

MINUTES ARE NOT VERBATIM

**OKALOOSA COUNTY CONSTRUCTION COMPETENCY BOARD
MINUTES
SPECIAL CALL MEETING**

April 5, 2017

The regular meeting of the Okaloosa County Construction Competency Board was held Wednesday, April 5, 2017, at 3:00 p.m. at the Okaloosa County Administration Complex, 1250 Eglin Parkway N., first floor Commissioner's Chambers, Shalimar, Florida. Board members in attendance were Damian Curtis, Linda Flowers, Randy Wise, Jason Buck, Skip Miller, Skip Royster and Jimmy Henderson. Mike Dean, Fay Seketa, Buddy Gordon, and Mike Chesser were not present.

Growth Management staff in attendance were Elliot Kampert, Growth Management Director; Purl Adams, Okaloosa County Building Official; Renée Lucas, License Specialist; and Teresa Mullins, Administrative Assistant II.

I. Call to Order

Chairman Damian Curtis called the meeting to order.

a. Roll Call:

Ms. Teresa Mullins conducted roll call.

II. Acknowledge Guests

Chairman Curtis welcomed staff and applicants to the meeting.

III. Approval of Minutes: January 25, 2017:

Motion to approve the minutes as written made by Jason Buck; second by Linda Flowers; approved unanimously.

IV. OPEN TO PUBLIC (For any item not Quasi-Judicial on this Agenda)

V. Announcements:

Ms. Renée Lucas informed the Board that staff received notice of Board resignation from Mr. Michael Dean. Ms. Lucas stated that, per Mr. Dean's statement, he feels that due to the times he has already missed while working out of town as well as in dealing with the injuries he sustained in his recent motorcycle accident, he will not be able to meet the requirements, duties and responsibilities as required of a Board member. Ms. Lucas informed the Board that Mr. Dean's statement also noted that he found it a pleasure to sit on this Board and appreciates the opportunity he was given to work with staff as well as all of his "esteemed" fellow Board members.

Ms. Lucas noted that there are now 2 vacancies on the Board, one, to replace Mr. Dean, must be an active contractor, the other being the consumer representative set left open by the retirement of Mr. Ray Buck. Ms. Lucas asked the Board members to notify staff if

they were aware of anyone who is willing to serve a 3 year term and meets the requirements as found in the County Code of Ordinances.

VI. Old Business:

None

VII. New Business

a. Swearing in applicants/speakers:

Ms. Mullins swore in all those wishing to address the Board.

b. Candidates for Testing Approval:

1. David Hogan – Residential Contractor

Chairman Curtis asked Mr. Hogan to identify the type of license he is seeking and tell the Board a bit about himself.

Mr. David Hogan informed the Board that he is seeking permission to test for a Residential Contractor's license. Mr. Hogan stated that he has been in construction for most of his life. Mr. Hogan further stated that he is from Colorado but lives in Santa Rosa Beach and works for Holt Development and Construction.

Chairman Curtis asked Mr. Hogan to describe the types of homes he has been building and how many houses he builds in a year.

Mr. Hogan stated he has been building big custom homes, ranging from 6,000 to 8,000 square feet, in the Seaside, Watercolor and Santa Rosa Beach, and the number of homes is roughly 6 to 8 a year.

Chairman Curtis asked Mr. Hogan how long he has worked for Holt Development and what his job was there.

Mr. Hogan stated that he has 20 years of experience, 4 years with Holt Development where he is the Project Manager.

A brief discussion ensued.

Motion to approve made by Skip Miller; second by Jimmy Henderson; approved unanimously.

2. Denver A. Hulsey – Building Contractor

Chairman Curtis asked Mr. Hulsey to identify the type of license he is seeking.

Mr. Denver Hulsey stated that he was seeking a Building Contractor's license.

Chairman Curtis noted that Mr. Hulsey is from Georgia and asked if he had ever worked in Florida.

Mr. Hulsey stated that he has not worked in Florida; however he and his wife purchased property here, and they intend to move to that property when his wife retires.

Chairman Curtis asked Mr. Hulsey to describe his experience in the construction industry.

Mr. Hulsey stated that he has worked in construction all of his life as both his father and grandfather were master carpenters. Mr. Hulsey further stated that he stayed in the construction business for a while after his father and grandfather passed away, but soon moved to teaching construction technology at the high school level, which he did for 14 years. Mr. Hulsey stated that he still has an active teaching certificate for construction technology which is valid through 2018. Mr. Hulsey further stated that he is currently employed full time by Brad Paisley as a songwriter. Mr. Hulsey stated that he does not intend to go into business building houses or commercial structures, but he loves construction and wants to be able to do “weekend warrior” work, like remodeling projects, legally.

Chairman Curtis noted that the signature on Mr. Hulsey’s work experience affidavit was from an out-of-state contractor. Chairman Curtis stated that, in reading the Construction Ordinance, he found it to be ambiguous in terms of out-of-state contractors and those who can sign for their experience. Chairman Curtis further stated that he wasn’t sure it was a good thing to have out-of-state contractors sign off on experience given that they are not familiar with the Florida Building Code.

