

**BUILDING BOARD
MEETING
AUGUST 24, 2021**

MEMBERS PRESENT: Thomas "TJ" Thornberry, Chairman
Lawrence Gotfredson, Perry Hoff,
Jeffery Masters

MEMBERS ABSENT: Ara Aprahamian, Juliet Merolla,
Wendy Mueller

OTHERS PRESENT: Randy Cole, Chief Building Official
Kristin Simeone, Finance Director

CALL TO ORDER/ANNOUNCEMENTS

- Mr. Thornberry called the meeting to order at 9:00 a.m.
- A. Roll Call
- B. Next Scheduled Meeting
- September 28, 2021

CITIZENS COMMENTS ON AGENDA ITEMS ONLY

- None.

APPROVAL OF MINUTES

- A. April 27, 2021
- Mr. Thornberry MOVED, Mr. Gotfredson SECONDED approval of the April 27, 2021, minutes. MOTION CARRIED UNANIMOUSLY.

REPORTS

- Mr. Thornberry confirmed the material he had written for a press release on unlicensed contractor activity had been forwarded to the Police Department for feedback.

NEW BUSINESS

- Mr. Randy Cole, Chief Building Official, stated the complaints against Farfan Development Inc. and King's Classic Construction would be continued to the September 28, 2021, meeting, explaining requests for legal counsel from both qualifiers had been granted.
- A. Complaint – Farfan Development Inc. – Doris E. Gomez, Qualifier
- See above.
- B. Complaint – King's Classic Construction – Scott A. King, Qualifier
- See above.

- C. Budget Presentation by Finance Director
- Ms. Kristin Simeone, Finance Director, provided a detailed review of the Fiscal Year (FY) 2021/2022 Budget Update for the Building Division fund (Fund), denoted in the agenda material, explaining permit revenue for FY 2021/2022 was budgeted at \$1,250,000 with 2% increases. She reviewed operating expenditures per the department, noting an additional Building Inspector was estimated for FY 2022/2023 based on increases in permitting. She stated FY 2021/2022 was balanced and there were no changes in fees. She indicated a position was added for FY 2021/2022 to provide extra coverage for the Building Division, explaining the Fund would cover half of the position's cost which was scheduled to start by April 1, 2022.
 - A brief discussion ensued regarding the details of the additional positions as well as their funding.
 - Mr. Thornberry inquired as to the reason for budgeting the proformas in the negative.
 - Ms. Simeone replied same was personnel related, explaining certain circumstances caused revenues to vary; however, staff was not concerned due to the Fund's high amount of reserves.
 - Mr. Thornberry expressed concern regarding one year of reserves, opining reserves should cover two years in case of a downturn in the economy.
 - Ms. Simeone stated the reserves were considered high according to the Florida State Statutes, noting State Statutes required Board approval if the reserves were more than one year of permit revenues.
 - Mr. Thornberry expressed opposition to budgeting in the negative.
 - Mr. Simeone explained staff was not typically in favor of same; however, the negative budget was intended to avoid raising fees. She stated staff attempted to provide the best estimate given volatility in the Building Division, explaining estimates were based on trends that could change; additionally, each department attempted to keep expenses at a minimum.
 - Mr. Hoff pointed out there was a loss predicted even though FY 2021 through FY 2026 included about a third more in revenue from increased construction.
 - Ms. Simeone explained increases in personnel and operating expenditures contributed to same.
 - Mr. Thornberry questioned how reserves could increase.
 - Ms. Simeone responded same would require an increase to the Building Division fees. She then verified the national standard for reserves in any fund was two months

operating (16.67%) according to the Government Finance Officers Association, noting the Building Division's reserves were over 100%.

- Mr. Thornberry reiterated his concerns regarding lower reserves in the case of an economic downturn which led to cutbacks followed by the need to retrain employees after the economy returned to normal.
- Mr. Masters questioned what would happen if the reserves were depleted.
- Ms. Simeone replied staff continuously attempted to maintain and monitor the reserves throughout the year, noting the proforma was consistently updated based on current economic conditions. She indicated the Building Division would likely receive an interfund loan if reserves were to diminish; however, the Building Division fees would likely increase prior to same occurring.
- Mr. Cole indicated the Building Division had additional sources of revenue other than building permits.
- Discussion continued regarding additional responsibilities of the Building Division, including public safety, Certificates of Competency, line and grade permits and canal permits.
- Ms. Simeone then continued reviewing the Fund for FY 2021/2022, noting an additional increase for same was contractual services of \$36,000 for digitizing archived commercial plans and \$10,000 from FY 2022/2023 through 2025/2026 to continue digitizing the plans. She summarized the graph of the Fund for permit revenue, ending reserves and positions for actual FY 2005/2006 through projected FY 2025/2026, requesting members recommend approval of the budget and maintaining excess reserves.
- Mr. Masters reiterated an annual reserve of one year appeared low, noting members were considering same from the private sector.
- Mr. Gotfredson noted staff had monitored the Fund for a lengthy period of time and same appeared successful according to the graph, opining staff should be trusted as the Fund would be reviewed annually.
- Mr. Hoff MOVED, Mr. Gotfredson SECONDED to accept the budget as well as the excess reserves. MOTION CARRIED UNANIMOUSLY.

UNFINISHED BUSINESS

- No items.

STAFF COMMENTS

- Mr. Cole indicated the City inspections lacked competition from the private sector. He stated the City had retrained personnel for other positions in order to retain them, reviewing previous efforts the Building Division took to avoid layoffs.

COMMITTEE/BOARD COMMENTS

- Mr. Gotfredson questioned member's authority regarding the two complaints that were to be heard this date, opining those cases should have moved forward to court.
- Mr. Thornberry reviewed the Board's powers and duties for locally licensed or registered contractors who allegedly violated the provisions of Chapter 7 of the Punta Gorda Code.
- Mr. Gotfredson opined the Board's decision would be premature as the individuals involved in the complaints appeared to argue as to who was at fault in the cases.
- Mr. Cole explained the Board would act as an investigative body and hear the complaints and determine whether a violation of the Building Code or Florida State licensing laws had occurred. He stated the cases would continue to the next meeting if a violation was to be found, noting he would then prepare charging documents based on the Board's order. He verified the appeal process for decisions made by the Board would move forward to the Circuit Court.
- Mr. Hoff questioned whether members could inspect the project site as the photographs of same were not clear.
- Mr. Cole responded he was hesitant to speak on the cases as the individuals involved were not present this date, adding the Board Attorney would be available at the next meeting to answer such questions.
- Discussion ensued regarding member's abilities as an investigative body as well as their authority to penalize State-certified versus non-State-certified contractors.
- Mr. Thornberry noted the Board fell under the Sunshine Law and requested members not to "reply all" when responding to emails, as recommended by the Board Attorney. He concluded members should refrain from making recommendations to homeowners on how to handle their situations as same was not member's responsibility.

CITIZENS' COMMENTS

- None.

ADJOURNMENT

- Meeting Adjourned: 9:40 a.m.

Thomas "TJ" Thornberry, Chairman

Leah Pues, Recording Secretary