



OFFICE OF INSPECTOR GENERAL PALM BEACH COUNTY

REPORT OF INVESTIGATION CASE NUMBER: 2012-0024

Sheryl G. Steckler
Inspector General

"Enhancing Public Trust in Government"

EXECUTIVE SUMMARY

The Office of Inspector General (OIG) received an allegation from Town of Palm Beach (Town) Manager Peter Elwell that the Town's Building Official, Jeff Taylor, was potentially steering contractors in need of inspection services to Tew & Taylor, Inc. (Tew & Taylor), a company owned by Jeff Taylor's brother, Doug Taylor (a former Town employee).¹ Mr. Elwell explained that the Town provides a variety of inspection services, which are included in its permitting costs, yet it appeared that local contractors were now electing to pay an additional fee to Tew & Taylor, a private provider, to conduct Residential Inspections (RI) and/or Private Provider Inspections (PPI). Mr. Elwell opined that Jeff Taylor's personal relationship with Tew & Taylor was a conflict of interest that may have resulted in financial benefits to Jeff Taylor, Tew & Taylor and/or its associates.

Based on this information, the OIG initiated an Investigation.

The Allegation that Town of Palm Beach Building Official Jeff Taylor allegedly misused his position to steer contractors in need of inspection services to Tew & Taylor, Inc. which resulted in financial benefits to Jeff Taylor, Tew & Taylor, Inc. and/or its associates is **not supported**. The OIG determined that the Town had previously removed Jeff Taylor from "any direct administrative oversight" with regards to Tew & Taylor's projects in the Town.² The OIG Investigation found no indication that Jeff Taylor steered contractors to Tew & Taylor and/or its associates for either RI or PPI services. Furthermore, based on witness statements, local contractors and architects preferred not only Tew & Taylor, but private providers generally over the Town, because of the type of service provided. According to witness statements, they preferred the use of RI or PPI services from a private provider because of the convenience, and cost benefit. Because of the ability to use private provider services, Town staff questioned the quality of the inspections performed by private providers. Although Florida Statutes³ indicates that "Each local building code enforcement agency *may* [emphasis added] audit the performance of building code inspection services by private providers operating within the local jurisdiction," the Town acknowledged that it had not yet conducted any such audits.

¹ Tew & Taylor is also owned by Beverly Tew, Doug Taylor's wife.

² This decision was based on the Palm Beach County Commission on Ethics (COE) Request for Opinion (RQO) #11-037, which stated that "in order to prevent the appearance of impropriety, you as Town Manager should have [Doug Taylor] report to a different Town official."

³ Reference § 553.791(18), F.S.

During the course of the OIG's review, additional information was developed concerning the level of access to the Town's Eden system⁴ by Doug Taylor, as well as other contractors. The OIG review found that although Doug Taylor was released from his contractual employment with the Town in April 2011, Doug Taylor's access was not revoked until June 22, 2012. Furthermore, the Town maintained that only the Town's inspectors and contracted inspectors have the same level of access to sign off on permit reviews and inspections. However, a private contractor advised the OIG that his access, given to him by a Town Building Official, whose identity he did not recall, was the same level as that of the Town's inspectors and/or contracted inspectors.

ALLEGATION AND FINDINGS

Allegation:

Town of Palm Beach Building Official Jeff Taylor allegedly misused his position to steer contractors in need of inspection services to Tew & Taylor, Inc. which resulted in financial benefits to Jeff Taylor, Tew & Taylor, Inc. and/or its associates. If supported, the allegation would constitute a violation of Article II, Division II, Section 18-63, of the Town of Palm Beach Code of Ordinances; and § 838.016(1) and (2), F.S.

Finding:

The information obtained ***does not support*** the allegation.

According to information obtained by the OIG, there are three types of inspection services utilized in the Town:

- **Threshold Inspection (TI):** Inspections related to the size of the building (typically high rise condos, etc.) The property owner is responsible for all costs associated with employing this type of inspector; however, that inspector has reporting responsibilities to the Town. (*Article IV, Section 18-241, 109.3.6*)
- **Resident Inspection (RI):** An onsite inspector who works for the builder and/or the property owner, but still has reporting responsibilities to the Town. The City has the authority to manage his/her production. Allowed by Town Ordinance. (*Article IV, Section 18-241, 109.3.7*)
- **Private Provider Inspection (PPI):** § 553.791, F.S.⁵ authorizes the use of qualified engineering firms as private providers for state required building code inspections and plan review on construction projects. The Town is authorized by statute to audit these types of inspections.

⁴ The Eden system is a software program utilized by the Town's PZB office to enter and maintain building-related information.

