasing.

Commissioner Lee asked if digitizing these records is a benefit for the customer or for the Department. Ms. Levin stated that this project is to benefit the public. Commissioner Lee asked if this was the case, why can't the Department provide the records and have the public research the information themselves. President Hechanova questioned security issues that may arise from Commissioner Lee's suggestion. Ms. Levin stated the records DBI has are the only copies they have. With this project, they are proposing giving them to an outside party who can digitize the records. If they outsourced to a third party the research of information on these documents, it would take longer versus having internal staff do the work.

Commissioner Murphy asked if at the completion of this project, would customers be able to obtain 3R reports online within 24-hours or if it would still take a week and a half. Noreen Murphy, Records Management commented that there are many records that are not digitized and staff must conduct research manually. Commissioner Murphy asked why the Department can't send the documents out to be scanned by a third party company. Commissioner Walker stated this is what the RFP for the project is proposing. It is the indexing of the records that staff must complete in order to link the scanned documents to the correct property.

President Hechanova inquired if the Department could coordinate with other agencies such as the Public Library who may have some experience in digitizing and archiving records and looking into companies that provide the service. Ms. Levin clarified that the RFP process for this project is to present it to the unions. Staff would be more than happy to look into other agencies that have experience with this type of project.

Public comment was taken on this item.

Nancy Wuerfel thanked the commissioners for their questions regarding this project. Ms. Wuerfel commented the Assessor's Office is having the same issue as DBI with regard to their records. Ms. Wuerfel clarified that scanning is not indexing. If staff cannot retrieve the data, what good is it. Ms. Wuerfel encouraged the Department and Commission to do this process right and to bring this matter to the Board of Supervisors, Controller's Office and other agencies who have fiscal responsibility for this City to do this project right.

Commissioner Walker agreed with public comment in that having discussions with other agencies such as the Assessor's Office would be worthwhile. Commissioner Murphy and President Hechanova concurred.

7. Director's Report.
a. Update on DBI's finances.

Pamela Levin reported on DBI finances. Revenues for service and from MOUs have been separated. So far, they have collected 43.8% in MOU revenue and 52.2% for service charges. In comparing yearly data, they are seeing an increase in the valuation of issued permits, especially those valued at over \$1 million.

In terms of expenses, DBI has only expended 34% of its salaries and fringes. They have an increase in non-personal services – IT licenses and services, and payments to non-profit and code enforcement outreach programs. With regard to personnel expenditures, DBI is up 9% versus the same time last year. DBI is continuing to hire staff, with seven requisitions in for clerks. They are experiencing a delay in the approvals for these positions.

Commissioner Murphy commented there were 36 big jobs that came in to DBI this year. He asked if there was any way to predict what will come in next year. Ms. Levin stated no. Staff will be in discussions with the Planning Department to get a better idea of what kind of large projects are expected to come in. Commissioner Murphy requested a report on this effort for the next meeting.

President Hechanova inquired if the major projects that have been put on hold and maintained their permits with extensions, are part of what is rolling over into the budget. Ms. Levin reported they have seen a few of those projects reappear due to the improvements in the economy.

Commissioner Walker inquired if there are sufficient funds in this year's budget to move forward with the data project. Director Day responded no. In the proposed budget for next year, DBI will be proposing additional funds. At this time, \$1.7 million is available to begin the project. They will have more information on the additional funds when the budget is presented in January.

Gayle Revels, DBI Finance Services reviewed the instructions for the upcoming budget process. She met with the Controller's Office and Mayor's Office representatives to review the budget instructions for fiscal year 2012-2013. This will be the first year departments will be presenting a two-year budget. A few of the large enterprise departments such as the Port and SFMTA will be presenting a fixed two-year budget, whereby they cannot change their budget during the second year unless they are +/- 5%. DBI will be proposing a two year budget and the second year must be balanced, but the Department will be revisiting its budget every year. From this year forward, DBI will be required to propose a two year balanced budget.

The Mayor's Office is projecting to be \$262.7 million short in the General Fund for next year. They are instructing many of the General Fund departments to cut 5% in general expenses and 1% in positions. They are projecting increases across the board in health, dental, and retirement, and these items will need to be covered in the department's budget. The City is expecting a 6% increase in health care costs. With regard to retirement, they are looking at ways to recalculate investments and a decision will not be made on this item for another week or two.

At this time, DBI Finance is in the process of collecting information internally so that a budget can be presented to the Commission. Staff hopes to present a proposal to the BIC by January 18. Ms. Revels is working with management to review their current year budget and prepare for next year. Ms. Revels asked the BIC to forward their priorities to consider in the budget process to Sonya Harris.

b. Update on proposed legislation.

