

**PUBLIC WORKS CONTRACTORS LICENSE BOARD
VIDEOCONFERENCE MEETING**

Monday – July 15, 2019 – 9:30 a.m. (MDT)

**Division of Building Safety
1090 East Watertower Street, Suite 150, Meridian
1250 Ironwood Drive, Suite 220, Coeur d’Alene
2055 Garrett Way, Building 1, Suite 4, Pocatello**

MINUTES OF THE JULY 15, 2019 MEETING

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

Chairman Jim Roletto called the meeting to order at 9:33 a.m. (MDT)

Board Members Present:

Jim Roletto, Chairman
Chuck Graves
Robbie Austin
Karen Echeverria – Teleconference
Brian Bailey – Teleconference

DBS Staff Present:

Chris L. Jensen, Administrator
Ron Whitney, Deputy Administrator
Spencer Holm, Deputy Attorney General
Larry Jeffres, Regional Manager, Region 1
Patrick J. Grace, Regional Manager, Region 2
Jeff Egan, Building Program Manager
Renee Bryant, Administrative Assistant 2

◆ **Open Forum**

Lease Liability on Financial Statements – Tyler Nyman, B.A. Harris, LLP, stated there has been a change in the lease accounting standards that goes into effect for non-public companies for their 2020 financial statements. The change will impact clients working capital because the entire next years’ lease payments become a current liability and several licensees will have to be downgraded as a result. One strategy is to simply take a departure from capital, which means the financial statement issuer has not adopted these new lease accounting standards. When questioned, the accountant’s report is still prepared in accordance with the generally accepted accounting principles (GAAP); however, there would be an extra paragraph to say there is a departure from GAAP as it relates to lease liabilities. A handout was provided of sample financial statements, before and after the adoption of the lease accounting standards.

Administrator Chris L. Jensen recommended, and the Board agreed, to pursue changing the PWCL statute and/or rules by relying on bonding companies, who do this for a living, to inform DBS what a company is worth or capable of.

ACTION: The Administrator will research this topic; bringing new information to the October Board meeting.

ACTION: The topic *Lease Liability on Financial Statements* to be placed on the October 19, 2019 agenda as an informational item.

◆ **Approval of July 15, 2019 Agenda, May 2, 2019 Special Board Meeting Minutes and April 15, 2019 Board Meeting Minutes**

MOTION: Chuck Graves made a motion to approve the July 15, 2019 Agenda, May 2, 2019 Special Meeting Minutes, and April 15, 2019 Meeting Minutes as presented. Karen Echeverria seconded. All in favor, motion carried.

◆ **Administrator Report**

Financial Report – The Board’s financials are in good shape and continue to grow.

Construction – Throughout the state of Idaho, construction is booming with no down turn in sight.

DBS Inspectors – The 2021 budget, due in September 2019, will request additional monies to hire more inspectors as the current staff is struggling to keep up.

Licensing of Military Members and Spouses – At the 2019 legislature, a statute passed regarding the granting of licenses to those having experience from the military. DBS will run a rule during the 2020 legislative session to expedite applications/licenses for recently discharged military members, veterans, and spouses.

◆ **Conduct Negotiated Rulemaking Regarding Proposed Rule Reducing Licensing Renewal Fees**

The Division placed a notice in the Administrative Bulletin for negotiated rulemaking. With no audience members at the meeting, the Board moved to the action item *Approval of Temporary and Proposed Rule Reducing Licensing Renewal Fees*.

◆ **Approval of Temporary and Proposed Rule Reducing Licensing Renewal Fees**

When doing a temporary rule, the Administrative Procedures Act requires the rule be published in the next available Administrative Bulletin. The Board approved the temporary rule, to reduce licensing renewal fees, at its January 2019 meeting; however, the proper documentation was never published in the Bulletin. Therefore, the Board was asked, for a second time, to approve the reduction of fees as a temporary and proposed rule.

MOTION: Karen Echeverria made a motion to approve both the temporary and proposed rule with one change, on the second line the word “and” after “licensing” needs to be struck as well.

There are two different fees, initial and renewal; therefore, the word “and” needs to remain.

AMENDED MOTION: Karen Echeverria amended her motion to approve the temporary and proposed rule. Chuck Graves seconded. All in favor, motion carried.

On July 12, 2019, DBS received a memo from the Governor's office requiring all pending rules be approved by the Board after the 21-day comment period. Therefore, the Board will need to approve the pending rule at its October 2019 meeting.

ACTION: At the October 7, 2019 meeting, the Board will vote to approve the pending rule.

ACTION: The topic *Approval of Pending Rule--Reduction of Licensing Fees* will be placed as an action item on the agenda for the October 2019 Board meeting.

◆ **Adjournment**

MOTION: Chuck Graves made a motion to adjourn the meeting.

The meeting adjourned at 9:57 a.m. (MDT).

JIM ROLETTO, CHAIRMAN
PUBLIC WORKS CONTRACTORS
LICENSE BOARD

CHRIS L. JENSEN, ADMINISTRATOR
DIVISION OF BUILDING SAFETY

DATE

09/16/2019rb

DATE