⁵ § 553.791, F.S. has always allowed for the auditing of PPI services.

Statement of William Bucklew, Town Combination Plans Examiner

Mr. Bucklew explained that he reported to Town Building Official Jeff Taylor. According to Mr. Bucklew, Jeff Taylor's brother, Doug Taylor, previously contracted with the Town to provide inspection and plan review services for the Town. Mr. Bucklew stated that Doug Taylor essentially reported to Jeff Taylor during this time period; however, the Town chose not to renew Doug Taylor's contract after a Town internal audit identified issues in the reporting structure between Jeff Taylor and Doug Taylor. Mr. Bucklew further stated that the Town has restricted Jeff Taylor from having any involvement with Tew & Taylor projects and assigned him (Mr. Bucklew) to oversee these projects.

According to Mr. Bucklew, the Town has started to notice that many of the construction projects in Town, both large and small, were paying Tew & Taylor for the same inspection services that were already included in the Town's required permitting fees, essentially paying twice for the same service. Mr. Bucklew stated that Town staff has speculated that Jeff Taylor was steering some of the Town's business to Tew & Taylor. Mr. Bucklew acknowledged that the accusations were all hearsay and indicated that it was possible that contractors were seeking Tew & Taylor's services on their own. Mr. Bucklew stated that he did not have any reason to believe that Tew & Taylor's PPI services were compromised as the Town had not yet audited any of Tew & Taylor's private inspections.⁶

Statement of Brian Thomas, Town Chief Plumbing and Mechanical Inspector

Mr. Thomas explained that almost a year ago, he and his colleagues became concerned when they noticed that a large number of contractors in the Town began using Tew & Taylor for PPI services. Mr. Thomas stated that they met with Jeff Taylor to express their concerns; however, it appeared that the problem was getting worse as more property owners were selecting Tew & Taylor for PPI services. Mr. Thomas stated that he was unaware as to how this issue was addressed by Jeff Taylor.

Mr. Thomas stated that Contractor Pete Hineman (The Marker Group) was involved with a residential project at 947 North Ocean Blvd. and on one occasion (unknown date), visited the PZB office to collect his plans after the Town's review. According to Mr. Thomas, Jeff Taylor assisted Mr. Hineman with bringing the plans to the front desk to be checked out. While the plans were being processed, he overheard Jeff Taylor asking Mr. Hineman if he needed a resident inspector, to which Mr. Hineman replied that he already had taken care of that aspect. According to Mr. Thomas, Town Combination Inspector David Holt was also present during this interaction. Mr. Thomas indicated that Tew & Taylor subsequently obtained the RI contract on this project.

Statement of Robert Moore, former Town Planning, Zoning, & Building Department Director

Mr. Moore stated that he retired from the Town's Planning, Zoning, and Building department in 2005 after working there for 25 years. Mr. Moore explained that Doug

⁶ Pursuant to § 553.791, F.S., although a private provider is authorized to conduct private inspection services for their client, the "local building official" has the authority to conduct audit inspections of any project that utilizes PPI services.

Taylor worked for him as a contracted inspector and that when Doug Taylor was released from his contracted position last year, Doug Taylor began working for Tew & Taylor, a company owned by Doug Taylor's wife. According to Mr. Moore, Tew & Taylor is a private company that conducts inspections of construction projects, pursuant to Florida Statutes and is also the company that Jeff Taylor has indicated he will be working for following retirement.

Mr. Moore explained that the concept of RI services was designed to accommodate the Town's PZB department and property owners, while PPI services came about in the 2007 Florida Building Code. According to Mr. Moore, these two services were a statewide solution to resolve problems associated with contractors not getting their inspections and follow-up inspections conducted in a reasonable amount of time following Florida's Hurricane Seasons in 2004 and 2005. Mr. Moore stated that this was the State's solution to deal with "difficult" Building Departments, or those who were unwilling to hire extra or an adequate number of inspectors. Mr. Moore further stated that the State's solution also included the ability for private providers to review plans, but restricted those plan reviews to structural, electrical, mechanical and plumbing.

Mr. Moore stated that the local contractors and architects in Palm Beach are familiar with Doug Taylor's background from his days as the Town's contracted inspector and are also aware that Doug Taylor is licensed in all fields of inspection (structural, electrical, plumbing and mechanical). Mr. Moore opined that because of Doug Taylor's background and ability to conduct multiple types of inspections, the obvious choice for local contractors and architects was Tew & Taylor. Mr. Moore stated that even though the project's property owners are paying twice for the same service, the time that is saved by having private provider inspectors "on site" more than pays for itself. Mr. Moore stated that private provider inspectors are always available to property owners to complete inspections or re-inspections as needed, whereas a property owner may have to wait for a Town Inspector to be available to conduct an inspection or re-inspection. Mr. Moore indicated that he fully believed that this is the very reason that local contractors and architects, including the company he (Mr. Moore) is now working for, are seeking the services of Tew & Taylor.

