REPORT TO COUNCIL
City of Sacramento

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Public Hearing
June 21, 2007

Honorable Mayor and
Members of the City Council

Title: Code Amendment Relating to Minor Permit Label Program and Building Permit Inspections (M06-057)

Location/Council District: Citywide

Recommendation: 1) Adopt a **Resolution** approving the Environmental Exemption per the California Environmental Quality Act Section 15061 (b) (3); and 2) Adopt an **Ordinance** relating to Minor Permit Label Program and Building Permit Inspections.

Contact: Chris Dougherty, Assistant Planner, 808-5680; Beth Maynard, Building Inspector, 808-8961

Presenters: Not Applicable

Department: Development Services

Division: Customer Service

Organization No: 4851

Description/Analysis

Issue: The Development Services Department is promoting the development of two programs aimed at greater permit compliance for minor permits. These two programs are known as the Minor Permits Label Program and the Permits Protect marketing program. Both programs were developed in partnership with representatives of trade organizations and unions, and a Steering Committee made up of representatives of these groups and City staff is developing the Permits Protect marketing strategy. Details of both programs are included in Attachments 1.

The Minor Permit Label Program will allow licensed contractors to purchase in advance a set of labels that serve as permits for certain minor installations and repairs. An example of a minor permit is the replacement of a water heater or installation of a garbage disposal. Implementation of the Minor Permit Label program requires code amendments. In addition, it is necessary to amend City Code Section 15.08.190 concerning building permit inspections in order to make certain the Minor Permits Labels Program will be incompliance with the City Code. The proposed Ordinance is included as Attachment 3.

Policy Considerations: While the City's General Plan is being updated, the City Council has adopted a vision for the future of the City as well as several guiding principles to help achieve this vision. The guiding principle that the proposed City code amendment complies with includes: Improve coordination among residents and businesses and police, fire, planning, transportation, and other City departments to address security issues and achieve safe neighborhoods.

The proposed programs help promote safety by encouraging permit compliance.

Committee/Commission Action: This item is scheduled to go before the Development Oversight Commission on June 4, 2007 and the Law and Legislation Committee on June 5th, 2007.

Environmental Considerations: The proposed ordinance is not considered a project and therefore has no potential for an effect on the environment as stated by the provisions of the California Environmental Quality Act (Section 15061 (b) (3)).

Rationale for Recommendation: The proposed Ordinance is designed to promote greater permit compliance, public safety, and provide for efficiency and reduced costs. These programs have been developed in partnership with trade groups and unions, including the National Electrical Contractors Association, International Brotherhood of Electrical Workers – Local 340, WECA, Local 447, APMC, SMACNA, along with the Contractors State License Board. The goal for the city is to achieve a higher degree of work quality and greater compliance from contractors.

Financial Considerations: The proposed costs of the Minor Permits Label program is $78.80 to cover the cost of inspections. In the initial implementation, there will be some administrative and operating costs that will be covered by the operating budget. Consideration of future costs for the program will be incorporated into the current fee study and any proposed fee changes. The City and Steering Committee are currently exploring options for startup and ongoing funding the Permits Protect marketing program.

Emerging Small Business Development (ESBD): No goods or services are being purchased under this report.

Respectfully Submitted by: _____
Bob Chase
Chief Building Official

Approved by: _____
William Thomas
Director of Development Services

Recommendation Approved:

_____
for Ray Kerridge
City Manager

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Attachment 1

Minor Permit Label Program Description

Homeowners and contractors frequently do not apply for required permits for minor work due to the costs and inconvenience of getting permits. This can result in potential work that is not up to code, may pose safety issues, with potential liability for the homeowner having the work done. The City is proposing two companion programs to increase awareness of benefits of permits and to help make permit compliance easier and less costly for compliance.

Permits Protect

The Permits Protect program is a marketing effort aimed at increasing awareness and educating homeowners and contractors about the requirements and benefits of getting permits for this kind of work.

