



Shared Building Department Services

ICC Annual Conference

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Institute for Building Technology and Safety

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LEARNING OBJECTIVES

- ▶ Attendees will understand shared building department services
- ▶ Attendees will learn the potential benefits to implementing shared building department services
- ▶ Attendees will be equipped with information that will help them plan this approach and discuss with neighboring jurisdictions.

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A large green diamond graphic with a white outline, positioned at the top center of the slide.

SHARED SERVICES

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SHARED SERVICES

- ▶ The shared service delivery approach allows multiple jurisdictions and service providers the opportunity to work together to gain economies of scale and other advantages that benefit both the jurisdictions and their citizens.

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SHARED SERVICES

- ▶ There are many services that can be provided under this model:
 - > Building Department Services
 - > Code Enforcement / Property Maintenance Services
 - > CDBG Project Administration Services
 - > Flood Plain Management Services
 - > Storm Water Management Services
 - > Planning & Zoning Services
 - > Training Services
 - > Technology & Financial Reporting
 - > GIS Systems
 - > 911 Services
 - > Online Permitting
 - > Cooperative Purchasing
 - > Economic Development
 - > Technology Platforms
 - > Sanitation Systems
 - > Trash Services
 - > Police & Fire

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INTERNAL SHARED SERVICES

- ▶ Human Resources
- ▶ Payroll
- ▶ Computer networks
- ▶ PC support services
- ▶ Fleet services

BENEFITS OF SHARED SERVICES MODEL

- ▶ Access to experienced personnel or tools
- ▶ Pace is maintained with citizens demands in technology
- ▶ Increase efficiencies and decrease costs
- ▶ Standardizes processes
- ▶ Improves communications
- ▶ Better use of data
- ▶ Reduces HR management of duplicative staff
- ▶ Jurisdictions benefit from up-to-date technology
- ▶ May not require mutual intergovernmental agreements
- ▶ COGs can be used to eliminate RFP process and obtain bulk rates on services (not eliminate, reduce to 1 RFP, cities don't have to prepare RFP)

BENEFITS OF SHARED SERVICES MODEL

- ▶ Costs can be reduced, making tax dollars available for investment in other priorities
- ▶ Just in time services
- ▶ Consistent, standardized services
- ▶ High quality services for cities of all sizes
- ▶ Economical services
- ▶ Increased efficiencies and decreased costs
- ▶ State of the art technology
- ▶ Single point of managing back-end services
- ▶ No gap in services
- ▶ Up to date expertise

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CHALLENGES TO SHARED SERVICES

- ▶ Perception of losing control
- ▶ Non-employees contacting citizens on behalf of the jurisdiction
- ▶ Comparative costs

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MODELS

- ▶ The Anchor
- ▶ Pooled Needs
- ▶ Government On-Call

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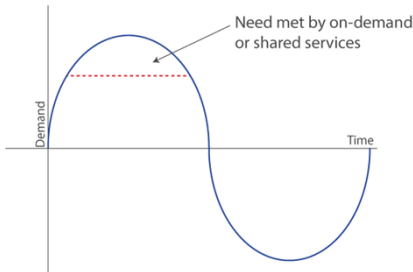


SHARED BUILDING DEPARTMENT SERVICES

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BENEFITS OF SHARED BUILDING DEPARTMENT SERVICES

- ▶ Smooth peaks in service demand
 - > Provides on-demand services



- ▶ Opportunity for training and certification for current staff
- ▶ Address personnel or salary constraints by sharing available resources with other communities

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BENEFITS OF SHARED BUILDING DEPARTMENT SERVICES

- ▶ Fees collected cover costs
- ▶ Qualified professional service at an affordable price
- ▶ Fewer employees (FTEs) needed
- ▶ Enable Strategic Staffing approaches
 - > Maintain critical skills on staff
 - > Leverage service provider for workflow management

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CASE STUDY I: SHARED SERVICES IN LOUISIANA, FOLLOWING HURRICANE KATRINA



NON-SHARED SERVICES APPROACH

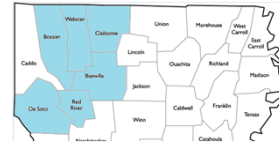
Would require:

22 Certified Building Officials

22 TOTAL STAFF

+

*22 vehicles
22 units of fuel
22 units of maintenance*



SHARED SERVICES APPROACH

Only requires:

1 Certified Building Officials

3 Certified Inspectors

4 TOTAL STAFF

+

*4 vehicles
4 units of fuel
4 units of maintenance*

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BUILDING DEPARTMENT IMPLEMENTATION COSTS

Implementation Type	Population Served	Grant Money Available	Implementation Cost per Person
State Contract	364,421	\$4,837,682	\$13.27
Individual Jurisdiction	119,293	\$1,316,756	\$11.04
Shared Services by Jurisdictions	1,272,043	\$6,794,678	\$5.34
Shared Services by Non-profit	348,977	\$1,164,121	\$3.34

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CASE STUDY II: SHARED SERVICES IN KANSAS CITY AREA

- ▶ Services available through a Master Agreement
- ▶ Options includes augmentation, development/implementation and operation
- ▶ Services provided:
 - > Building Code Departments
 - > NFIP Flood Plain Management
 - > Accessibility Services
 - > Fire Code Services
 - > Storm Water Services
 - > Property Maintenance Enforcement Services
 - > Planning & Zoning Services
 - > Energy / Sustainability Services
 - > Technology enhancements, including GOVmotus™ Permitting Software

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SHARED SERVICES IN KANSAS CITY AREA

- ▶ July 2015 Case Study written by ICMA
- ▶ Public-Nonprofit Partnership
- ▶ Mid America Regional Council
- ▶ Shared Building Department Services