Mr. Moore noted that it was not unusual for the Building Official to get asked by architects, contractors, and property owners about their options when it comes time to start their projects. Mr. Moore stated that Jeff Taylor has advised inquiring individuals as to their options, including the use of private providers; however, Mr. Moore stated that he has never seen or heard Jeff Taylor soliciting business for Doug Taylor and/or Tew & Taylor while in his (Jeff Taylor) capacity as the Town's Building Official, nor has any other person advised him of such.

Statement of Steve Carew, Town Chief Building Inspector

Mr. Carew explained that he was concerned with the large number of projects that had been undertaken by Tew & Taylor and if they had the manpower to complete those inspections. Mr. Carew stated that he did not have any knowledge as to Jeff Taylor soliciting business for Doug Taylor and/or Tew & Taylor at any time.

Statement of Veronica Close, Town Planning, Zoning, & Building Department Assistant Director

Ms. Close explained that Doug Taylor had previously contracted with the Town on two occasions as a Plan Reviewer and Inspector. Ms. Close stated that Doug Taylor was released from the most recent contract in April 2011. Ms. Close indicated that Doug Taylor's release had nothing to do with the quality of his work, rather her concerns with nepotism within the PZB office because Jeff Taylor was approving Doug Taylor's work. Ms. Close stated that following Doug Taylor's release, he joined his wife, Beverly Tew (Tew & Taylor) to provide PPI and RI services. According to Ms. Close, Jeff Taylor was subsequently removed from having any involvement with Tew & Taylor projects and Mr. Bucklew was assigned to those projects. When asked about the selling points of PPI services, as opposed to using the Town's inspectors, Ms. Close replied "the private provider would say they would help move the job along more smoothly."

Ms. Close stated that she had never seen or heard Jeff Taylor or Doug Taylor soliciting contractors or architects to obtain the services of Tew & Taylor for their construction projects. Ms. Close opined that Tew & Taylor, Inc. was gaining a majority of the Town's inspections because the architects themselves were pushing for Tew & Taylor's services. Ms. Close also believed that the Town's inspectors were stricter than those of Tew & Taylor's. According to Ms. Close, on one occasion (unknown date), the owner (unidentified) and the contractor (unidentified) for the Buccan Restaurant project came into her office because they were upset with their permitting paperwork. Ms. Close stated that they indicated to her that they had hired the Building Official's brother because they were told that it would make the inspection process a lot easier. When asked by Ms. Close as to where they had heard this, they advised Ms. Close that the architects were spreading it "all over town." Ms. Close stated that approximately 30 minutes later, Town Building Director John Page received a telephone call from the Buccan Restaurant project's Architect, Keith Spina saying, "I didn't suggest that, that's not me, I'm not saying that."

Ms. Close stated that she was unaware of any of the Town's inspectors completing audits of Tew & Taylor's inspections. Ms. Close opined that the PZB office did not yet know what they were supposed to be doing or could be doing with the PPI program (in relation to audits). Ms. Close stated that their priority was to establish a program that dealt with PPI audits, possibly obtaining outside (contractual) assistance.

Statement of Harry Ackerman, former Town Acting Building Official

Mr. Ackerman stated that he retired from the Town in 2007. Mr. Ackerman stated that at one point in time, Doug Taylor was contractually employed by the Town as an inspector and a plan reviewer. According to Mr. Ackerman, the RI system was in place prior to his own employment with the Town. Mr. Ackerman stated that the advantage of the RI system was that a property owner was able to get their inspections when needed through the use of "phased inspections." Mr. Ackerman further indicated that an RI only needed to be a licensed structural inspector pursuant to Town requirements and did not have to be a mechanical, electrical or plumbing inspector. In contrast, the PPI system was implemented approximately a year or two prior to his retirement. Mr. Ackerman

indicated that this program (PPI) evolved following complaints to the State of Florida by contractors about the length of time it took for inspections to be completed.

Mr. Ackerman stated that both the RI and PPI inspectors could do partial inspections that the Town's inspectors would not. According to Mr. Ackerman, partial inspections were very advantageous to the contractor because there was no loss of time for inspections as the inspector was onsite.

