



CITY OF SACRAMENTO

DEPARTMENT OF PLANNING AND DEVELOPMENT

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Sacramento, Ca. 95814

Administration

Room 300 449-5571

Building Inspections

Room 200 449-5716

Planning

Room 200 449-5604

September 24, 1986

Budget and Finance Committee
Sacramento, CA

Honorable Members in Session:

SUBJECT: TESTING FOR JOURNEYLEVEL PLUMBER CERTIFICATES

SUMMARY

To meet the December 1 implementation date for the Journeylevel Plumber's Certificate Ordinance, the Board of Plumbing Examiners is recommending that the City initiate a contract with Piping Industry Progress and Educational Trust Fund (P.I.P.E.) for administering the required competency examination. The implementation of this recommendation will require contract approval, an amendment to the 1986-87 fiscal year budget, and fee revisions.

BACKGROUND

On July 30, 1985, the City Council approved an ordinance requiring City certification of Journeylevel Plumbers and the creation of the Board of Plumbing Examiners. Members of the Board of Plumbing Examiners were appointed on June 26, 1986. Due to the delay in appointing board members, the effective date of the Journey Level Plumber's Certification Ordinance was postponed from April 15, 1986 to December 1, 1986.

The Board has met on June 26, July 15, August 5, and August 19 to implement the City's program. As a result of the Board's deliberations, it has determined that it will not be possible for the staff and Board to develop a valid certification examination in time to meet the program's December 1 operative date, as set by City Council.

In order to meet the established operative date, the Board is recommending that a test developed by the Piping Industry Progress and Educational Trust Fund (P.I.P.E.) be utilized by the City to test journeylevel plumber certificate candidates. P.I.P.E. is a plumbing industry labor management organization consisting of signatory (union) contractors and labor unions. It has developed a series of examinations which test for understanding and application of the

Uniform Plumbing Code. Statewide, P.I.P.E. has administered tests to provide a P.I.P.E. certificate. These tests have been administered in Southern California by P.I.P.E. for individual plumbers to take.

The Board of Plumbing Examiners has reviewed the content of these examinations and considers them appropriate for the City's certification program. The Board and staff do not know of any other organization which can provide this pre-packaged plumbing examination to the City.

To protect the integrity of its examination, P.I.P.E. requires that they also administer and score the examination. As a result, the Board of Plumbing Examiners is recommending a program in which the Board screens applications for qualifying experience, notifies P.I.P.E. of the examination date and provides a list of applicants, establishes the passing point, issues certificates, and decides appeals to the examination. P.I.P.E. will conduct and score the examinations and provide the test scores to the Board.

Staff has met with P.I.P.E. representatives and negotiated a rate of \$15.00 per applicant tested. This rate includes preparing examination packages and materials, paying for a test site, paying proctors and staff to conduct the examination, scoring the examination, and a portion of test development costs. Staff research indicates that this rate exceeds the cost of having City staff provide this service; but, it reflects the cost to P.I.P.E. in providing these services and does not represent a profit. P.I.P.E.'s standard testing fee is \$25.00 per applicant.

At this time, the only alternative to contracting with P.I.P.E. would be for City staff to provide this service. This option will delay implementation of the program and will pull resources from the Division's inspections activities. The proposed contract will not prohibit the Board from developing and implementing other testing methods as the Board may deem appropriate.

Projections provided by the Plumbing Industry indicate that approximately 1,800 individual tests will be administered this fiscal year. To administer these tests, a contract not to exceed \$30,000 with P.I.P.E. is required (\$27,000 for administering up to 1,800 examinations and \$3,000 in potential costs related to testimony on appeals). The execution of this contract will also require modifications in the City Budget and Journeylevel Plumber Fees.

FINANCIAL INFORMATION

The Journeylevel Plumber's Certification Program budget was prepared assuming a 1985-86 fiscal year implementation. The delay in implementation until this fiscal year has caused a significant underestimation of 1986-87 costs and revenues. In addition, the contract with P.I.P.E. will create additional program expenditures not anticipated when the budget was adopted.

This program has been designed to be self-supporting with any costs to the City being offset by collection of application and testing fees. The changes described above will require concomitant budget and fee revisions to maintain the balance between costs and revenues.

BUDGETARY IMPACT

The contract with P.I.P.E. will require a \$30,000 amendment to Planning and Development's 1986-87 Budget. In addition, the delay in program implementation has delayed the utilization of a temporary agency clerical position from the 1985-86 fiscal year to the current fiscal year. Funding (\$3,500) for this position is also required to facilitate program implementation.

The chart shown below illustrates the proposed two-year funding for the program.