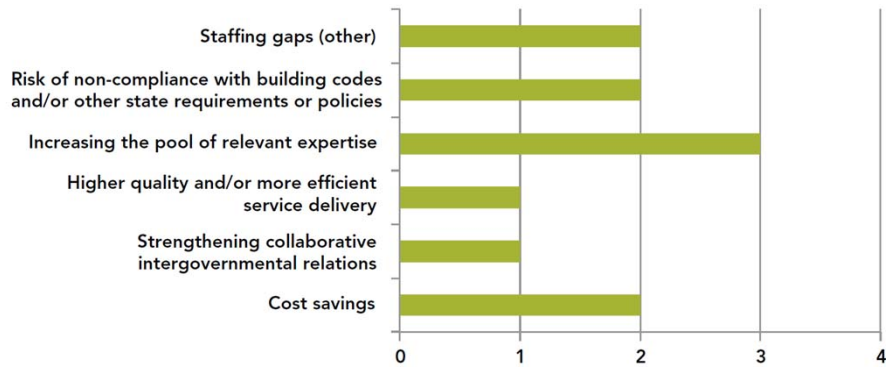
- ▶ The Case Study can be found on the IBTS website:
<http://www.ibts.org/articles/case-studies/shared-building-department-services.html>

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SHARED SERVICES IN KANSAS CITY AREA

- ▶ Motivating factor(s) for Jurisdictions and MARC to pursue a Shared Services Arrangement for Building Department Services (n=6)



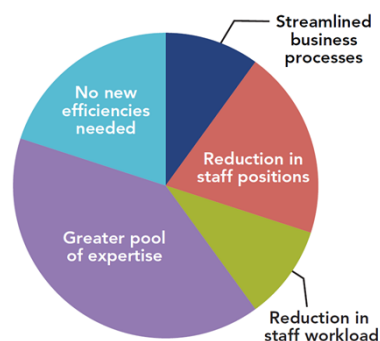
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BENEFITS OF SHARED SERVICES IN KANSAS CITY AREA

- ▶ Participating jurisdictions found the following benefits and new efficiencies realized as a result of the service agreement:

- > Greater pool of expertise
- > Reduction in staff positions
- > Streamlined business processes
- > Reduction in staff workload



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WASHINGTON, DC

- ▶ Third-Party Program Development, Implementation, and Oversight
- ▶ Staff Augmentation

CENTRAL, LA

- ▶ Outsourcing of many traditionally governmental services including:
 - > Building Department Services
 - > Code Enforcement
 - > Public Works
 - > Engineering
 - > GIS
 - > Floodplain Management
 - > Financing



IMPLEMENTING A SHARED SERVICES MODEL

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COMMUNITY CONSIDERATIONS

- ▶ Do contractors come by to have coffee, or just to conduct business?
- ▶ Is an organization available to help champion a shared services approach?
- ▶ Is the service self-sustaining or a tax burden (pay as you use)?
- ▶ How will this improve the community?
 - > A great idea to develop a Regional Oversight Council to brainstorm initially
 - > Include Architects, Builders, Developers, City Managers etc.
- ▶ How often are policies and procedures reviewed for ease of use?
 - > Should be a ongoing continual process.
 - > Make it easy on contractors/citizens
 - > Devise ways to say “YES”

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STRATEGY IMPLEMENTATION

- ▶ Option #1 – Government Implemented
 - > Councils of Government
 - > Buyers Networks (US Communities)
- ▶ Option #2 – Public - Private Partnership
 - > Road construction funded by tolls
 - > Water services with fees
- ▶ Option #3 – Public - Non Profit Partnership
- ▶ Option #4 – Cooperative Implementation
 - > Gov't oversight, private company operated

FEATURES, ADVANTAGES, BENEFITS

- ▶ Cooperative Implementation
 - > Cost-Effective option for building capacity/efficiencies
 - > Existing employees can be hired
 - > Certified / Skilled staff augmentation is used
 - > Right-Biased reviews and inspections
 - > Jurisdiction controls approval of permits and C of O
 - > Jurisdiction benefits from a very high level of service
 - > Some turn key packages included new software
 - > Private company flexibility
 - > Reduces management burden on jurisdictional staff
 - > Reduces risks for the jurisdiction

IMPLEMENTATION THOUGHTS

- ▶ The services can be implemented one at a time.
- ▶ However, it's best to approach as a comprehensive solution plan for maximum benefit & value from all services
- ▶ Implement in steps that follow your process
- ▶ Requires attention to detail with a mindset to process analytics
- ▶ Should be a full time project to ensure success
- ▶ Requires results reporting that measures success

STRATEGY THOUGHTS

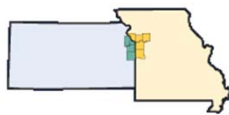
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MARC'S PERSPECTIVE ON SHARED SERVICES AND IMPLEMENTATION

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MARC: THE KANSAS CITY REGION



- ▶ Two states
- ▶ Nine counties
- ▶ 119 cities
- ▶ 1.9 million people
- ▶ 4,400 square miles



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MARC: LESSONS LEARNED

- ▶ What went well:
- ▶ Communications with all stakeholders are key
- ▶ Many city managers were involved
 - > Various points of view and priorities represented
- ▶ Flexibility of service offerings
 - > Teaming with a service provider that offered a variety of “a la carte” options
- ▶ Outreach to large, medium, and small jurisdictions

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MARC: LESSONS LEARNED

- ▶ Things to consider:
- ▶ Seek feedback as you are planning with key stakeholders
- ▶ Prepare communications plan and be prepared to implement as soon as contract is signed
- ▶ Frequent, clear, and consistent communication with other governmental support groups, such as building officials, associations, and home builders
- ▶ Consider multi-jurisdictional politics

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QUESTIONS?