Statement of Terry Koehlke, Town Permit Development Coordinator

Ms. Koehlke stated that on May 16, 2012, while at her work station in the PZB office, she was approached by Bradley Place Project Site Supervisor Kerry Campbell (PDC Development Corporation) who asked for her direct supervisor, Jeff Taylor. Ms. Koehlke advised that at that time, the permit application for Bradley Place was incomplete and Mr. Campbell was trying to make contact with Tew & Taylor to resolve the problem. Ms. Koehlke stated that she advised Mr. Campbell that Jeff Taylor was out of the office, at which time Mr. Campbell inquired as to whether or not she knew the name of Doug Taylor's company (Tew & Taylor) or where Doug Taylor worked.

Ms. Koehlke stated that on May 24, 2012, Mr. Campbell returned to the PZB office and presented her with a Notice of Intent to use a Private Provider,⁷ which was required to be included in the permit application. According to Ms. Koehlke, the form, which listed Tew & Taylor, had not been completed properly and she advised Mr. Campbell that he would need to meet with Mr. Bucklew. Ms. Koehlke stated that during the application process, Mr. Campbell repeated that he did not know why his company (PDC Development Corporation), was using Tew & Taylor.

Statement of Kerry Campbell, PDC Development Corporation Construction Project Supervisor

Mr. Campbell explained that he is the Project Site Supervisor for PDC Development Corporation which had just started a remodeling project at 184 Bradley Place in the Town. Mr. Campbell confirmed that during a conversation with the clerks at the PZB office (May 2012), he indicated that his company contracted with Tew & Taylor for their project. Mr. Campbell further stated that he advised the clerks that their Architect, Daniel Kahan of Smith & Moore, recommended Tew & Taylor to the property owner. According to Mr. Campbell, the architects were recommending Tew & Taylor's PPI services as a better fit for their project. Mr. Campbell explained the biggest advantage to using PPI services as opposed to the Town's inspectors was the ability to get a partial inspection. According to Mr. Campbell, the Town would not allow a partial inspection unless the permit was broken up in the beginning of the filing process. Mr. Campbell stated that by using PPI services, a private provider could conduct a one-room inspection, if necessary.

Mr. Campbell advised that it did not matter to him who conducted the inspections at any of his projects and that he has never had a problem with any of the Town's inspectors in his previous Town projects (approximately 4 or 5 in the past 5 years). When asked if it

⁷ This form is required of all contractors using PPI services.

was easier and more efficient to use a private provider instead of the Town's inspectors, Mr. Campbell stated, "It's just the same thing," but the advantage was the ability to break the project into sections. Mr. Campbell stated that although property owners are paying twice for inspection services, by using a private provider, one person (if qualified for multiple types of inspections) could do a dozen inspections a day and are "more than likely" saving the property owners money in the long run because of the convenience of having an onsite inspector.

Statement of Deborah Morakis, Town Development Review Specialist,

Ms. Morakis stated that on one occasion (unknown date), the owners of the Buccan Restaurant, (unidentified) visited the PZB office and inquired as to the use of PPI services. Ms. Morakis advised the Buccan Restaurant owners that she did not know the answers to their questions and called Jeff Taylor for his assistance. According to Ms. Morakis, Jeff Taylor advised them that pursuant to Florida Statute, they were allowed to utilize PPI services and then proceeded to give the Buccan Restaurant owners Doug Taylor's name and the name of Tew & Taylor. Ms. Morakis further stated that on at least three or four occasions, she has heard Jeff Taylor guide contractors towards the use of private provider services, to include Tew & Taylor. According to Ms. Morakis, she heard Jeff Taylor quite often on his office telephone telling others (unknown dates) to use Tew & Taylor; however, Ms. Morakis acknowledged that she did not know to whom Jeff Taylor was speaking or the context of their conversation. Ms. Morakis was unable to identify those contractors or their respective projects.

Statement of Keith Spina, Oliver Glidden Spina & Partners Senior Partner

Mr. Spina explained that the difference between using the Town's inspectors and the private provider's inspectors was that the private provider's inspector could save the contractor "a day's worth of work." According to Mr. Spina, if a regular electrical inspection was called into the PZB's office (as required), that inspection would be set up for the following day. Mr. Spina indicated that the problem was that if your inspection was scheduled by the Town at 8:00 a.m., your inspection could possibly be completed anywhere between 8:00 a.m. and 4:00 p.m., depending on where you were on that Town inspector's list. The private provider's inspector, however, would almost be able to respond immediately when called, therefore saving the contractor "a day's worth of work." Mr. Spina explained the selling point to property owners for the use of PPI services was that it saved time when a project needed to be completed in a hurry. Mr. Spina stated that even with an additional payment for this type of service, the project was still saving money by having an inspector available at any time. Mr. Spina opined that based on the amount of time saved at a project site compared to the fee for PPI services it was a "no brainer" for him to recommend the use of a private provider. Mr. Spina further indicated that in situations where a Town inspector found a problem with an inspection, although the issue could be resolved almost immediately, the Town's inspector may not return until the next day, whereas the private provider inspector may remain onsite until the issue is resolved.

