

**CLARK COUNTY BUILDING DEPARTMENT
BUILDING ENTERPRISE FUND ADVISORY COMMITTEE (BEFAC)**

CCBD Conference Room 1116
October 3, 2024

MINUTES

MEMBERS/ALTERNATES PRESENT:

Shawn Danoski	DC Building Group
Ann Barnett	Nevada Contractors Association (NCA)
Anna Danchik	Clark County Finance Department
Tina Frias	Southern Nevada Home Builders Association

MEMBERS/ALTERNATIVES NOT PRESENT:

Sonny Vinuya	Las Vegas Asian Chamber of Commerce
Jordan Krahenbuhl	Plumbing, Heating, Cooling Contractors of NV (PHCCNV)
Theresa Atimalala	Clark County Senior Management Analyst, Building Dept
Jessica Colvin	CFO, Clark County Finance Department

STAFF PRESENT

James Gerren	Clark County Building Department
Timothy Baldwin	Clark County District Attorney
Sandy Miller	Clark County Building Department

GUESTS IN ATTENDANCE:

No guests in attendance

In Compliance with the Open Meeting Law. The meeting of the Building Enterprise Fund Advisory Committee was called to order at approximately 2:12 p.m. by James Gerren, and a quorum was confirmed.

- I. Introductions.** The meeting was called to order by Jim Gerren. Members present, Shawn Danoski, Ann Barnett, Tina Frias, and Anna Danchik.

Public Comment Period. There were no public comments.

- II. Review and Approve Minutes.** A motion was made by Shawn Danoski to approve the minutes from the previous BEFAC meeting on June 27, 2024, seconded by Tina Frias, and passed unanimously.

- III. Approval of Agenda.** A motion was made by Shawn Danoski to approve the agenda for October 3, 2024, seconded by Ann Barnett, and passed unanimously.

- IV. BEFAC Recruitment Update** Jim Gerren stated that after the June 27, 2024, meeting, the CCBD began a recruitment for vacant positions and also reached out directly to Tina Frias at SNHBA and Virginia Valentine at the Nevada Resort Association and asked if any members would be interested in the Gaming Representative opening and the Residential Construction Industry Representative opening. We received one application from Tina Frias. We submitted Tina's application to the Board of County Commissioners, and she was appointed at their meeting on September 17, 2024. We still carry one vacant position; we have not filled Bill Ham's Gaming Representative opening. Shawn Danoski asked if Bill Ham had a recommendation of who he would suggest to fill his position. Jim will reach out to Bill and see if he would like to

recommend anyone from the industry. Jim also pointed out that member, Sonny Vinuya, who represents the Las Vegas Asian Chamber of Commerce, has not been to a meeting since appointed, and does not respond to emails, so we are also considering replacing him. Tina asked what the interest was in that Chamber of Commerce and Jim explained that he had applied when we were recruiting at one point, but that is not a required representative position for the Committee. The Gaming Industry is also not a requirement, but they drive the bulk of the Building Department revenue, so we like to accommodate them. Tina Frias asked if we would be interested in an additional member from the Residential Construction Industry and Jim explained that Jordan Krahenbuhl from Plumbing, Heating, Cooling Contractors of Nevada also represents the Residential Construction Industry, but if we remove Sonny, we may be able to fill that vacancy with Tina's recommendation. We are still taking applications. Shawn Danoski said historically we have been meeting twice a year and Jim pointed out that we are only required to meet once per year, per the By-Laws, but we scheduled this meeting mainly to get FY24 financial numbers from Jessica Colvin. Shawn feels twice a year is working; at one time it was 4 times a year which was more than necessary. Jim explained that our intention is to meet every 6 months.

V. Financial Update.

- **Enterprise funds.** Anna Danchik, sitting in for Jessica Colvin, did not have the typical PowerPoint presentation since they are still going through the FY24 year-end process and finalizing numbers, and the audit will start soon. Preliminary numbers look like there will be some excess cash for future capital needs. Jim Gerren said, roughly speaking, we did make a profit over expenses for FY24. The Enterprise Fund is extremely healthy. Shawn Danoski suggested that we plan meetings around when financial information will be ready. When we don't have the information, it makes it hard to be productive. Jim said that was our intent for this meeting, thinking that the FY24 numbers would be ready. We will plan a meeting in the Spring of 2025 when the FY24 audit is completed, typically in January.