Ms. Lucas stated that this issue has been brought up in the past. Ms. Lucas noted that all of the applicants appearing before the Board today have out-of-state signatures on their experience and work affidavits. Ms. Lucas stated that, in situations such as this, staff contacts the signatory and confirms both who they are, how long they’ve worked in the construction industry and that they did indeed sign off on the affidavits. Ms. Lucas further stated that staff have checked with the Department of Building and Professional Regulation (DBPR) and were told that the State of Georgia is one State that has a strict building code that is very similar in its requirements to those of the Florida Building Code.

The Board had no questions for Mr. Hulsey.

Motion to approve made by Skip Royster; second by Randy Wise; approved unanimously.

3. James A. Nash – Residential Contractor

Chairman Curtis asked Mr. Nash to tell the Board a little about himself and explain what he is seeking from the Board.

Mr. James Nash stated that he is present seeking approval to test for his Residential Contractor’s license. Mr. Nash further stated that he has worked in construction for the past 15 years. Mr. Nash stated that that he is not really looking to build a lot of houses, noting that he got out of building houses after he lost his son a couple of years ago. Mr. Nash further stated that he has moved to this area, bought a lot and built his home there and loved all the people he worked with, which renewed his interest in building. Mr. Nash stated that he isn’t looking to build more than perhaps 3 to 4 houses per year, primarily custom homes.

The Board had no questions for Mr. Nash.

Motion to approve made by Skip Miller; Second by Jason Buck; approved unanimously.

A brief discussion ensued.

VIII. Other Business:

a. Discussion on Contracting

Ms. Lucas informed the Board that at their last meeting they requested that the Building Official and the Department Director attend this meeting in reference to a discussion on contracting.

Mr. Purl Adams addressed the Board, stating that staff had told him that Mr. Wise had some questions regarding the definition of contracting and how the County defines it. Mr. Adams asked Mr. Wise if he could restate his question.

Mr. Randy Wise stated that it really involves all of the unlicensed contracting that has been going on which is itself a form of contracting and, in his experience, it has been the permitting department's policy that a licensed contractor is only required when structural work is being done, as opposed to when kitchen cabinets, flooring and countertops, etc. are being installed. Mr. Wise further stated that contracting is more than just knowing how to size a beam as there is the whole business side which really has become an even bigger part of contracting as opposed to just knowing how to size a beam or build a wall. Mr. Wise stated that, per Chapter 489 of Florida Statutes, a contractor is one who is acting in the capacity of doing business as a contractor even to the point of selling those services prior to getting a signature on a contract. Mr. Wise further stated that there are also issues with homeowners pulling their own permits, and there are some County Commissioners who support that policy. Mr. Wise stated that he believes that the County is allowing homeowners to do more for themselves than perhaps the law actually allows.

Mr. Adams stated that the Board and staff are all aware of what the State Statute and County Ordinance says regarding contracting; therefore he would not restate it. Mr. Adams further stated that lawn maintenance contractors, flooring contractors, painting or drywall contractors are contracting, but do not have to hold a license other than their Business Tax Receipt from the Tax Collector. Mr. Adams stated that work that those contractors do is not governed by the Florida Building Code, and do not require permits. Mr. Adams further stated that he and staff understand that the Residential, Building & General Contractors handle all of this cosmetic work in the course of building; however, there are no inspections to be done on that sort of cosmetic work. Mr. Adams stated that what matters is the scope of work allowed under a contractor's license, noting that even licensed contractors don't have to pull permits for flooring, cabinets or painting. Mr. Adams stated that there is no way for the County to regulate those types of work as they are not included in the Florida Building Code.

Mr. Wise stated that he and other contractors like him, feel that the issue is worse in the remodeling side of their businesses. Mr. Wise further stated that one area that is particularly bad deals with kitchen contractors who can sell and install cabinets for upwards of \$100,000.00, and who touch on plumbing and electrical work while installing them.

Mr. Adams stated that he is aware of the issue, however, just touching on electrical or plumbing isn't an issue unless they are moving an outlet or moving the plumbing.

Mr. Wise stated that he believes that this is more of a State issue; however, those kitchen cabinet installers don't have to go through the continuing education that is required of licensed contractors, even though they may be dealing with sub-contractor and are handling homeowner's funds. Mr. Wise stated that they are playing the part of a contractor in that they are getting paid for their work in both selling and installing.

Mr. Skip Miller stated that licensed contractors have to renew their licenses every 2 years, which requires 14 hours of continuing education. Mr. Miller further stated that part of that continuing education deals with business and law; therefore, those cabinet contractors may not be up to date on lien or workman's compensation laws that could be detrimental to the homeowner if that cabinet installer is hurt on the job.

Mr. Adams asked the Board if their consensus is that the kitchen cabinet installers are the worst issue they face.

Mr. Wise stated that they have more problems with interior designers who contract hundreds of thousands of dollars of work in the more expensive homes and condominiums and they do structural work.