Mr. Spina indicated that his first involvement with Tew & Taylor was approximately five or six years ago when Doug Taylor conducted the inspections at the Bath & Tennis Club

project. Mr. Spina did not know how Tew & Taylor was obtaining the majority of the private provider inspection contracts in the Town, but stated that he uses Tew & Taylor almost exclusively and recommends them to all of his clients, as well as their contractors. Mr. Spina stated that he uses bids for private provider inspection services and that Tew & Taylor usually comes in with a cheaper price per hour for his projects. Mr. Spina stated that he recommended the use of Tew & Taylor to the owners of the Buccan Restaurant because their project was in a "big rush" to be completed. According to Mr. Spina, he believed that there was an issue with some type of zoning-related exceptions and that there was a disagreement, after which one of the Buccan Restaurant owners (unknown) made the statement to Ms. Close concerning the hiring of the "Building Official's brother." Mr. Spina stated that immediately following that conversation, the owner called and relayed the events to him (Mr. Spina). Mr. Spina stated that he subsequently apologized to the PZB Director, John Page, and indicated that the owner was "way out of line" and did not have any indication as to why the owner would make such a statement. Mr. Spina stated that he only advised the owners that the project would move much faster with the hiring of a private provider because it was worth every penny.

Statement of John Page, Planning, Zoning, & Building Department Director

Mr. Page stated that Tew & Taylor is operated by Doug Taylor, a former Contract Inspector for the Building Department, and his (Doug Taylor's) wife. Mr. Page further stated that Jeff Taylor, the Town's Building Official, is the brother of Doug Taylor. Mr. Page explained that up until approximately 12-18 months ago, the Town did not have PPI services being used for any of the Town's construction projects. Mr. Page acknowledged that Florida Statutes authorizes the use of PPI services. According to Mr. Page, Tew & Taylor has recently gone from a few projects to dozens of projects, in which they are conducting the inspections and in some cases, the plan reviews. Mr. Page indicated that the accelerated advance in the number of projects being handled by Tew & Taylor has caused some concerns amongst Town staff, with some questioning whether or not Tew & Taylor had some kind of inside information about those projects from Jeff Taylor. According to Mr. Page, Town staff was reluctant to address this issue with Jeff Taylor because of his relationship to Tew & Taylor. Mr. Page stated that the Town's inspectors were concerned for their jobs because Tew & Taylor was getting all of the business; however, Mr. Page stated that he is not sure how they reached that conclusion. Mr. Page stated that he has never seen or heard anyone in the PZB office directing contractors to Tew & Taylor and none of the projects associated with Tew & Taylor have been shut down because of improper inspections.

Because of the concerns expressed by PZB staff, it was necessary for him to have several meetings with Jeff Taylor, and as of September 2011, he decided that Jeff Taylor would no longer be allowed to be involved with Tew & Taylor projects. Mr. Page indicated that he was very concerned about the familial relationships and possible nepotism issues that would surround Jeff Taylor being responsible for reviewing the work Tew & Taylor had completed. Mr. Page stated that he assigned Mr. Bucklew to all Tew & Taylor projects. Mr. Page believed that Jeff Taylor continues to have very direct Town-related business communication with Tew & Taylor, Doug Taylor, and/or Beverly

Tew. According to Mr. Page, on one occasion Jeff Taylor advised him that a certain project was going to Tew & Taylor and that Mr. Bucklew would be contacted by Tew & Taylor. On another occasion, Jeff Taylor was preparing to take home some plans for an overnight review; however, Mr. Page stated that he stopped Jeff Taylor from doing so because it was a Tew & Taylor project. Mr. Page stated that he could not determine whether or not it was a mistake.

According to Mr. Page Jeff Taylor has always believed that there was no conflict of interest or issue with him working with Doug Taylor. Mr. Page stated that when he removed Jeff Taylor from the Tew & Taylor Publix project, both Jeff Taylor and Doug Taylor were slow to recognize the issue and Jeff Taylor was reluctant to understand what the perceived problem was.