VI. Department Update.

- **Performance Data:** Jim Gerren referred to a PowerPoint presentation, showing that we are in line with historical trends with number of permits issued through September 2024. We are doing well with the amount of fees collected. Our staff is still extremely busy. Some of our inspection activity is actually higher than previous years, so we are actively recruiting for inspectors. Issues we're hearing from industry right now are electrical supply chain issues, people putting things on hold until the elections play out, and until recently, inflation and interest rates. We are still waiting for some big projects to be released, the A's Stadium, The Dream. The only big project we have going forward is the Hard Rock Hotel, the rebranding of the Mirage. Looking forward, the A's stadium, NBA arenas, Formula 1 is planning more buildings next to the paddock building. Tina Frias asked how much we collect for inspections and Jim explained the fee process for permits. Tina stated that she just wanted to understand how the Building Enterprise fund is funded. Jim and Anna explained the process briefly. Sandy will provide the presentation from the last meeting to Tina, so she can review the financial information provided. Tina also inquired about the Public Works Enterprise Fund which is a separate entity. Anna explained that it is tracked separately. Jim added, in the past, we have transferred around 10 million dollars from our Fund to the legislature to build 2 fire stations, after former SNHBA President, Nat Hodgson, pushed to use surplus funds for them. Jim moved forward with more performance data information and pointed out that we are doing well on the Inspections side. We are well under half a percent on rollovers. On the plan review side, we are also doing well. Terry

Kozlowski, our Manager of Plans Exam and Jake Mizrahi, our Engineering Manager, are doing a great job and they are almost at 100% on-time for reviews. Shawn feels this metric is hard to understand because it's showing the Building Department only; other department's delays can impact the overall timeliness of permit issuance, but it's not tracked. Jim agrees that this is not a true picture of the overall timeframe for a permit to be issued. We do not have control over entitlement issues and Public Works for offsites issues. Shawn would like to know if there is a way to track all the phases or agencies involved with a permit and see if that would help our customers. Like a permit coordinator.

- **Staffing Update:** Jim Gerren provided a PowerPoint presentation and added that we currently have 162 employees which includes a handful of part-time employees. We have 182 funded positions, so we still have some to fill. We were below a 5% vacancy rate at the end of June. Last month we were awarded 13 supplemental positions for FY25 budget, so when you factor in the additional 13 positions, that brings us up to 12.6% vacancy rate. We are going to immediately recruit for these positions. Biggest recruiting challenge is Inspectors for the structural group. They handle the quality assurance in the field. The starting wage seems to be the biggest issue. We will be joining the HR effort at the UNLV Fall Career fair, we recruited at EduCode this year, but we are struggling with some of the technical positions. Ann Barnett asked how we recruit for the positions. Jim explained first, it's on the County website, a mailing list we received from EduCode, we advertise on ICC's website, and the job page on the American Concrete Institute website. Lately, it's been a lot of word of mouth. Ann added that they are hosting a Construction Career Day on October 18 at the CSN Cheyenne Campus. She doesn't know if Clark County is signed up or not. They are expecting around 2000 students, high school and college. Tina asked if we have considered a Countywide class and comp. Tina said 3 or 4 years ago, they started a class and comp on a management level and there were some benefits that came out of that. She is surprised that the rest of the staff levels, where we have the most people, doesn't call for a class and comp. Jim will relay Tina's suggestion to Lisa Kremer.

- **New Hires Effective 7/1/2024**
 - Matthew Maler - Senior Engineer/Architect
 - Donna Wynn - Office Assistant
 - Allison Foley - Building Permit Specialist
 - William Mitchell - Senior Building Inspector
 - Timothy Yates - Building Inspector I/II
 - Jay Rosenberg - Building Inspector I/II
 - Scott Schaefer - Senior Building Inspector
 - Israel Checol - Building Inspector I/II (pending)
 - Selena Sodeyf - PT MA (pending)
 - Ramon Carrillo - Senior Building Inspector (pending)
 - Tyler Stump - Building Inspector I/II (pending)
 - Sebastian Lopez - PT MA (pending)
- **Promotions**
 - Dennis Wright – Senior Records Technician
 - Kirk (Robert) Reese – Senior Building Inspector
 - Andrew Kelly – Associate Engineer
 - Daniel Boucher – Commercial Combo Inspector
 - Sandy Linehan – Senior Records Technician

- Additional Funded Positions (13)
 - Administrative Specialist
 - Assistant Manager Plans Exam
 - Building Inspection Specialist (4)
 - Plans Examiner II (2)
 - Plans Examiner Specialist
 - Plans Technician (2)
 - Supervising Building Permit Specialist
 - Senior Management Analyst

Jim added that we requested some Building Inspection Specialist positions because that position is at a higher pay level than the entry level positions, so we would be able to hire people with more experience and certifications at a higher salary. We also received an additional supervisor for Shannon's group (permits) and we will recruit for that right away.

