MID-COLUMBIA COUNCIL OF GOVERNMENTS

Board of Directors Agenda

Tuesday, August 20, 2013

1:00 p.m. to 4:00 p.m.

Location: MCCOG BOARD ROOM, 1113 KELLY AVENUE

I. 1:00 p.m. **Call to Order**

A. Roll Call and Introductions.

B. Approval of July 23, 2013 minutes.

II. 1:05 p.m. **Open Agenda**

(This time set aside for the public and board members to introduce subjects NOT on the agenda).

III. 1:10 p.m. **EXECUTIVE SESSION – ORS 192.660 (2) (e)**

A. Real Property

IV. 1:45 p.m. **ACTION ITEMS – Old Business**

A. Continue Building Codes Fee Discussion;

B. Set Date & Time for Public Hearing on proposed Building Codes Fee Increase;

C. Transportation Brokerage Update.

V. 4:00 p.m. **Adjourn**

The meeting location is accessible to persons with disabilities. If you have a disability that requires any special materials, services, or assistance, please contact the Executive Assistant (541) 298-4101 at least 48 hours before the meeting.

MID-COLUMBIA COUNCIL OF GOVERNMENTS
BOARD OF DIRECTORS MEETING MINUTES
Tuesday, July 23, 2014 1:00 p.m. to 4:00 p.m.
Board Room, 1113 Kelly Avenue, The Dalles, Oregon

2013 Board of Directors:

Gilliam County:	*Mike Weimer, Steve Shaffer
Hood River County:	*Maui Meyer, Les Perkins.
Sherman County:	*Michael Smith, Cliff Jett, Tom McCoy
Wasco County:	*Rod Runyon, Steve Kramer, Carolyn Wood
Wheeler County:	*Chris Perry, Jack Lorts, Anne Mitchell

(*denotes Executive Committee Members)

I. CALL TO ORDER

A. Roll Call and Introductions

Michael Smith called the meeting to order at 1:07 p.m.

Present: Michael Smith, Carolyn Wood, Mike Weimer, Maui Meyer, Cliff Jeff, Tom McCoy, Rod Runyon, Anne Mitchell (via telephone), and Ed Weathers.

Absent: Les Perkins, Steve Shaffer, Steve Kramer, and Jack Lorts.

Staff: John Arens, Executive Director; Sarah Braumbaugh, Fiscal Director; Bob Futter, Building Official; and Tine Meriwether, Executive Assistant.

Guests: Will Carey, MCCOG Legal Counsel; Bill Lennox, resident.

B. Approval of June 18, 2013 Meeting Minutes

Mike Weimar moved, seconded by Maui Meyer, to approve the minutes of June 18, 2013 as presented. The motion passed unanimously.

II. OPEN AGENDA

There were no public comments.

III. EXECUTIVE SESSION ORS 192.660 (2) (E)

A. Real Estate

John Arens, Executive Director, addressed the Board regarding proposed real properties.

The Board came out of Executive Session and the consensus was to make the Power Point presentation by Arens, part of the public record. No Board action was taken.

IV. ACTION ITEMS

A. Building Codes Fee Discussion

Arens reviewed the hand-out for the Board that provided background information on Mid-Columbia Building Codes Services (MCBCS). He reviewed current staffing in the department including inspectors and their level of cross-training. He discussed the amount of time spent on inspections and reviewed their overtime, which, he stated, is well managed and not a high number.

Arens reviewed the population comparisons as provided to the Board in their packet. The MCBCS region is the second in population and the largest in area or square miles. It was noted that staff comparisons between agencies have not been determined.

A discussion about Morrow County Building Codes ensued. Cliff Jett stated that if their present windfall in permits were removed they might be in the same boat of operation as we are now. In response to a question posed about their staff size, Bob Futter said they have only one Building Codes Inspector and one office person. He stated Electrical Permits are issued from the Pendleton office.

In response to a question posed about the MCBCS Reserve Fund and whether or not the State had provided a Reserve, Arens reported that the Building Codes program did not come with a Reserve Fund when MCCOG took it over from State Building Codes.

Arens further reported that if a 30% fee increase were implemented, effective October 1, there would still be a short-fall of about $50K for the nine month period.

Rod Runyon entered the meeting at 1:50 p.m.

Arens briefly reviewed his presentation for Runyon to bring him up to date.

Runyon stated one of the questions posed at the June public hearing was why a flat fee increase was proposed for all permits. Medical Gas permits, for example, are rarely used and the bulk of the fees come from Structural/Mechanical permits.