Minor Permit Label Program

As a companion program, to reduce the costs and make compliance more convenient, the Minor Permit Labels is a program that will allow licensed contractors to purchase in advance a set of labels (five or ten to a set) that serve as permits for minor installations in electrical, mechanical, plumbing and building uses as an alternative to the regular process and costs for individual building permits. After installation, the contractor provides the addresses where they were used and the City randomly inspects one of the set of the labels. If it passes, all are deemed to be finaled. If it doesn't pass, a second random inspection is conducted. If this fails, all activities will be inspected.

Purchase of Minor Permit Labels

Minor Permit Labels are proposed to be sold in a pack of five (5) and/or ten (10) labels (five or ten installations per packet) and log in-lieu of permits. The contractors can only purchase labels and make installations within the scope of their license. The Contractor must be currently registered in the City's permit system, providing their current specialty "C" California State Contractors License and workers compensation or liability insurance. Contractor(s) e-mail, or mail requests in to the Development Services Department who will then mails out labels to the contractor; or the contractor can purchase them at the public counters providing proof of current California State Contractors License.

Use of Minor Permit Labels

The contractor then goes out and makes the installations, records the work performed, the address of work performed, their name and license number. Labels for reroofing

are good for three (3) months and labels for mechanical, electrical and plumbing are good for six (6) months. Any labels out longer than their expiration date and must be returned (used and/or unused) within ten (10) days. After labels are complete, the contractor then mails or e-mails the log sheet back to the Development Services Department. A label will be randomly selected from the log sheet and the owner contacted for inspection.

Procedural Improvement(s):

The City has developed inspection standards for every installation allowed under the program. This will be given to the contractor at the time of purchase so they will be aware of what the City will be requiring for an inspection to pass. The inspection standards will create a better continuity for both the inspectors and contractors. City will contact the homeowner to schedule an inspection instead of the contractor.

Attachment 2

RESOLUTION NO.

Adopted by the Sacramento City Council

DETERMINING PROJECT EXEMPT FROM REVIEW UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CITY CODE AMENDMENT RELATING TO MINOR PERMIT LABEL PROGRAM AND BUILDING INSPECTIONS (M06-057))

BACKGROUND

A. The City of Sacramento's Environmental Planning Services has reviewed the ordinance relating to Minor Permit Labels and has determined the proposal is exempt from review under the California Environmental Quality Act as follows:

1. The proposal is exempt under the following provisions of the California Environmental Quality Act (CEQA) Guidelines: Section 15061 (b) (3);

2. The factual basis for the finding of exemption is as follows:

   Exemption 15061 (b) (3) consists of an activity covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. However, specific projects requiring entitlement approval will be brought back to the Zoning Administrator for authorization to proceed with actual construction/development plans of the proposed project. At the time of final action, appropriate CEQA environmental review documentation will also be completed for each specific project and brought forward to the Zoning Administrator.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1. The City Council has reviewed and considered the Environmental Planning Services determination of exemption and the comments received at the meeting on the Project and determines that the Project is exempt from review under the California Environmental Quality Act for the reasons stated above.

ORDINANCE NO.

Adopted by the Sacramento City Council

Date Adopted

AN ORDINANCE AMENDING SECTION 15.08.190 REGARDING BUILDING PERMIT INSPECTIONS AND ADDING CHAPTER 15.10 TO THE SACRAMENTO CITY CODE TO PROVIDE AN ALTERNATIVE PROCESS FOR PERMITS FOR MINOR REPAIRS, REPLACEMENTS OR INSTALLATIONS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1. Section 15.08.190 of the City Code is amended to read as follows:

The inspections required by this code shall include all inspections required by the uniform codes adopted herein by reference.

Exceptions:

1. Interior gypsum board in R-3 occupancies.

2. Permits issued pursuant to Chapter 15.10.

SECTION 2. Chapter 15.10 is added to of the City Code to read as follows:

Chapter 15.10 Permits for minor repairs, replacements or installations.

Article I. General Provisions.