VII. Capital Improvement Project Update. Jim Gerren provided a status on previously approved capital improvement projects.

- Covered Parking: \$6,367,627 (SHF International with Baja Construction)
 - Phase I (of 3) began in September
 - For employees only
 - Solar aspect was removed from project due to cost
 - The structure is designed to support future solar
 - Phase I should be completed by the end of this year
- Chiller Replacement: \$2,385,150 (Ryan Mechanical)
 - Project done
 - Currently in warranty period
- Lighting Control System Replacement & LED Fixture Replacement: \$3,133,485 (Sturgeon Electric)
 - 85% complete (ANTP August 2023)
 - Hoping to finish by the end of this year
 - Issues: Contractor has left Las Vegas; this is their last project here.
 - They will be honoring the warranty
 - All lights will be sensor controlled per the Energy Code
- Miscellaneous Space Improvements
 - PAC cubicle reconfiguration; IT cubicle expansion/reconfiguration; Records area modifications; various office reconfigurations
 - We have been waiting over 1 year for some of the project requests
 - The whole IT area to be reconfigured to fit 30 people
- Recently Completed Projects
 - East Employee Restrooms
 - Security camera system upgrades (and reductions)
 - Data room cooling
 - Exterior joint caulking/repairs
 - Parking lot assessment
- Planned Work Intentionally Delayed until after Covered Parking Project completion
 - Parking lot restriping

- 5- and 10-Year Space Utilization Study
 - Carpenter Sellers Del Gatto Architects
 - Initiated in December 2022
 - Schematic drawings presented to RPM in January 2024
 - RPM preliminary cost estimate: \$102,044,405
 - CCBD presentation to CC Long Range Planning Committee 6/26/2024.
 - Design included a two-story addition on the west side of the building, with a one-story smaller addition to the front of the building for another presentation room.
 - Estimate does include all the furnishings as well.
 - Other departments in the building would be responsible for their percentage of the cost or they may move to other locations. That is up to the County Manager.
 - The Building Enterprise fund would only be used to cover what is reasonably associated with building department functions.
 - We have not heard back from the CC Long Range Planning Committee since the 6/26/2024 meeting.
 - Currently, DES owns the entire second floor of our building

VIII. Accela & Electronic Submittal process Update. Jim Gerren explained for those not at the last meeting that the County migrated to Accela hosted cloud-based servers and upgraded to Accela's latest version in November of 2022. The migration went smoothly for the most part. We have noticed increased stability and reliability. We get quicker responses from Accela to fix things. It's still not perfect, but they try to resolve problems as quickly as possible. The problems we generally have are not County problems; they are problems with the vendor.

- Residential Standard Plans
 - Fire Chief got an ordinance approved to require sprinklers in all new residential construction effective in March of 2024.
 - Builders may submit sprinkler application with MPEs or defer.
 - Deferral requires sprinkler plans to be submitted as a revision after the standard plans are approved.
 - Homebuilders were part of beta testing for the program.
 - Required for all new homes in our jurisdiction whether the property is served by a public water utility or a well.
- Addressing Issues
 - We have identified what is causing the issue
 - We have been working with Business License and the Assessor's office to create an automatic fix.
 - Our department creates addresses, and we manually enter and give to the Assessor's office.

IX. Ethics Training Requirement under CCC2.42.060

- A County requirement for all Boards and Committees
- Every 2 years, each member will need to be qualified by watching the videos or attending a class in person.
- Submit an attestation form to Sandy Miller.

X. Review Minutes Approval Process

- Per Tim Baldwin, we need to approve minutes quicker
- Just a draft until Board approves it, which can take over 6 months
- We will discuss this in the By-Law revisions
- Don't post draft minutes on the website, only approved minutes

XI. Discuss Revising By-Laws – Tim Baldwin pointed out some corrections on our current By-Laws that have not been revised since 2020. He will email Sandy Miller his corrections and also suggested Article IV, Section 2 should state “All members shall serve for a period of 2 years but not to exceed 4 years, or until a successor is elected and assumes office.” This will give an option to remove someone at any time. There should also be some mention of the new Ethics Training Requirement. Consider including video conferencing in Article VI, Section 8 instead of teleconferencing. Article V, Section 2, should state the term of the Chair and Vice Chair is 2 years or until their successors are elected and assume office. Article V, Section 1 should be revisited. Article V, in the event of death or resignation by the Chair, does the Vice Chair become Chair, or is a new Chair elected, so that needs clarification. When there is no Chair or Vice Chair, who acts as the Chair? Jim Gerren said we will update the draft By-Laws with the legal corrections from Tim, and we will also note his suggestions on the draft and send to members for review and additional suggestions.