Bill Strawn, Manager of Legislative and Public Affairs gave a brief summary on legislative

activities affecting DBI. Mr. Strawn reported the Small Business Commission will be having a meeting to discuss recommendations they plan to take to the Board of Supervisors to address disability access in small business. This legislation is not expected to involve DBI until early in the new year. As a follow-up to President Hechanova's announcement of the Green Building Policy Award, the legislation is currently in effect. The "Acts of God" legislation that Supervisor Cohen introduced takes effect December 13, 2011 and that will become the date for the additional 18-months for those building owners who were affected by fire to resubmit permits and move forward with repairs. Staff is working to change information on the proposal from Supervisor Chiu pertaining to the Public Arts Fund. One issue is how impact fees would be collected. This item is proceeding to the full Board.

Another outstanding item includes the Maher Toxic Ordinance that may require property owners to obtain both groundwater and salt water testing to meet Department of Public Health standards for toxicity. This is still in a preparatory stage. Staff is monitoring this proposal.

Mr. Strawn announced the Director is participating with the Fire Marshal in a statewide high-rise task force that is looking at a number of recommendations and amendments in the codes that would affect high-rise buildings. This could affect developers of larger projects. Commissioner Walker commented that most of the high-rise discussions started in San Francisco and commended DBI, the Fire Marshal, and the tall building industry for their work in ensuring building safety and emergency response of these buildings. President Hechanova inquired if BOMA was involved in these discussions. Mr. Strawn stated he believed they have been. President Hechanova suggested presenting this information to the PAC meeting to keep the public informed as well.

c. Update on Permit Tracking System.

Penny Venable, IS Project Manager gave an update of the Permit & Project Tracking System. The vendor – Accela/21 Tech and Planning were also represented at the meeting today.

They are currently at Stage 2: Process Analysis. The components include:

- "As-Is" analysis in which they reviewed the current processes outlined in the BPR with subject matter representatives from DBI and Planning and identified any changes.
- "To-Be" analysis whereby recommendations from the BPR are reviewed along with improvements that staff have suggested.

They completed the As-Is sessions with DBI and Planning on December 5. As a result of these sessions, the analysis schedule has been extended, but in doing so, it does not affect the overall project schedule. They have released a detailed project plan that lists all items that need to be done and their interdependencies. Updates are also being provided to the PAC.

The next steps are the To-Be requirements which will generate configuration documents on how the program will be designed.

Commissioner Murphy asked when Stage 2 would be completed. Ms. Venable stated it is scheduled for completion in April 2012.

President Hechanova asked if staff foresee any obstacles in completing Stage 2. Ms. Venable stated they are in good shape. The analysis sessions are going well and staff have come up with their suggestions. They are also working very closely with the vendor to follow the project plan.

d. Update on major projects.

Director Day reported that major projects submitted to the Commission in October are on track. DBI has not received any large projects during the past two months, but they have been in discussions with industry and there may be projects coming in for the south of Market area. At a recent meeting, the Mayor announced there is an increase in leasing of spaces in the south of Market area.

President Hechanova inquired as to the status of the America's Cup and Transbay Terminal projects. Director Day stated DBI staff is ready to assist the Port in the areas of plan check for the America's Cup when needed, and the Transbay Terminal project is going well.

President Hechanova expressed his appreciation to staff who arranged a tour of the Transbay Terminal construction site.

e. Update on Q-Matic and status of activation.

Pamela Levin gave an update on Q-Matic. Prior to the launch of Q-Matic, DBI was contacted by the unions who wanted a meet and confer to discuss the impact and change in work they anticipate to occur in its implementation. Staff had completed training and notification to the public, but had to delay the implementation. Invitations were sent to the various unions to meet with management. Several of the unions decided there would be no impact, but two unions were unable to attend the meeting. Management will find a time to reschedule with the remaining unions. President Hechanova asked if the meeting would take place before the end of year or if this would further delay the implementation into next year. Ms. Levin stated the union who had requested to meet would not be available by the end of the year.

Commissioner Lee inquired if there is union involvement in the Permit Tracking System project. Ms. Levin stated they are in discussions with the unions and they will be involved in the process. The unions main concern is how the information gathered from Q-Matic would be used.

f. Update on other technology projects.

Pamela Levin reported they are working to have 3R requests over the web. They expect to go live January 1, 2012.