15.10.010 Findings and Purpose.

The purpose of this Chapter is to increase public safety by providing an alternative permitting process for certain minor repairs, replacements or installations. Minor repairs, replacements and installations done by and for homeowners frequently take place without permits due to the cost and process for obtaining such permits relative to the cost of the minor repair, replacement or installation. The City desires to facilitate improved permit compliance and enhanced public safety by providing an alternative, less costly and simpler process for obtaining such permits.

15.10.020 Definitions.

The following terms shall have the meaning ascribed to them in this section when used

in this chapter:

"Applicant" means any person applying for a minor permit for minor repairs, replacements or installations.

"Building Official" means the Chief Building Official for the City of Sacramento or his or her designee.

"Installation" means setting in position for use new appliances, appurtenances, fixtures, wastes, vents, or distribution pipes.

"Minor Repairs, Replacements or Installations" means repairs, replacements or installations undertaken pursuant to Sections 15.10.090, 15.10.100, 15.100.110 and 15.110.120.

"Minor Permit" means an adhesive sticker that serves as an official document or certificate issued by the Building Official authorizing performance of a specified category of minor repairs, replacements or installations under this Chapter.

"Minor Permit Log Sheet" means a sheet that contains five or ten minor permits with adjacent space to record the following information for each minor permit label: installation date; cost of project; job address; work description; building owner(s) name, address and phone number; Permittee's name, address and phone number and Permittee's contractor's license number.

"Permittee" means the person to whom a minor permit is issued.

"Plumbing Fixtures" includes, but is not limited to, bathtubs, bidets, showers, sinks, water closets and water heaters.

"Project" means a minor repair, replacement or installation made in compliance with the provisions of this Chapter.

"Project Site" means the address for the minor repair, replacement or installation.

"Repair" means restoring by overhaul or replacement of constituent parts, accessible or existing appliances, appurtenances, fixtures, wastes, vents, or distribution pipes in building or structures so they may be used effectively for their intended purposes.

"Replacement" means exchanging an existing structural component or mechanical or plumbing product for a similar item which: 1) does not change the source or location of power; 2) does not exceed the design capacity of the existing system; and 3) meets current accessibility and earthquake requirements.

15.10.030 Permits for minor repairs, replacements or installations.

Minor permits for minor repairs, replacements or installations may be issued as provided for in this Chapter. This Chapter is not intended to circumvent any other applicable law but is an alternative to any other City process for issuance of building permits for certain defined minor repairs, replacements or installations.

Article II. Application for Minor Permit for minor repairs, replacements or installations.

15.10.040 Eligibility for Minor Permits.

Only contractors holding a valid license under California Business and Professions Code, Division 3, Chapter 9 may be issued minor permits under this Chapter. Contractors shall not do any work outside the scope of their license.

15.10.050 Application process.

Applicants may apply for a set of five (5) or a set of ten (10) minor permits by submitting completed applications to the Building Official. If the Building Official determines that all required fees have been paid and that the application conforms to the requirements of this code and any other applicable law the Building Official may issue the set of minor permits.

Article III. Use of Minor Permits for Minor Repairs, Replacements or Installations.

15.10.060 Use of Minor Permits.

A. For all eligible projects, prior to beginning the project, the Permittee shall affix one minor permit in a clearly visible location near the project location and shall complete the corresponding entry on the minor permit log sheet.

B. The Permittee shall return the minor permit log sheet to the Building Official after all entries on the minor permit log sheet are completed or, except for minor permits for building repairs, replacements or installations issued pursuant to Section 15.10.110, one hundred and eighty (180) days from date of issuance pursuant to this Chapter, whichever occurs first. Except for minor permits for building repairs, replacements or installations issued pursuant to Section 15.10.110, minor permits shall become void if the corresponding minor permit log sheet is not returned to the Building Official within one hundred and eighty days (180) days after issuance.

