

**PUBLIC WORKS CONTRACTORS LICENSE BOARD  
VIDEOCONFERENCE MEETING**

**Monday – April 4, 2011 – 9:30 a.m. (MT)**

**Division of Building Safety  
1090 East Watertower Street, Meridian, Idaho  
1250 Ironwood Drive, Suite 220, Coeur d'Alene, Idaho  
2055 Garrett Way, Building 2, Suite 7, Pocatello, Idaho**

**NOTE:** The following report is not intended to be a verbatim transcript of the discussions at the meeting, but is intended to record the significant features of those discussions.

Acting Chairman John Sheldon called the meeting to order at 9:40 a.m. (MT)

**Board Members Present:**

John Sheldon, Vice Chairman  
Jerry A. Peterson  
Lisa Hatch  
Ken Worst

**DBS Staff Present:**

C. Kelly Pearce, Administrator  
Steve Keys, Deputy Administrator, Operations  
Patrick Grace, Deputy Attorney General  
Kirk Weiskircher, Financial Specialist, Principal  
Chris Jensen, Regional Manager, Eastern Idaho  
Terry Blessing, Inspector/Advisor, North Idaho  
Renee Bryant, Administrative Assistant 2/Board Secretary

**Board Members Absent:**

Torry McAlvain, Chairman  
Steffani Lippert

In the absence of Chairman Torry McAlvain, Vice Chairman John Sheldon served as Acting Chairman at this meeting.

Departing board member Alan Smith was recognized with a plaque for his years of service on the Board.

◆ **Open Forum**

No items or concerns were brought forth.

◆ **Approval of the April 4, 2011 Agenda**

**MOTION:** Lisa Hatch made a motion to approve the April 4, 2011 Agenda as presented. Jerry Peterson seconded. All in favor, motion carried.

◆ **Approval of the January 10, 2011 Board Meeting Minutes**

**MOTION:** Jerry Peterson made a motion to approve the January 10, 2011 Meeting Minutes as written. Lisa Hatch seconded. All in favor, motion carried.

◆ **Election of Officers**

**MOTION:** Jerry Peterson made a motion incumbents Chairman Torry McAlvain and Vice Chairman John Sheldon be reappointed. Lisa Hatch seconded. All in favor, motion carried.

◆ **Board Compensation**

Board members are considered employees of the State and are required to participate in the Public Employee Retirement System of Idaho (PERSI). To avoid a potential conflict between PERSI and their own personal retirement accounts, many boards have changed their compensation from salary to honorarium.

PERSI has a pamphlet advising board members of potential tax consequences to their personal IRA accounts. At the request of John Sheldon, the pamphlet will be e-mailed to the board members.

**ACTION:** The Division will e-mail the PERSI pamphlet to the board members.

**ACTION:** The topic “Board Compensation” will be added to the July 7, 2011 PWCL Board Meeting Agenda as an action item.

◆ **Board Term Limits**

For the Board’s information, there is a provision in the law which states PWCL board members can serve no more than two three-year terms consecutively. The specialty subcontractor position recently became vacant.

◆ **Deputy Administrator Report**

Quarterly PWCL Report – A handout was distributed to the Board. License applications, January through March 2011, are as follows: new down 20%, renewals down 13%, upgrades down 19%, and downgrades up 80%. There have been eight renewals for construction manager licenses.

Disparity between C and B License Requirements – When the requirements for C and B licenses were changed; a dramatic increase, both financially and in terms of the size of contracts the licensees could bid/perform, was created. Steve Keys explained the current requirements for D, C, and B licenses. During this trying time, contractors are having a difficult time meeting the financial benchmarks to qualify for a B license.

It was suggested a license type be created between the C and B licenses. At the interest of the Board, the Division will bring a proposal to the July 7, 2011 Board meeting.

**ACTION:** At the July 2011 Board meeting, the Division will bring forth a proposal to bridge the gap between C and B licenses.

Implementation of Additional Fees – Individuals continue to come to DBS at the last minute and request a public works contractor’s license be issued to them in order to bid on a job. The Board was asked to consider the implementation of an additional charge to those individuals; thus allowing DBS staff to work overtime to meet the needs of the industry.

There are provisions in the statute and rule to change a license renewal date; however, there is no clear and concise fee structure. DBS would like to bring back a proposal where the license fee for the term between the original expiration date and the change of renewal date is reflected in the prorated portion of the license.

Every year companies file a 60-day extension with the Division because their financials are not ready by their accountant. In order to eliminate this practice, DBS would like to channel the companies into changing their renewal dates to coincide with the financials, as well as charge a prorated fee based on their annual license fee to cover the 60-day extension.

**ACTION:** The Division will bring to the July 7, 2011 PWCL Board meeting the following proposals: 1. Additional fees on “rush” applications; 2. Prorated fees on the term between the original expiration and the change of the renewal dates; and 3. Implement a fee to cover the difference between the renewal date and when the Division receives the company’s financials.

Consolidation of Specialty Categories – Currently, there are approximately 125 specialty categories under the PWCL program. Steve Keys explained the confusion as to the inner-relationship between a specialty classification and one, two, and three classification.

With the Board’s cooperation and approval, the Division will move forward to try to consolidate the categories.

Non-Qualified Licensees – The University of Idaho (UI) has a history of claiming some kind of exemption from the public works contracting laws when a low bidder gets a public works job but doesn’t qualify, via their license, to do the work. UI has been asked to provide the Division with the basis of the exemption to an ongoing situation. The Division will continue to pursue this issue.

Assessments – The majority of assessments the Division is working on involves out-of-state non-licensed PWCL subcontractors working on the Boise State University dorm project.

◆ **Administrator Report**

State Military Division – The State Military Division is contemplating a sizeable expansion south of Gowen Field outside Boise city limits. A letter was sent to the Military Division emphasizing the Division’s responsibility to provide plan reviews for all state governmental entities and public works projects, as well as code compliance inspections. The expansion will consist of a major maintenance facility and 400-person mess hall.

Personnel Reduction – Kelly Pearce explained the Division’s choice for layoffs rather than furloughs. Currently, DBS has 113 full-time positions. A meeting will be held with the chairmen of each board housed under the Division to explain the agency’s statewide layoff process and vision.

Building Remodel/Rental – The Department of Labor has subleased from DBS 43% of the Meridian office space. Over the next ten years, the Division anticipates a savings of \$1.5 million in rent.

Compliance – A “handyman” is a non-licensed individual providing Electrical, HVAC and/or Plumbing services. The Division continues to discuss the implementation of a division-wide compliance program, also know as “outreach”.

Financial Report – Kirk Weiskircher reviewed, the Public Works Contractors Licensing Fund Fiscal Year 2011 Financial Statements as of February 28, 2011.

◆ **Old/New Business**

There was no old/new business to discuss.

◆ **Executive Session**

An Executive Session was not required.

**MOTION:** Jerry Peterson made a motion to adjourn the meeting. Lisa Hatch seconded. All in favor, motion carried. The meeting adjourned at 10:50 a.m.

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JOHN SHELDON, ACTING CHAIRMAN  
PUBLIC WORKS CONTRACTORS  
LICENSE BOARD

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C. KELLY PEARCE, ADMINISTRATOR  
DIVISION OF BUILDING SAFETY

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