Statement of Richard Wright, Town Chief Electrical Inspector

Mr. Wright stated that he was one of the Town's Inspectors who met with Jeff Taylor to voice his concerns about the over-abundance of private provider projects being completed in the Town, which appeared to have happened "all at once." Mr. Wright stated that Doug Taylor was released from a contract with the Town as their inspector last year, at which time Doug Taylor went to work for Tew & Taylor. According to Mr. Wright, he believed that meeting with Jeff Taylor would help to curb the use of PPI services; however, following the meeting, it seemed that projects using PPI services increased. Mr. Wright opined that Jeff Taylor was marketing Tew & Taylor's services; however, Mr. Wright indicated that he had never seen or heard Jeff Taylor doing so. Mr. Wright further acknowledged that some of the contractors were pleased with PPI services because it expedited their projects; however, Mr. Wright stated that there were some staff concerns with the quality of the inspections. Mr. Wright stated that to date, no audits of these types of inspections have taken place so the quality of their work is unknown.

Statement of Cynthia Delp, Planning, Zoning, & Building Department Office Manager

Ms. Delp stated that she and others in the PZB office became concerned about the recent increase in the number of building projects that were utilizing the PPI services of Tew & Taylor and that this increase occurred just after the Town's release of Doug Taylor as their contracted inspector (April 2011). Ms. Delp further indicated that it was even more troubling because Jeff Taylor was Doug Taylor's brother and staff members worried that because of the loss of work to Tew & Taylor, their own jobs were in jeopardy. Ms. Delp stated that she could not understand why property owners would pay twice for the same inspection service provided by the Town because there were no refunds from the Town's permitting fees if a property owner chose to use PPI services. Ms. Delp acknowledged that she has never seen or heard Jeff Taylor soliciting business for Tew & Taylor while at the PZB office. Ms. Delp indicated that she has seen a lot of closed door meetings in Jeff Taylor's office with contractors; however, Ms. Delp stated that she was not privy to those conversations.

Statement of David Holt, Town Combination Inspector

Mr. Holt stated that he has noticed an increase in the use of PPI services by contractors; however, he was unable to pinpoint an exact reason as to why this was taking place. Mr. Holt further stated that he could not say if the architects, property owners, and/or contractors were requesting Tew & Taylor's services themselves. Mr. Holt stated that if a private provider is on the job consistently, there is an advantage for PPI services to "go continually and smoother."

Mr. Holt stated that he was not present with Mr. Thomas or Jeff Taylor during an interaction with a contractor from the Marker Group, as recounted by Mr. Thomas. Mr. Holt stated that at no time has he ever heard Jeff Taylor asking anyone if they needed the services of a private provider, to include Tew & Taylor.

Statement of Craig Johns, Town Combination Inspector

Mr. Johns explained that there are a considerable amount of PPI services currently being conducted in the Town that are of concern to him and other Town inspectors. Mr. Johns indicated that he and other Town inspectors met with Jeff Taylor to address their concerns; however, instead of alleviating their concerns, it appeared that the use of PPI services, especially with Tew & Taylor, increased.

Mr. Johns stated that he is authorized to conduct structural, mechanical, electrical, and plumbing inspections, as well as plan reviews. Mr. Johns stated that his understanding of PPI services was that their "eyes were on site" and that it helps "speeds the process" in comparison to the Town's inspections. Mr. Johns stated that he was not aware how Tew & Taylor was obtaining contracts, but acknowledged that he has never heard Jeff Taylor soliciting business for Tew & Taylor at any time. Mr. Johns further added that he saw a conflict of interest with Jeff Taylor as the Building Official and his brother (Doug Taylor) now conducting inspections as a private provider with Tew & Taylor.

Statement of Joseph Hughes, General Contractor & State Certified Inspector

Mr. Hughes stated that Jeff Taylor refers all inspection services when asked by private citizens. According to Mr. Hughes, on one occasion he received a call from a property owner for private provider services. This call had been received after she made contact with Jeff Taylor who provided her with the names of the private provider services available, at which time she chose his (Mr. Hughes).⁸

Statement of Radames "Mike" Perez, Perez Building Inspection Services, Inc. President

Mr. Perez explained that he has been providing RI services in the Town for over 20 years. According to Mr. Perez, the Town, following Mr. Moore's retirement, has been interfering with the RI and PPI programs by attempting to eliminate the RI program. Mr. Perez stated that the Town's property owners wanted the RI program because they "wanted the job properly done and fast." According to Mr. Perez, the only way the property owners could get their work done in a short amount of time was through the use of "outside" inspectors (PPI or RI). Mr. Perez indicated that the Town's inspectors

⁸ The OIG Investigator contacted this property owner who confirmed Mr. Hughes' statement.

were unable to conduct an inspection in the amount of time that the property owners required or needed. Mr. Perez stated that an RI inspector remains onsite and has to ability to continually inspect a job without having to wait for a Town inspector.