C. For minor permits for building repairs, replacements or installations issued pursuant to Section 15.10.110, the Permittee shall return the minor permit log sheet to the Building Official after all entries on the minor permit log sheet are completed or ninety (90) days from date of issuance, whichever occurs first. Minor permits issued for building repairs, replacements or installations pursuant to Section 15.10.110 shall become void if the corresponding minor permit log sheet is not returned to the Building Official within one ninety days (90) days after issuance.

D. All projects listed on each minor permit log must be of the same type: either electrical as indicated below in Section 15.10.090, plumbing as indicated below in Section 15.10.100, building as indicated below in Section 15.10.110 or mechanical as indicated below in Section 15.10.120.

E. If the Permittee's contractor's license becomes invalid, any unused minor permits shall become void and shall be returned to the Building Official within five (5) days of the date the Permittee's contractor's license became invalid.

F. No person to whom a permit has been issued shall transfer, assign, or convey such permit to another person for the purpose of completing the work for which the permit was issued. When the permittee to whom the permit has been issued no longer has a vested interest in the project or is no longer responsible for the project or work covered by the permit, the permit shall automatically become null and void. No person shall proceed with such a project or work without first obtaining a new permit from the Building Official.

15.10.070 Inspections and Corrections.

A. All projects listed on the minor permit log are subject to inspection by the Building Official for compliance with the California Building Standards Code or any other applicable law or regulation and are to remain open and accessible for inspection until otherwise indicated by the Building Official. The Building Official shall cause at least one project listed on the minor permit log to be inspected. In the event the Building Official approves the inspected project, the Building Official may waive inspection of the remaining projects listed on the minor permit log.

B. If the Building Official determines an inspected project does not comply with the California Building Standards Code or any other applicable law or regulation, the Building Official may inspect some or all of the other projects listed on the minor permit log.

C. At anytime the Building Official may require that all work indicated on a minor permit log be inspected.

D. For any project that the Building Official determines does not comply with California Building Standards Code or any other applicable law or regulation, the Building Official shall cause a correction notice to be personally served or served by first class mail on the Permittee. The Permittee shall notify the Building Official when corrections are completed.

E. Upon notification of correction by the Permittee, the Building Official shall re-inspect any project for which a correction notice has been issued. The Building Official shall re-inspect as many times as the Building Official determines necessary. The Building Official shall not approve the project until the Building Official determines the project complies with the California Building Standards Code or any other applicable law or regulation.

F. Nothing in this Chapter obligates the Building Official to conduct any inspections.

15.10.080 Minor Permit Fees.

A. At the time of application, every Applicant shall pay a minor permit fee based upon thevaluation of the work to be done pursuant to one minor permit. No minor permit shall be issued until the fee is paid. Minor permit fees shall be assessed in accordance with the fee schedule established by resolution of the city council.

B. For each additional project inspected, the Permittee shall pay a minor permit fee based upon the valuation of the work to be done pursuant to one minor permit.

C. Fees for reinspections shall be established by resolution of the city council.

Article IV. Authorized Minor Repairs, Replacements or Installations Under a Minor Permit.

15.10.090 Electrical Repairs, Replacements or Installations Authorized with a Minor Permit.

The following electrical repairs, replacements or installations are authorized with a minor permit pursuant to the provisions of this Chapter:

A. Extension of not more than two existing branch electrical circuits limited to 30 amps each and, if relevant, connection of appliances (other than HVAC) authorized under Section 15.10.090(E) and (G).

B. Repair or replacement of one electrical circuit limited to 30 amps and, if relevant, connection of related appliances (other than HVAC) authorized under Section 15.10.090(E) and (G).

C. Repair or replacement of damaged components of existing electrical equipment including services not to exceed 200 amps, provided a reconnect is not required by the serving utility.

D. Replacement of multiple switches, circuit breakers, receptacles, light fixtures, smoke detectors, or GFCI or AFCI circuit breakers and receptacles of 15-20 amp, 125-volt in a dwelling unit.

