

CLARK COUNTY DEPARTMENT OF BUILDING & FIRE PREVENTION  
BUILDING ENTERPRISE FUND ADVISORY COMMITTEE (BEFAC)

CCDB&FP Presentation Room  
May 5, 2021

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MINUTES

MEMBERS/ALTERNATES PRESENT:

Jessica Colvin	Clark County Finance Department
William Ham, Chair	MGM Resorts
Shawn Danoski	NAIOP
Nat Hodgson	Southern Nevada Home Builders Association (SNHBA)
Amara Vigil	Clark County Department of Building & Fire Prevention

MEMBERS/ALTERNATIVES NOT PRESENT:

Sean Stewart	Associated General Contractors (AGC)
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STAFF PRESENT:

Jerry Stueve	Clark County Department of Building & Fire Prevention
Sam Palmer	Clark County Department of Building & Fire Prevention
Jim Gerren	Clark County Department of Building & Fire Prevention
Ofelia Monje	Clark County Department of Building & Fire Prevention
Timothy Baldwin	Clark County District Attorney
Christina Card	Clark County Finance Department
Sarah Stevens	Clark County Department of Building & Fire Prevention

GUESTS IN ATTENDANCE:

Amanda Moss, Southern Nevada Home Builders Association (SNHBA)

**In Compliance with the Open Meeting Law.** The meeting of the Building Enterprise Fund Advisory Committee was called to order at approximately 9:03 a.m. by William Ham, Chair, and a quorum was confirmed. Jerry Stueve opened the meeting.

**I. Introductions**

**Public Comment Period.** There were no public comments.

**II. Selection of Vice Chairperson.** Motion was made by Shawn Danoski to elect Nat Hodgson, seconded by Bill Ham, Chairman, and passed unanimously.

**III. Review of Minutes.** Motion was made by Bill Ham to hold this item until the next meeting (TBD), seconded by Nat Hodgson, and passed unanimously.

**IV. Financial Update.**

a. Enterprise Funds. Jessica Colvin presented PowerPoint presentation which provided financial update as of December 31, 2020. Comparison of income of the last six months of December 2018, 2019 and 2020 reflected in revenues peaking in 2018 at \$22.13 million, 2019 at \$12.58 million (with the completion of larger projects) and 2020 at \$12.69 million. Expenses \$10.55 million in December 2018, somewhat

attributed to COVID cost saving measures (i.e. no COLA, Voluntary Separation Program, and some frozen positions), increasing to \$12.58 million in December 2019 (due to contractual obligations) and \$11.33 million in December 2020. Resulted in Operating Income of \$11.58 million in December 2018, \$1.21 million in December 2019 and \$1.36 million in December 2020.

- b. Working Capital: Jessica provided break down of calculation of working capital, comparing current assets (predominantly cash receivables) of June 2019 at \$57.75 million, June 2020 at \$66.24 million and December 2020 at \$66.1 million; less designated cash (restricted through agenda items to fulfill the Building Department's Capital Plan) of \$24.55 million, resulting in unrestricted current assets in June 2019 of \$38.45 million; June 2020 at \$41.68 million and December 2020 at \$41.60 million. Totals offset by current liabilities (i.e. accounts payable for vendors and unearned revenue for projects on which we collected revenue but it's unearned at this time) each year, staying flat at approximately \$21 million each. Working capital total at \$11.41 million for June 2019, \$20.72 million for June 2020 and \$21.40 million for December 2020. Totals minus 50% of operating expenses equals the working capital excess, showing a deficiency in June 2019 of negative \$3.51 million, \$4.84 million in June 2020, and \$5 million in December 2020 of working capital monies.
- c. Recommendation: Finance recommends re-evaluate in December 2021. Anything in excess of 50% of operating expenses is considered excess, and if occurs two consecutive years, required to re-evaluate and reduce fees, looking at not actual, but budgeted expenses, to appropriate 50% of budgeted expenditures. At that time, Jessica will speak to DA and in fall meeting, provide options including fee reduction and looking at 50% of the budget and operating expenditures.