Jett stated he was on the MCCOG Board when MCCOG took over the Building Codes program from the State. He stated he believed we need to operate MCBCS as a business and not a charity. He went on to say that the wind projects were an anomaly and we should not run this program at a loss. Jett stated MCCOG is providing better service than what we had before. Arens stated if we were not operating at the current service level, we would receive complaints. Jett stated everyone complains when things go up but that should not mean we operate this at a loss.

Ed Weathers stated he understood the sentiment from the June public hearing was that because there is money in the bank why take such a large increase up front instead of incremental increases. Jett stated he was not in favor of spending down the reserve in order to support the MCBCS program because once the reserve "is gone, it's gone" and it will be difficult to rebuild.

Runyon stated the issue was the large loans from the Reserve. He questioned why the loss was not addressed 6 years ago. He stated he believed the sentiment from those who spoke at the June hearing was that they were in favor of gradual increases.

The issue of increases to building permits was further discussed. Maui Meyer stated he would be concerned that contractors will agree that because permits and construction are on the rise - how would a fee increase be justified? He stated he favored a gradual increase.

Carolyn Wood stated it was sticker shock for a 40% increase all at once. She advocated for a gradual increase.

The issue of a gradual percentage increase was further discussed. Jett and Weimar stated they were not in favor of a gradual increase.

Runyon stated he was in agreement with Meyer for a gradual increase. Meyer stated he would like to see 10% initial increase and then 10% increases in the next 3 years. Gradual increases of 10% annually over 4 years, or 20% initially followed by 10% annually over 2 years, or 30% initially followed by 10% the following year were discussed.

Also, the Board suggested a comparison study be provided showing a $150K Residential Remodel/Addition instead of the $50K as shown in the staff report.

Meyer questioned why we need the Reserve Fund. Arens responded that if we didn't have the Reserve we couldn't supplement the building program.

Bill Lennox (local resident), cautioned that if the Board comes back with anything less than the 40% increase as originally proposed, the sentiment of the public will be that it was not justified and they were right to call for a lesser amount.

Wood stated MCCOG needs to sell this and inform the public through articles in the paper, on the radio, etc., telling why it's important. She stated MCCOG needs to tell what MCCOG does and inform. Arens stated contractors were informed last April of the need to increase fees and few have come forward to object. Weimar stated it did not make sense to set another hearing until the Board knows what they want to do.

Following discussion, the consensus of the Board was to meet again on August 20, 2013 at 1:00 p.m. and for staff to prepare scenarios of percentage increases of 10% each year over a 4 year period; 20% initially, then 10% in year 2 and 3; or 30% initially and 10% the following year.

B. Cost Allocation Plan (CAP) Discussion.

Sarah Brumbaugh, Fiscal Director, reviewed the Cost Allocation Plan as provided in the Board packets.

Runyon asked if the Community Development Director (CDD) was approved as part of administration. Brumbaugh stated CDD it is not an allocation. Arens clarified the CDD position, saying it has oversight over and been managing the Students Recycling Used Technology (StRUT) program for the past nine months. Runyon asked if the position has a job description and is it posted on the MCCOG website. Staff responded that there is a CDD job description, but MCCOG job descriptions are not posted on the website.

Brumbaugh further reviewed the CAP report and the percentages of the allocation amounts for each program. Meyer asked about the concern expressed at the May BOD meeting by Marti Dane, Mediation Program Director, regarding a $70K allocation for the Six Rivers program. Brumbaugh responded Dane's concern was based on misinformation and staff has since clarified this with Dane.

The automobile pool was discussed. Brumbaugh discussed the vehicles leased and stated the federal lease value is employed at the end of each year for Bob Futter's and John Arens' vehicles because they must be taxed on their personal use.

Brumbaugh concluded her presentation. Arens commented that the CAP report outlines that the total allocation for each program is based on the total percentage of their budget.

C. Six Rivers Community Mediation Services.

Arens gave a brief report on the Six Rivers Mediation Program with an overview of the Six Rivers primary funding streams of state and federal grants. Arens stated the challenge faced by the Six Rivers program is that it has a small budget but provides services to a large area. There would be some cost savings if the program were moved to the Dalles offices, approximately $3,500 annually. Currently, the Six Rivers program does not participate in the CAP because it cannot afford it. Arens stated staff would continue to look for cost savings and increased revenues for the program.

Carolyn Wood stated she believed Six Rivers is an extremely valuable service that is not measurable and "we need to give it every effort" to make it work. Chair Smith stated he also felt the program was valuable.