For online inspection scheduling, they have had 446 electrical inspections scheduled. DBI is experiencing a large increase in renewals of permits to operate boilers via the web. Use of online services should alleviate clerical staff workload.

Another technology project is the server refresh project. Currently, DBI has 49 servers. Staff has

been working with the Department of Technology, and as a result, the City is looking to consolidate server rooms in the Mission corridor. Through virtualization and other activities, DBI has sufficient room for Planning and Human Services to move into DBI's server room. A network engineer has been hired for this project and is coordinating with the various departments that are involved. President Hechanova inquired as to the location of the Mission corridor. Ms. Levin stated that it is the area at the intersection of Mission and Van Ness to 13th Street. It will serve Human Services, Planning, and DBI who are located in this area. President Hechanova asked if there is cost recovery from the other departments since DBI will be the host of this project. Ms. Levin stated the other departments are working voluntarily with DBI to purchase the equipment, power, and capital improvements. The costs will be shared. Details are being worked out and an MOU will be generated.

Ms. Levin also reported on the new cash management system, which will replace the current POS system. DBI is partnering with the Treasurer/Tax Collector on this project. They are in the first draft of the customer requirements document. They hope to sign off by January 2012, with project launch at the end of April 2012.

g. Update on new hires.

Pamela Levin stated there have been no new positions hired since the last update. There are several requisitions out and staff will be interviewing three electrical inspectors in the coming weeks. They have a couple positions on hold with Human Resources for additional information. The clerical positions are also on hold. President Hechanova inquired how long the positions would be on hold. Ms. Levin responded she has been in discussions with the analyst at the Mayor's Office and Deputy Director in DHR and was told they are continuing to research why the positions are not going through. There is a committee that consists of the Mayor's Office, DHR, and the Controller's Office who review requisitions. Ms. Levin expects the positions to be released this month.

There was no public comment on the Director's report.

8. Commissioner's Questions and Matters.

a. Inquiries to Staff. At this time, Commissioners may make inquiries to staff regarding various documents, policies, practices, and procedures, which are of interest to the Commission.

Commissioner Walker brought up an issue pertaining to seniors in SROs. Commissioner Walker would like to see additional outreach to seniors from the Department.

President Hechanova asked about the status of MOUs for outreach. Gayle Revels, Finance Services stated they did conduct an RFP for the CEOP and SRO programs. They received proposals from current vendors and are in the process of negotiating price. They are looking for more discussion on the 2012-2013 budget. This year, they are being done as grants and should have all agreements completed before Christmas.

Commissioner Murphy expressed his concerns over the time it takes for 3R reports to be issued and asked the Department to look the process of issuing these reports.

Commission Secretary Harris asked for public comment on this item.

Nancy Wuerfel asked that the Commission follow up on items discussed pertaining to the process for cancelling and renewing permits.

There was no further public comment on this item.

8. Commissioner's Questions and Matters.

- b. Future Meetings/Agendas. At this time, the Commission may discuss and take action to set the date of a Special Meeting and/or determine those items that could be placed on the agenda of the next meeting and other future meetings of the Building Inspection Commission.**

The next regularly scheduled meeting of the Commission is on January 18, 2012. There is a possibility of having a special meeting to review the budget. The special meeting would take place on January 31, 2012 if needed.

There was no public comment on this item.

9. Review and approval of the minutes of the Regular Meeting of June 15, 2011.

Commissioner Walker made a motion, seconded by President Hechanova to approve the minutes of the Regular Meeting of June 15, 2011. The motion carried unanimously.

RESOLUTION NO. BIC 033-11

Commissioner Walker thanked Sonya Harris for catching up on the minutes.

There was no public comment on this item.

The Commission wished all DBI staff a Happy Holiday.

10. Adjournment.

Commissioner Walker made a motion to adjourn, seconded by Commissioner Murphy. The motion carried unanimously.

The meeting was adjourned at 10:55 a.m.

RESOLUTION NO. BIC 034-11

Respectfully submitted,

**Carolyn Jayin, Executive Secretary to
The Director**

Edited by: Sonya Harris, BIC Secretary

SUMMARY OF REQUESTS BY COMMISSIONERS OR FOLLOW UP ITEMS	
Report on projection of the number of big jobs coming in next year. – Murphy	Page 6
Update on goals that the Commission would like relating to the budget. – Revels	Page 6
Report on status of MOUs for outreach groups. – Hechanova	Page 9
Update on senior outreach relative to SROs. – Walker	Page 9
Update on process for issuing 3R reports. – Murphy	Page 9