

PROCEDURE FOR AUTHORIZING AND AUDITING APPROVED AGENCY SERVICES

The legislature recently passed the “Speeding Development Act” - Senate Bill 188 (2025), which permits the use of “Approved Agencies” to conduct building code inspection services and construction document reviews as an alternative to those reviews being conducted by local government agencies. The City of Concord is responsible to authorize approved agencies, review the affidavits submitted by the approved agencies, audit the work of approved agencies, and reduce fees based on the amount of work performed by approved agencies. This procedure document is intended to outline the process for each of these City actions.

I. Authorizing Approved Agencies

Prior to performing any work under the Speeding Development Act, any vendors whom desire to conduct building code inspection services and construction document reviews must be authorized by the City of Concord as an “approved agency.” In order to be authorized, the interested vendor must provide the following in an application prescribed by the City’s Code Administrator:

1. The name of the vendor, location and years in business.
2. The building permit application for which the vendor is seeking to perform reviews or inspections.
3. A list of any employees or other third party vendors (sub-contractors) who will work as approved agents on the subject building project with complete contact information for each individual. The vendor shall specify what roles, reviews, and inspections for which each individual, qualified person, licensed person, contractor, or sub-contractor will be responsible.
4. The licenses, certifications and work experience of all individuals identified in #3.;
5. A certification that the vendor, their employees, contractors and their respective immediate family members do not have any personal or financial interest that would conflict with their obligation to perform objective, competent and independent reviews.
6. Evidence of professional liability insurance covering all individuals or companies that will perform work as approved agents in the following amounts:

A minimum of \$2 million per occurrence and \$4 million in the aggregate for any project with an estimated construction cost of \$5 million or less.

A minimum of \$4 million per occurrence and \$8 million in the aggregate for any project with an estimated construction cost of more than \$5 million.
7. Evidence of statutorily required worker’s compensation insurance.

8. A complete list of equipment necessary to perform the review and testing required for the project and whether such equipment is owned by the vendor or will be otherwise rented or hired. The vendor shall provide the most recent calibration tests for equipment upon request by the City.

8. A signed statement stating as follows:

I agree to indemnify the City of Concord from and against losses, damages, and judgments arising from claims by third parties arising from my use of these licensed or certified personnel to provide development document reviews and building inspections with respect to the building or structure that is the subject of the enclosed application. The indemnification shall include reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are found to be caused by a negligent act, error, or omission of an approved agency or approved agency officers, directors, members, partners, agents, employees, or subconsultants.

Upon review of the information provided in the application, the City's Code Administrator, or designee, shall determine whether the vendor has demonstrated that they can provide objective, competent, and independent reviews of construction documents and/or inspections of construction work.

If the Code Administrator decides not to authorize the vendor to be an approved agency, he or she shall provide a written decision clearly identifying the reasons that the entity or individual does not meet the statutory standards to become an approved agency.

II. Review of Work of Approved Agencies

Those vendors which have been designated as an "approved agency" by the Code Administrator pursuant to the process in Section I shall be allowed to perform reviews of construction documents and/or inspections of work to the extent requested by the permit applicant.

Approved agencies requiring access to documents relating to the project on which they have been authorized to work may submit a request to the City Code Administrator who will provide the requested documents in an FTP folder within 2 business days.

Approved agencies will submit affidavits evidencing a satisfactory review of construction documents or inspections.

A. Timeline for Construction Document Affidavit Review

Fourteen (14) business days after receipt of a construction document affidavit, an application for a building permit, **and** the payment of applicable fees, the City is required to issue the building permit or provide a written notice to the permit applicant identifying the specific features that do not comply with the applicable codes and regulations or the lack of sign-offs from other federal, state, or municipal agencies, as well as the specific code or regulation

reference. If no written notice of deficiencies is provided within the prescribed period, the permit shall be deemed approved as a matter of law.

B. Timeline for Construction Inspection Review

Ten (10) calendar days after the receipt of the inspection affidavit indicating the completion of all necessary inspections, **and** after the payment of all outstanding required fees, a certificate of occupancy or completion shall be issued by the City, or the City shall provide a notice to the approved agency of any specific deficiencies in the affidavit, with reference to specific code chapters and if the regulatory authority does not issue the certificate of occupancy or completion or provide notice within the required number of days, the certificate of occupancy or completion is considered granted as a matter of law and shall be issued the next business day.

The City shall make best efforts to review and respond to all affidavits within the identified timeframe even if a full application and fee has not been submitted.

III. Audit Evaluation

The Code Administrator shall conduct an approved agency audit program as follows:

No less than once per month, the City will develop a list of all projects that utilize approved agencies (the audit period). The City will assign a number to each project and record the numerical list. The City will then designate an employee whom does not have access to the list to randomly generate a number within the value range identified on the list. The City may choose to audit up to three (3) projects per audit period depending on the volume of projects and availability of resources.

The selected projects shall be reviewed by the City as if the City officials are responsible for the review. For approved agent inspections, the City will conduct independent inspections separate from the approved agent. The purpose of this audit is to ensure that the agent properly completed their reviews. The approved agency shall not be audited more than four (4) times in any given month.

If the Code Administrator determines based on the results of the audit that, by clear and convincing evidence, the approved agency has been negligent in their work, they may suspend the approved agency from working on that project, and any other project in the City, for up to one (1) year. In the event that an approved agency has been suspended from a project, the City may pause work until the permit applicant either identifies a new approved agency for the project or requests that the City perform their standard review. If the City performs the review, all applicable building permit and inspection fees will become due and payable to the City; however, said fees shall be prorated in accordance the amount of work completed at the subject building project on the date the approved agency was suspended by the City.

Nothing in this document may be construed as a limitation on the City's ability to issue a stop-work order for a project or any portion of the project, as provided by law, if the Code

Administrator or his designee determines that a condition on the building site constitutes an immediate threat to public safety and welfare.

IV. Permit Fees

Where an approved agency is used for the review of all construction documents in lieu of building official review, permit fees shall be reduced by 40 percent. Where an approved agency is used for all inspections required by this act, permit fees shall be reduced by 40 percent. Where both functions are performed, permit fees shall be reduced by 80 percent.