Meyer questioned if the program could it be moved outside of MCCOG. Staff explained that in 2010, the program was transferred from under the umbrella of Four Rivers Corporation due to increased insurance requirements from grantors. The cost of insurance was more than Four Rivers could afford, therefore, Six Rivers was brought in under the umbrella of MCCOG[1].

Tom McCoy commented that the Six Rivers Program Director had made a presentation to the Sherman County Court asking for an increase in her allocation by $5,000. When questioned, the Director stated only one mediation had been done in Sherman County during the past year. McCoy stated he did not believe that translates into an increase.

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[1] Resolution No. 09-04, 4/27/2010

Wood commented that it would be hard to capture who she (Dane) works with and hard to give a personal picture because of confidentiality reasons.

Meyer stated the Judges in Hood River County think highly of the Six Rivers service and he would hate to take that away.

Lennox, a member of the Six Rivers Advisory Committee, spoke regarding the program. He stated Marti Dane has developed the program on her own and tried to make the program successful. She trains volunteers and chases down revenue. The Advisory Committee constantly talks about being in the community. The program is supported but maybe this Board needs to look at where it should be housed. Lennox went on to say that Dane has worked on her own to make the program a success and just last year formed the Advisory Committee to gain assistance and support. He stated that for what the program has had in terms of resources, he believes it has done a good job. He stated he believed it is a positive program. Lennox stated "people need to sit down with her (Dane)" and understand what she knows before this Board allows it to go away. He concluded that the Board also has to look at the bottom line and act appropriately.

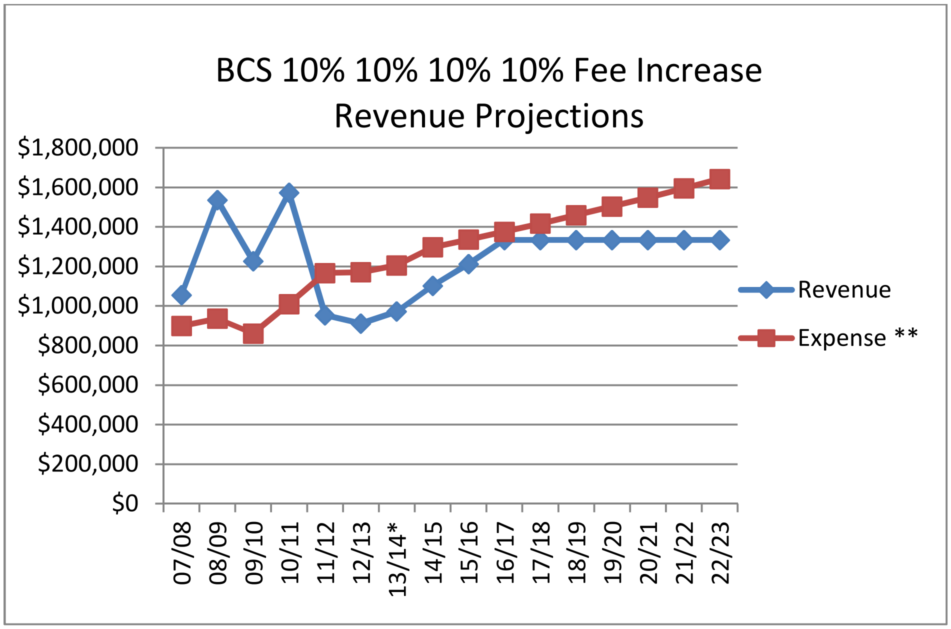
V. ADJOURN

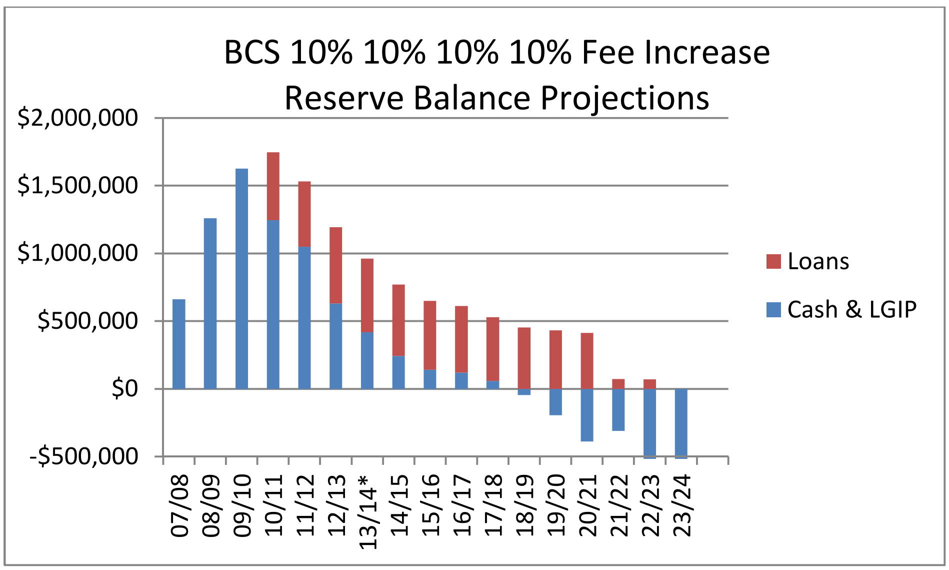
There being no further business to come before the MCCOG Board of Directors, Jett moved, seconded by Wood, to adjourn. The motion carried unanimously.