Mr. Perez stated that he was aware that Doug Taylor was Jeff Taylor's brother, but indicated that Doug Taylor was independent of Jeff Taylor. According to Mr. Perez, Doug Taylor has a good reputation and is a very capable inspector, and it was Doug Taylor's work at the recent Publix project site that garnered him the most attention because it was completed ahead of schedule. Mr. Perez stated that as a result, Doug Taylor and his company have obtained more work. Mr. Perez stated that at no time did he ever hear Jeff Taylor, in his capacity as the Building Official, solicit his (Mr. Perez's) business for Doug Taylor and/or Tew & Taylor. Mr. Perez added that there was no need for this because of Doug Taylor's knowledge, reputation, and the way Doug Taylor treated people. Mr. Perez further stated that when asked by the public about PPI services, he (Mr. Perez) has witnessed Jeff Taylor name several private providers who could perform the work requested.

Statement of Pete Hineman, The Marker Group Project Manager

Mr. Hineman stated that he is the Project Manager for The Marker Group, which is constructing a residential property in the Town. Mr. Hineman stated that he had never been asked by Jeff Taylor if he needed the services of a RI or PPI for this project. According to Mr. Hineman, while at the PZB office collecting plans for the project, Jeff Taylor asked him how big the residence was and whether or not he (Mr. Hineman) was using RI or PPI services; however, Mr. Hineman noted that the Town required the use of a RI on residential projects over a certain square footage. According to Mr. Hineman, Tew & Taylor had been selected as the private provider by both the property owner's representative and The Marker Group.

Mr. Hineman stated that in the past, he has handled other larger home projects in the Town and has also used Perez Building Inspection Services, Inc. for RI services. Mr. Hineman indicated that the RI helps to expedite the process of plans being reviewed, as well as the inspection process, to move the project forward within the overall timeframe.

Mr. Hineman stated that prior to selecting Tew & Taylor as the private provider for this project, he and the property owner's representative conducted interviews with Mr. Perez and Doug Taylor. Based on the cost savings and actual presentations, it was the property owner's representative who finally decided on Tew & Taylor. Mr. Hineman indicated that this was his first time utilizing these type of services and has been satisfied with the service provide by Tew & Taylor.

Statement of Doug Taylor, Tew & Taylor, Inc. Vice President

Doug Taylor stated that the concept of his company provides the property owner an alternative to inspection services provided by a government entity. According to Doug Taylor, Tew & Taylor provides a quicker service to property owners as their inspectors are onsite continuously supervising the work that is being done. Doug Taylor stated that he is licensed to conduct inspections in all four disciplines and as a private provider,

those disciplines gives him the ability to stay at the same job site and complete multiple inspections. Furthermore, if an inspection does not meet required standards, he has the ability to remain onsite until the problem is corrected, unlike the Town's inspectors who may not return for a re-inspection until the next day. Doug Taylor stated that this method of inspection has been extremely successful and is usually the selling point for his business because it saves the property owner in the long run. Doug Taylor indicated that it was after his completion of the Publix project in November 2011 that his business started to increase because others noticed that it was finished ahead of schedule. Doug Taylor stated that Jeff Taylor has never solicited Tew & Taylor's services and that most of his (Doug Taylor's) business is initiated by telephone calls from individuals wanting to use his service. In response to the OIG's questions concerning the solicitation of Mr. Hineman and/or the Marker Group, Doug Taylor stated that Jeff Taylor did not solicit Mr. Hineman and/or the Marker Group. Doug Taylor stated that Mr. Hineman and the property owner's representative conducted interviews with him, as well as another RI (Mr. Perez), for his project and based on those interviews, chose Tew & Taylor.

Statement of Jeff Taylor, Town Building Official

Jeff Taylor stated that there are current conflicts between himself and the PZB Director (Mr. Page) and Assistant Director (Ms. Close) and stated that one of those conflicts involves the RI program and when it can be used. Jeff Taylor stated that neither Mr. Page nor Ms. Close have a construction background and in his opinion, did not understand the nuances of construction or what was actually involved in that process. Jeff Taylor further opined that both Mr. Page and Ms. Close were policy driven, as opposed to logically driven with their directions, specifically in their interpretation of the Town's ordinance regarding when an RI can be used. Jeff Taylor stated that he expressed his opinion to Ms. Close that this was an impractical solution, at which time she accused him of trying to generate business for Tew & Taylor.

