

Push for more independent review of St. Petersburg impact fees takes detour

By Michael Van Sickler, Times Staff Writer
Wednesday, April 11, 2012

ST. PETERSBURG — Earlier this year city leaders sought more accountability in the collection of impact fees after a miscalculation that cost taxpayers nearly \$160,000.

In a push for clarity to prevent similar mistakes, the City Council voted Jan. 12 to order an outside audit of all transportation impact fees collected since 2008.

But late last month — in the latest twist in a 7-year-old mistake that continues to vex City Hall — the council backtracked. Members voted instead to await the results of an internal review, then have external auditors review that work.

"There's nothing independent about this," said council member Wengay Newton. "Everyone with the city has already told me they don't know what happened. No matter what they bring back, they've already told me they didn't know who did what, they didn't know how it happened, and they don't know if it could happen again."

It's a City Hall mystery that started in 2004 when city plans examiner Don Tyre reviewed the Hilton at Carillon Park project and intentionally undercharged developers by more than \$200,000 in transportation impact fees.

The error was discovered three years later by county reviewers.

A followup investigation by the city uncovered nothing. Tyre said he purposely miscalculated because he was told to do so by a supervisor, whom he didn't identify because he said he couldn't remember who it was.

The city sued to recoup the money from Hilton developers, but settled in November for \$60,000 — \$159,951 less than what was owed. Later, some council members said they regretted their vote to settle and blamed city staff for providing incomplete information.

Having voted against the settlement with Newton, Steve Kornell pushed for an outside review of the construction services department that made the error.

During the Jan. 12 meeting, Newton, Council Chair Leslie Curran, Jeff Danner, Charlie Gerdes and Karl Nurse joined Kornell to approve an outside audit.

Council members spent more than an hour debating the audit in a rambling discussion so confusing that the city clerk had to read back what they were voting on four separate times.

"Are you clear on that?" Curran said before approval. "Hallelujah," Curran said after the vote.

Not so fast.

Although the vote required the council to meet in a month to determine the audit's scope, the schedule was so cluttered with other workshops that they didn't discuss the topic again until March 29.

And that's when it fell apart.

Over an hour and 40 minutes, council members argued about what it was that they approved in

January.

"Was it worth \$50,000, whatever it was, and do an external audit?" Bill Dudley said. "My recollection is that we decided to, at that juncture, not to do it."

"That's not true," Kornell said.

But for much of the meeting, council members disputed this fact.

They demanded to review the minutes of the January meeting to determine how they voted. Upon seeing the minutes, Jeff Danner argued they were wrong.

"Get the tape," Danner said.

The video confirmed the minutes.

Further confounding matters was Mayor Bill Foster, who said his own internal audit of impact fee collection since 2008 was near completion. Foster said at the January meeting he supported an external audit if the council wanted it, but he also staunchly defended city employees by suggesting concerns were overblown.

Now, Foster was suggesting council members could wait and see what his internal auditor, Brad Scott, would find. Scott reviewed the Hilton case in 2007 in an investigation that was cursory at best. He didn't take notes. And at least two of the five people who could have been involved said they weren't interviewed.

Scott said this new internal review would be thorough.

Out of a total of 3,161 projects between January 2008 to December 2011, the report will review 100 with transportation impact fees.

"Given that we're two weeks away from the internal audit, it makes sense to wait and figure out what we want to do," Nurse said.

So the council approved having the external auditor, Laura Krueger Brock, forgo her own inquiry into the collection of fees and review instead the internal report once it's done.

Foster said the report will show the city is following proper procedure.

Dudley and Jim Kennedy voted against further review. They worried about the cost, which should be about \$40,000. Newton objected because he thought it was pointless for outside auditors to review an audit by city employees. Kornell voted to support it.

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