## V. Department Update

- a. Performance Data: Jerry Stueve presented PowerPoint presentation providing performance data of comparison of building permits (residential, commercial and revisions) and fire permits issued (annual/renewable, construction, and temporary permits) in FY18 through FY21; completed building and fire inspections for FY18 through FY21 through April FY21; Building and Fire Inspector Activity of approved, denied, cancelled, rollover, and other types of inspections. FY21 reflected slightly under last year's totals, at this time, but anticipate drastic increase within the next couple of months as businesses open back up.
- b. Staffing Update: Jerry Stueve presented PowerPoint presentation which provided the key vacancies in the Building Department:
  - Current Recruitments:
    - Engineering Manager (offer made, candidate pending background)
    - Assistant Manager Plans Exam – Building (successfully hired Terry Kozlowski - started 05/03/21)
    - Senior Engineer/Architect (2) (successfully hired; started 5/17/21) Building Plan Exam Specialist, I/II (offer made to one, pending background; second position in recruitment)
    - Building Permit Specialist, I/II - Building (2) (PARs submitted, awaiting approval)
      - Administrative Secretary – Building (offer made)
      - Fire Inspector - Fire Prevention (3) (interviews set to be scheduled)

- Associate Engineer (interviews set to be scheduled)
- Senior Building Inspector (5) (PARs submitted, awaiting approval)
- Department Vacancies:
  - Manager Plans Examination
  - Assistant Manager Plans Exam
  - Associate Engineer
  - Building Plans Examination Specialist
  - Senior Building Inspector (7)
  - Building Inspector, I/II
  - Office Services Manager
  - Building Plans Technician
  - Administrative Secretary
  - Recordation Technician
  - Financial Office Specialist
  - Office Services Aide
  - Fire Marshal
  - Senior Engineer/Architect
  - Administrative Specialist
  - Office Assistant II

**VI. Capital Improvement Requests.** Jerry presented RPM's Preliminary Cost Estimates for committee discussion and possible action, for the following Capital Projects:

● Employee Parking Lot LED Lighting	\$ 307,235
● Lighting Control Panel Replacement	\$ 712,356
● Exterior Waterproofing and Caulking Replacement	\$ 403,811
● Exterior Break Area Fan and Lighting Replacement	\$ 40,455
● Chiller 1 & 2 Replacement	\$ 1,714,622
● Data Room A/C Addition	\$ 113,405
● Internal Security Camera System Upgrade	\$ 288,359
● Parking Lot Assessment	\$ 30,000
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TOTAL:	\$ 3,610,243

Chair, Bill Ham motioned to approve with the caveat that the scopes reflect how items tie in with the County's "All-In" Plan and include a mechanism of measurement and tracking, seconded by Nat Hodgson and passed unanimously.

**VII. Economic Outlook from BEFAC Members.**

- Gaming Industry: Representative Bill Ham expresses that the economic outlook is the right direction have yet to see the outcome of business returning to the strip. Lots of movement in ownership changes will create lots of work for the next few years.
- Residential Construction Industry: Representative Nat Hodgson explains that the finance industry is booming on paper, however, cost of materials, items to run casinos and doing business is at a challenged 50%. Good news is \$11,500 is forecasted and 13,000 homes will be built. The construction/development industry is encouraging but challenged.

- Commercial Development Industry: Representative Shawn Danoski explains that logistics of obtaining materials is becoming complicated. Construction costs have increased, plumbing/electrical components are harder to obtain, and timelines and availability is challenged. Low wages have caused lack of incentive to return to work, resulting in a labor shortage. Per customer feedback, approval processes are becoming regionally, increasingly frustrating and processes are changing drastically, causing less efficiency in dealing with customers.
- Clark County Finance: Chief Financial Officer Jessica Colvin explains that the County is trending in right direction. Financial impact because of drop in sales tax, eviction moratorium, drastic room tax reduction, etc., leaves a challenged recovery and lack of guidance. Revenues are flat and expenses are rising.

**VIII. Proposed items for future agendas.**

- a. Review minutes from December 3, 2020 meeting.
- b. AB 139 – Follow-up to see if it passed and if so, discuss how it impacts the budget process.
- c. Budget - Jessica to provide what Jerry's capital plan includes and options for use of excess unrestricted monies.
- d. Solar Panel Covered Parking – Phase I – Jerry to add this to next meeting's capital improvement requests.

**IX. Set next committee meeting time and location.** August 2021, TBD.

**Public Comment Period.** There were no public comments.

Meeting adjourned at approximately 10:26 a.m.