Jeff Taylor explained the difference between the private provider inspector and the resident inspector is that the private provider inspector was authorized by Florida Statute and the resident inspector is authorized by Town Ordinance. Jeff Taylor further related that both could be contractually employed by the property owner or owner's representative to provide inspection services for a particular project, thus relieving the Town of the inspection responsibilities. According to Jeff Taylor, although the resident inspector is privately hired, the resident inspector acts as an agent of the Town when performing inspections, enforces the Town's Codes, and can also be replaced by the Building Official. Jeff Taylor stated that the private provider inspector, who can contract with the property owner to perform all of the required inspections, enforces Building Codes and cannot be replaced by the Building Official. Jeff Taylor stated that the size of the building did not matter when it came to choosing PPI services, rather the complexity of the project that dictated the potential need for that type inspector.

Jeff Taylor advised that the biggest selling point for the use of a private provider inspector, as opposed to the Town's inspectors, was the private provider's ability to do multiple inspections per day, which keeps the job "moving along." Furthermore, the

private provider has the ability to return to a job three or four times a day and/or wait at the site for failed inspections to be corrected. Jeff Taylor stated that on the other hand, the Town's inspectors could only do one inspection per day at a job site and if an inspection failed, a re-inspection may require a next day visit.

Jeff Taylor confirmed meeting with his inspectors last year after they approached him with their concerns that the use of PPI services would put them out of work. Jeff Taylor opined that this was not true because there weren't that many projects where it was advantageous for the property owner to use a private provider. Jeff Taylor indicated that it was not going to be an issue and did not advise his Administration of their meeting, but that he had not received any additional feedback. Jeff Taylor noted that contrary to assertions by the Town's inspectors that work was being lost to private providers, the Town's PZB office just recently sent 35 "overflow" inspections to their contracted inspector (Hybyrd).⁹

Jeff Taylor stated that he knew Mr. Hineman and was familiar with the property with which Mr. Hineman was associated. According to Jeff Taylor, it was possible that he helped carry Mr. Hineman's plan to the front desk, but at no time did he offer to Mr. Hineman his brother's services as an alternative inspector. Jeff Taylor stated that he may have asked who Mr. Hineman was going to use on that project because it was over 27,000 square feet and the Town required the use of a RI for projects over 25,000 square feet. Jeff Taylor further indicated that he believed he advised Mr. Hineman that he also had the option of using PPI services; however, at no time whatsoever did he market the services of Tew & Taylor. Jeff Taylor stated that he has never marketed or solicited the services of Tew & Taylor to anyone, in or out of his office, to include contractors, architects, and/or property owners. Jeff Taylor added that the success of Tew & Taylor was based on the service provided to customers.

ADDITIONAL INFORMATION

During the course of the OIG investigation, additional information concerning the access of individuals to the Eden System, a software program utilized by the Town's PZB office to enter and maintain building-related information, was identified.

According to information obtained, Doug Taylor, a former Town contracted employee, was released from his contract in April 2011. Mr. Bucklew advised that as of May 17, 2012,¹⁰ Doug Taylor continued to have access to the Eden System, which essentially allowed him to sign off on permit reviews and inspections. It is noted that according to Ms. Close, this access was not revoked until June 22, 2012. Although Ms. Close advised that currently, only the Town's inspectors and contracted inspectors have this level of access to the Eden system, a private contractor advised the OIG that he had been given access to the Eden system by an unidentified PZB employee. According to the private contractor, his access afforded him the ability to review comments made by the PZB office.

⁹ The Town has two contracted inspection services that provide "overflow" inspections when necessary.

¹⁰ Mr. Bucklew was interviewed by the OIG on May 17, 2012.

RECOMMENDED CORRECTIVE ACTIONS

Although the findings were *not supported* in the Allegation, the OIG recommends the following corrective actions:

1. Conduct periodic audits of all private provider inspections pursuant to Florida Statutes.
2. In order to continue the Town's goal of avoiding the appearance of a conflict of interest, maintain Jeff Taylor's separation from matters involving Tew & Taylor.

Based on the findings in the Additional Information section, the OIG recommends the following corrective actions:

3. Review the Eden system and ensure that all levels of access are appropriate to the assigned user.
4. Implement a written policy or procedure that addresses the termination of access to the Town's computer systems immediately following the departure of a Town employee or contractor.

ARTICLE XII, SECTION 2-427

Pursuant to Article XII, Section 2-427 of the Palm Beach County Code, Jeff Taylor was provided the opportunity to submit a written explanation or rebuttal to the findings as stated in this investigative report within ten (10) calendar days. On September 27, 2012, Jeff Taylor advised the OIG that he had no comments.

This Investigation has been conducted in accordance with the ASSOCIATION OF INSPECTORS GENERAL Principles & Quality Standards for Investigations.