XII. Committee Elections – Tina Frias nominated Shawn Danoski to serve as Chair and Ann Barnett as Vice Chair. Shawn and Ann agreed to accept, and the committee voted, nomination passed unanimously.

XIII. Economic Outlook from BEFAC Members.

- Construction Industry: Representative Ann Barnett stated that NCA overall is doing very well, and our contractors are staying steady. On the public side with the unions, she has heard there have been layoffs. She thinks it's due to the bigger projects, the A's Stadium, Hard Rock, etc., not happening right now. She feels it will pick up next year when the bigger projects begin. The private side is staying steady also.
- Commercial Development Industry: Representative Shawn Danoski feels it's a little confusing right now. Conversations say things are slowing down, but he hasn't seen this in the data. The amount of work is staying stable. He feels mid to late next year, we will see a slowdown in the number of manhours out in the industry. Being cautious over the next 6 months is important to see where it's going to go. He is encouraged by the interest rates dropping; the election is a wildcard; the strike on the east coast could have a major impact. As he stated in our last meeting, he is encouraged but cautious. Looking at the Industrial market in North Las Vegas, he heard their revenue is way down because new projects aren't coming forward yet. Looking at the data, there is 16 million square foot of industrial space coming on the market this year and in any given year, our max is less than 5 million, so we've more than tripled the quantity. So, there is a lot of excess out there. It can't get leased up as fast as it is completed.
- Residential Construction Industry: Representative Tina Frias, stated not to take this to be a reflection on the overall economy, but in terms of residential construction, they are doing quite well. Seeing numbers that are about 19% higher over the last 6 months compared to last year; permits are projected to be over 11,500 at this point. They feel it's a combination of factors impacting that; limited availability of existing inventory, interest rates people are locked into; They are doing interest rate buy downs where they buy down rates 1 to 2 basis points. For many circumstances, that makes the new loan more affordable since it significantly impacts the monthly payment. They are taking about 30% of all home closings which are larger numbers than they've seen in over a decade. Some builders are doing things like 1.99% financing for the first year. Affordable housing is a big topic. At the end of the day, with land scarcities, we are averaging about 1 million dollars per acre and some places going at 1.6 million. So that is driving up costs and the Energy Code regulations are also causing costs to increase, making affordability less attainable. With average income around \$60,000/year per person, and one needing to make over \$96,000 to afford to buy a home, that makes it challenging. There are still unknowns out there, but in terms of current business, it's doing pretty good this year.

Jim Gerren said that he has heard that the upcoming legislature will be the Affordable Housing Legislature, the main topic, and maybe Energy Code. Ann Barnett said they are planning on playing defense again for this legislature. A lot of project labor agreements, trying to make that mandatory through public works projects, so they will continue to fight against that; also prevailing wage. They will also be supporting the JOC program. Shawn Danoski said that he looks at what happens in the legislature, and every new piece of legislation adds dollars to the finished product. There is a fight to prepare for affordable housing and its hard to prepare for affordable housing with more regulations; it's a conflicting issue. Tina Frias stated that she is probably going to hear a little bit of everything that ties into affordable housing, even things don't work like fiduciary zoning and rent control, because from a political standpoint, housing is the top issue. She will also be playing a lot of defense on things that don't work. They are currently working on opportunities for energy codes, such a performance pathway with RESNET and items that should be going to SNBO for exceptions for the slab edge requirement and the conditions for the HVAC unit. Those are items they are looking into at the state level. Shawn touched on the subject of the timing for developments to get approvals to move forward and that is costly for the developer.

XIV. Proposed items for future agendas.


- Review FY24 Financial Data
- Review proposed Draft By-Laws revisions
- Tina requested any information that would be beneficial for a new member to better understand the financials.
- Discuss removal of member Renato "Sonny" Vinuya as he does not attend meetings.

XV. Set next committee meeting time and location. Next meeting will be sometime in January or February of 2025. Sandy Miller will send out Doodle meeting scheduler to determine date and time.

Public Comment Period. There were no public comments.

Seeing as there are no public comments, the meeting was adjourned at 4:05 p.m.

Prepared by: Sandy Miller

Approved Signature: 

Approval Date: 3/5/2025