Mr. Jimmy Henderson agreed with Mr. Wise, stating that he has been contacted by interior designers to discuss the work they intend to do, and has told them about needing engineered plans and pulling permits and the designers' answer is "no, no we don't need to do all that". Mr. Henderson stated that interior designers are much worse than kitchen cabinet installers.

A brief discussion ensued.

Mr. Miller stated that he believes that this issue is one that should be handled at a higher level than the County.

Mr. Adams stated that he has seen a large problem with realtors and management companies who manage 100's of properties and use handymen or others to do work that requires a license, permits and inspections. Mr. Adams further stated that the insurance industry is helping with this problem because they require that open permits be inspected and closed and refuse to accept improvements if no permit was pulled, or inspection passed. Mr. Adams agreed with Mr. Miller, stating that there might be a need for some workshops to look at how best to present this at a level above the County.

Mr. Wise stated that he remembers that there once was a law on the books years ago that allowed a \$5,000.00 fine for homeowners who used an unlicensed contractor, and he believes he read recently that the amount of that fine has been increased to \$25,000.00. Mr. Wise further stated that he has been told that the Commissioners won't support fining homeowners in this situation, but it might solve the problem if homeowners who hire unlicensed were fined.

Mr. Adams stated that the homeowner's privilege appears in State Statute, and so long the State continues to allow it, there is nothing much that staff can do, other than education. Mr. Adams further stated that staff is aware that even though a homeowner pulls a permit,

they often have unlicensed people working for them, although the insurance industry is catching up with those issues.

Mr. Wise stated that he would look up information on the fine for homeowners who hire unlicensed as it may be the only way to stop this issue.

Ms. Lucas informed the Board that Attorney Parsons was unable to attend this meeting but will bring the information she gathered regarding this issue to the next meeting.

Ms. Linda Flowers noted that at one time the Board had discussed having staff meet with the Board of Realtors to discuss these sorts of problems and asked if that meeting ever took place.

Mr. Adams stated that there were a lot of problems with unlicensed work, but the insurance companies have had an impact on that. Mr. Adams further stated that staff agrees that a workshop may necessary.

Chairman Curtis asked staff if they could provide the Board with the number of homeowner permits pulled within a year.

Mr. Elliot Kampert stated that he doesn't have the number available at this time, but the data can be extracted from the permitting software and provided to the Board at the next meeting.

Mr. Adams stated that there are many more homeowner permits pulled in the Northern part of the County.

Ms. Lucas stated that staff recently had a situation wherein the homeowner pulled the permit but hired a licensed contractor to do the work.

Mr. Miller noted that, in that situation, the homeowner just took on the liability for the contractor and hoped the homeowner was aware of that fact.

Ms. Lucas noted that some homeowners will hire a contractor for the structure but choose to pull homeowner permits for the subs. Ms. Lucas stated that staff is very careful to let homeowners know their responsibilities and risks by requiring the homeowners to read and sign a homeowner's affidavit, before those homeowner permits are sold.

Ms. Flowers asked if there was a way that staff could provide a handout to people applying for a business license as a handyman.

Ms. Lucas stated that, for those who come in for a home occupation as a handyman, staff gives those applicants a handout that clearly outlines the limits of what they can do as a handyman and also lists work that they cannot do as a handyman. Ms. Lucas further stated that the handout further states that they can be fined up to \$2,000.00 if caught doing work outside the scope of work allowed for a handyman. Ms. Lucas stated that when those wanting to be a handyman go to the Tax Collector to get their business tax receipt, the Tax Collector requires that they sign an affidavit that acknowledges the scope of work they are allowed to do. Ms. Lucas further stated that staff have had phone calls asking about the limits applied to a handyman and the fine if caught working outside those limits,

and suddenly some of those callers are filling out applications to appear before the Board seeking licensure.

Mr. Miller stated that he believes fining unlicensed contractors at an appropriate (high) level could probably fund a couple of positions in the permitting & inspections division.

Mr. Kampert asked where a threshold should be set dollar-wise for kitchen remodel for cabinets and asked if the Board had any thoughts on where such a threshold should be set. Mr. Kampert stated that regarding unlicensed contractors, the difficulty is catching them in action. Mr. Kampert further stated that Code Officers have been working on Saturdays and the Code Supervisor is available 24/7, but they've only caught a few, so staff is very open to suggestions.

Mr. Miller stated that is the point where staff may have to involve homeowners as Mr. Wise suggested.

Chairman Curtis stated a large part of that involves educating the homeowners, because most homeowners don't understand the difference other than cost. Most homeowners don't pay attention to or understand the affidavit and just want to buy the permit and leave. Chairman Curtis stated that he doesn't believe that a dollar threshold as renovation projects may start out at one amount, but that amount always increases before the project is complete.

Mr. Kampert stated that staff values any and all suggestions regarding unlicensed contracting.

A brief discussion ensued.

IX. Adjournment

There being no further business before the Board, Chairman Chesser declared the meeting adjourned.

Prepared by: Teresa A. Mullins
Teresa Mullins, Recording Secretary
4.13.2017