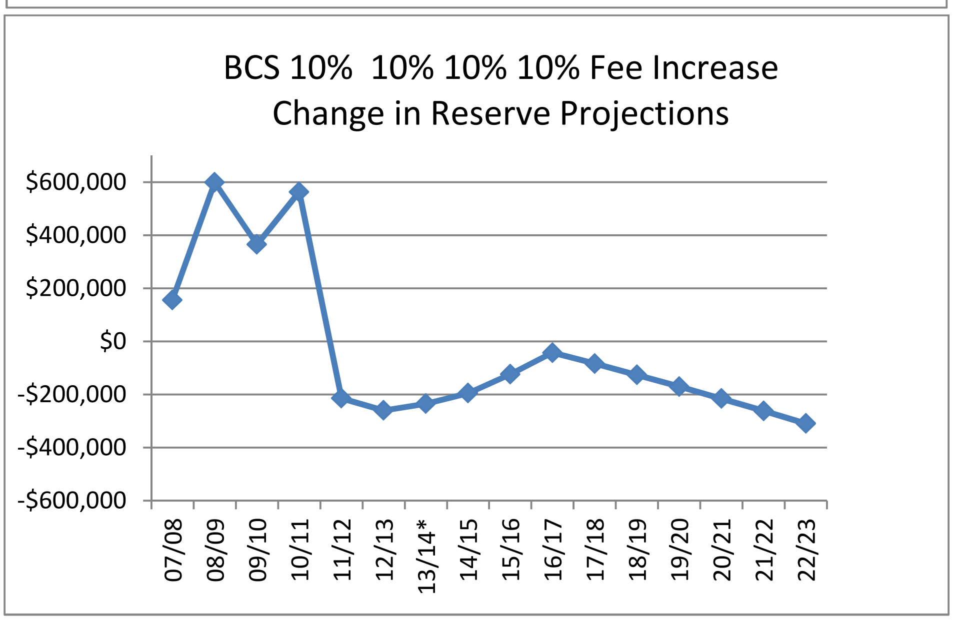
The meeting was adjourned at 3:25 p.m.

Respectfully submitted by:	ATTEST:
________________________________	________________________________
Tine Meriwether, Executive Assistant	Michael Smith, Board Chair