<u>Type of Expense</u>	<u>1986-87</u>	<u>1987-88</u>	<u>Total</u>
Salaries & Indirect Cost	\$14,116	\$11,093	\$25,209
Professional Services	30,000	3,000	33,000
Mail	627	125	752
Computer Supplies	200	30	230
Office Supplies	<u>250</u>	<u>100</u>	<u>350</u>
Total Cost	\$45,193	\$14,348	\$59,541

FEES AND REVENUES

The fees established in 1985 provided for an application fee of \$40.00, which covered program administration and the first examination. A re-examination fee of \$10.00 was established for those that failed the first examination. The Board of Plumbing Examiners and staff are recommending the establishment of a \$32.00 fee, which will be charged for each examination (initial or re-examination) taken by an applicant. In addition, a \$5.00 fee is recommended to obtain a duplicate certificate.

This charge will provide an additional incentive for applicants to prepare for and pass the initial examination. It provides a reduction from existing fees for applicants that pass the initial exam and an increase in fees for those that require more than one exam to achieve a certificate. Listed below is a comparison between existing fees and the proposed fees.

	<u>Cumulative</u>	
	<u>Amount to be Paid by Applicant</u>	
	<u>Existing</u>	<u>Proposed</u>
	<u>Fees</u>	<u>Fees</u>
Applicant passes initial test	\$40	\$32
Applicant passes second test	50	64
Applicant passes third test	60	96

Based on the projected number of examinations to be given during the initial two-year period, \$56,000 in revenue is projected during this fiscal year and \$6,400 is projected in 1987-88. This two-year revenue of \$62,400 will offset the two-year operating cost estimated at \$59,541.

Certificates are renewable every two years. Prior to the 1988-89 fiscal year, an audit will be completed of program revenue and expenditures and a renewal fee will be established. This fee will be adjusted to reflect the program's self-supporting condition during the initial two years.

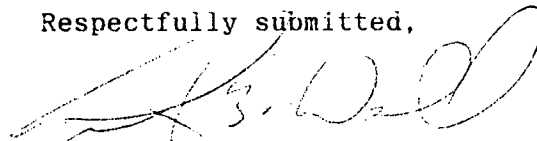
Since the current year budget anticipated a 1985-86 program start-up, the Budget reflects a revenue projection of \$9,000 from Plumber's Certificate Fees. This revenue item will be adjusted to \$56,000 to reflect this proposal and to offset the budget augmentation for the P.I.P.E. contract and the temporary help agency clerical support.

RECOMMENDATIONS

Staff and the Board of Plumbing Examiners recommend that the Budget and Finance Committee recommend that the City Council adopt the following resolutions:

1. Approving the execution of a contract with P.I.P.E.
2. Amending the 1986-87 fiscal year budget.
3. Establishing Plumber's Certification Examination Fees, amend the Fee and charge report.


Respectfully submitted,



Robert B. Wall
Acting Director of Planning
and Development

RBW/JK/sch
Attachments

Recommendations Approved:



JACK R. CRIST
Deputy City Manager

All Districts
October 7, 1986

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION TO MODIFY THE CITY OF SACRAMENTO FEE AND
CHARGE REPORT TO ESTABLISH FEES FOR JOURNEY-LEVEL PLUMBER
CERTIFICATION

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

That the City of Sacramento Fee and Charge Report is hereby amended to include rates for Certification of Journey-Level Plumbers (pursuant to Article XXIV, Chapter 9 of the City Code) as follows:

Application Fee with Testing Charge	\$32.00
Re-examination Fee	\$32.00
Duplicate Certificate	\$5.00

(\$15.00 of the Application Fee and Re-examination Fee is not refundable if the applicant fails to appear for a test appointment.)

MAYOR

ATTEST:

CITY CLERK

RESOLUTION No.

Adopted by The Sacramento City Council on date of

A RESOLUTION AMENDING THE CITY BUDGET FOR FISCAL YEAR 1986-87
FOR THE JOURNEYLEVEL PLUMBERS'S CERTIFICATE PROGRAM

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

1. Changes in the Journeylevel Plumber's Certificate will require a modification in the Program's budget.
2. The City Budget for fiscal year 1986-87 is hereby amended by transferring \$33,500 from the General Fund Contingency (1-01-710-7012-4999) to the Inspections Division's Plumbing and Mechanical Field Inspection Budget in the accounts listed below for the purpose stated in Paragraph 1 above:

1-01-350-3536-4258	\$30,000
1-01-350-3536-4288	\$ 3,000

3. The revenue schedule shall be amended to reflect the estimated revenue (\$56,000 in revenue account 1-01-350-3536-3669) and such revenue shall be appropriated to General Fund Contingency.

MAYOR

ATTEST:

CITY CLERK