E. Repair or replacement where the installation does not exceed 120-240 volts single phase of:

1. a furnace, oil or gas, not to exceed 20 amps;

2. a fan not to exceed 20 amps;

3. a dishwasher or garbage disposal, not to exceed 20 amps;

4. a water heater, that involves an electrical circuit, not to exceed 30 amps;

5. an electrical furnace, air conditioning unit or refrigeration unit;

6. a defective ballast, or up to five ballasts under one permit set;

7. a pump or irrigation systems for the same horsepower and voltage.

F. Repair, replacement or installation in existing construction of one and two family dwellings, of HVAC, telephone, garage door, vacuum systems, door bells, burglar and security systems, and audio/stereo systems not exceeding 100 volt-amperes, in Class 2 or 3 installations.

G. Repair, replacement or installation not exceeding 100 volt-amperes in Class 2 or 3 installations in other existing buildings provided:

1. The equipment is not located in an area classified as hazardous, as described in California Electrical Code;

2. The system does not penetrate any fire protection system(s) or air-handling space(s), as defined in the currently adopted California Electric Code; and

3. The installation is limited to the following:

a. Thermostats
b. Data communication devices
c. Intercom, music and paging devices
d. Door or gate control, monitor or access devices
e. Cable television and closed circuit television devices

4. For all communication systems, installation, support, separation and protection of all cables is as specified in the California Electrical Code.

H. Repair, replacement or installation of ceiling fan.

The cost any electrical minor repair, replacement, or installation authorized pursuant to this section shall be no more than two-thousand dollars.

15.10.100 Plumbing Repairs, Replacements or Installations Authorized with a Minor Permit.

The following plumbing repairs, replacements or installations are authorized with a minor permit pursuant to the provisions of this Chapter:

A. Repair, replacement, or maintenance of water heaters, including water heater conversions.

B. Alteration of parts of an existing plumbing system not exceeding three plumbing fixtures, or 20 feet of new piping or both, provided the work is accessible to an inspector.

C. Repair or replacement of concealed freeze-damaged or leaking parts of an existing plumbing system not exceeding three plumbing fixtures, or 20 feet of new piping or both.

15.10.110 Building Repairs, Replacements or Installations Authorized with a Minor Permit.

The following building repairs, replacements or installations are authorized with a minor permit pursuant to the provisions of this Chapter:

A. Residential Repairs, Replacements or Installations

1. Placement of Dimensional Composition roofing material over one (1) layer of existing three (3) tab composition shingles or an existing single layer of mineral cap sheet, with a minimum roof slope two inch of rise for twelve inch run.

2. Tear off and reroof of existing composition roofing with new 30 year dimensional composition roofing.

3. Tear off and reroof of wood shake roofing with replacement of wood fire Class C roofing material.

4. Within a Historical Preservation District or on a structure listed on the City of Sacramento Registry of Historical Property, a Certificate of Appropriateness shall be obtained from the City of Sacramento Preservation staff prior to start of any work including tearing off, reroofing, removal and/or replacement of exposed rafter tails in kind, size, spacing and length.

B. Commercial Repairs, Replacements or Installations

1. Tear off and reroof with the same material, composition and wood shake, under ten squares, (one thousand square feet total roof area) and repair or replacement of the following within that area only.

2. Within a Historical Preservation District or on a structure listed on the City of Sacramento Registry of Historical Property, a Certificate of Appropriateness shall be obtained from the City of Sacramento Preservation staff prior to start of any work including tearing off, reroofing, removal and/or replacement of exposed rafter tails in kind, size, spacing and length.

Cross connection control devices are not considered minor plumbing installations and are not authorized repairs, replacements or installations under a minor permit.

15.10.120 Mechanical Repairs, Replacements or Installations Authorized with a Minor Permit.

The following mechanical repairs, replacements or installations are authorized with a minor permit pursuant to the provisions of this Chapter:

A. Moving or replacing duct work not involving fire-dampers or penetrations of fire walls, fire assemblies or floors.

B. Moving grills in duct work.

C. Replacing existing heating, cooling and ventilation equipment.