



**CITY OF WAUKESHA**

**Administration**

201 Delafield Street, Waukesha, WI 53188  
 Tel: 262.524.3701 fax: 262.524.3899  
 www.ci.waukesha.wi.us

<b>Committee:</b> Finance Committee	<b>Date:</b> 4/9/2019
<b>Common Council Item Number:</b> 19-0483	<b>Date:</b> 4/16/2019
<b>Submitted By:</b> Jennifer Andrews, Community Development Director	<b>City Administrator Approval:</b> Kevin Lahner, City Administrator <b>KL</b>
<b>Finance Department Review:</b> Rich Abbott, Finance Director <b>RA</b>	<b>City Attorney's Office Review:</b> Brian Running, City Attorney <b>BR</b>
<b>Subject:</b> Approve a professional services contract with EPLEX, LLC to offer commercial building permit applicants the option to use EPLEX, LLC to review their state required plans and issue statute required state approval of the plans at the same fee required by the State of Wisconsin.	

**Details:**  
 By state statute buildings over 50,000 cubic feet must be reviewed by the State of Wisconsin's Department of Safety and Professional Services. Following the state review and approval, the Building Inspection Department conducts a local review of the plans to make sure they comply to all local ordinances and any Plan Commission requirements. In March, each week that passed added a week of wait time at DSPS for plan review. As I write this, the current wait time is 9 weeks for the state to BEGIN their review. We fully expect that wait time to continue to grow as the spring building season gets fully underway.

This may seem like only a hardship on the applicant, but it is also a costly hardship to the City of Waukesha. If projects are delayed 9 weeks in starting construction that obviously pushes out their completion date. Projects that could be completed in 2019 will now not be completed until 2020 meaning the net new construction numbers we should be expecting for 2020 will be reduced. Low net new construction numbers severely limit our capacity to levy additional dollars in 2021 and could negatively affect our 2021 budget.

This situation is also a major burden on our customers who have decided to invest in the City of Waukesha through a new construction project. Delays in construction projects often result in higher supply costs, loss of available labor etc. Although this problem is not unique to the City of Waukesha we believe that if we can find a solution it will benefit our customers and our levy.

The City of Waukesha is a 2<sup>nd</sup> class city. We are entitled to complete these plan reviews ourselves if desired. To complete the reviews however, we would need an architect or engineer on staff dedicated to this type of plan review. We do not feel that employing someone for this duty currently makes fiscal sense. EPLEX, LLC is authorized by the State of Wisconsin to conduct plan reviews on their behalf. This contract would allow us to offer contractors the choice of going through the traditional state review process or paying the same fee and having their plans reviewed by EPLEX, LLC. This allows the applicant to evaluate the wait times of both organizations and choose the one that best fits their project timeline. The City would also reserve the right to send any plan it deemed necessary to the State for review. This may occur from time to time if the project is very complicated or unusual in construction method. EPLEX, LLC would retain 90% of the fee and the City would realize 10% of the



fee collected for review. At present we do not receive any portion of the state review fee. The State retains 100% of the fee. Applicants would still be required to go through the local review process as normal.

**Options & Alternatives:**

1. Approve the professional services contract, authorize the Mayor to sign the contract after the City Attorney's review, and allow permit applicants the option of obtaining a faster plan review, in turn expediting the start of construction projects in the City.
2. Deny the contract leaving applicants with the only choice of using the state for review regardless of wait times.

**Financial Remarks:**

Since the applicants will select which organization they want to use for review it is hard to predict how much revenue might be generated. Also, revenue will depend on the strength of the economy and construction in any given year. It is anticipated that the applicant will pay EPLEX directly for services and that will not result in a cost to the City.

**Executive Recommendation:**

The staff recommends approving this contract so that we can start offering this option to permit applicants as soon as possible. This will help expedite construction projects in the City of Waukesha and provide the best options to our customers. In return it will help ensure that we are adding to net new construction as quickly as possible.