Mid-Columbia Council of Governments – Building Codes Services

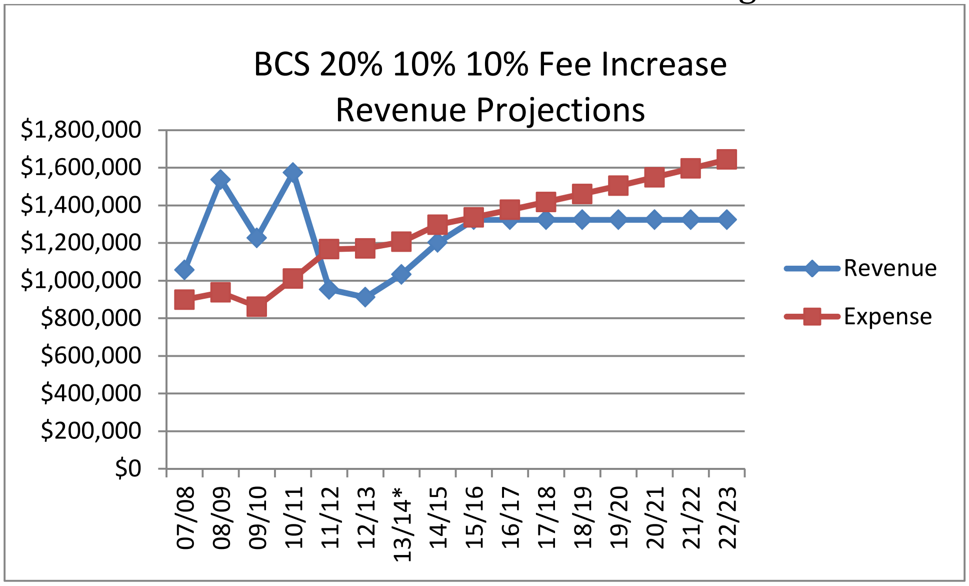


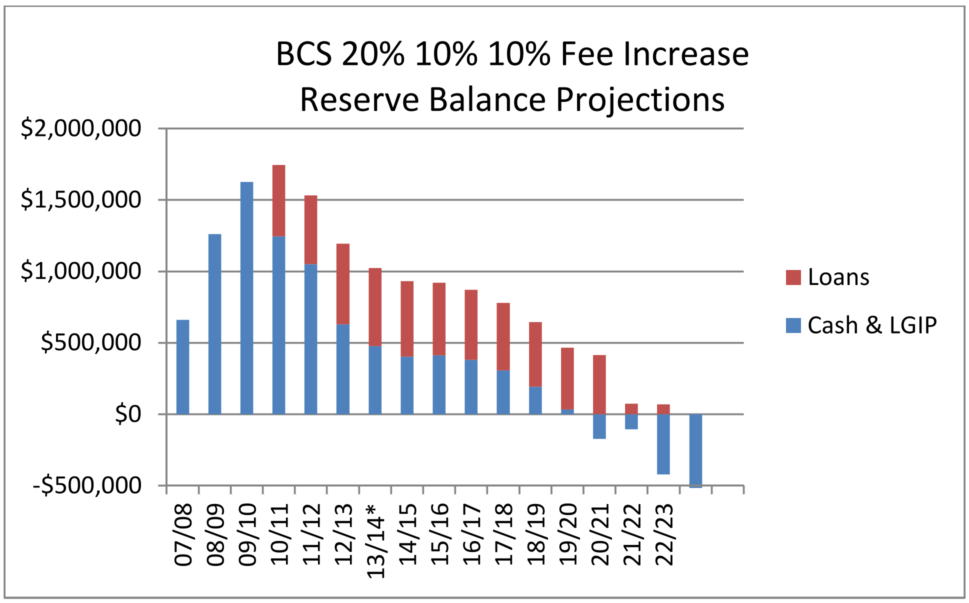


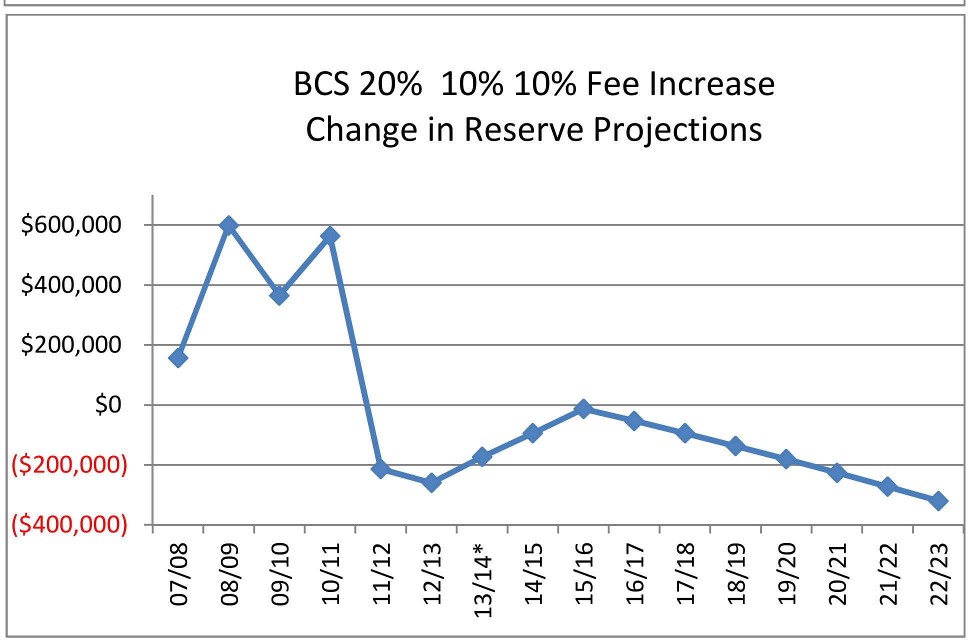


40% increase = $1,293,451, * October implementation of increase, ** 3% cola estimated for expenses

Mid-Columbia Council of Governments – Building Codes Services







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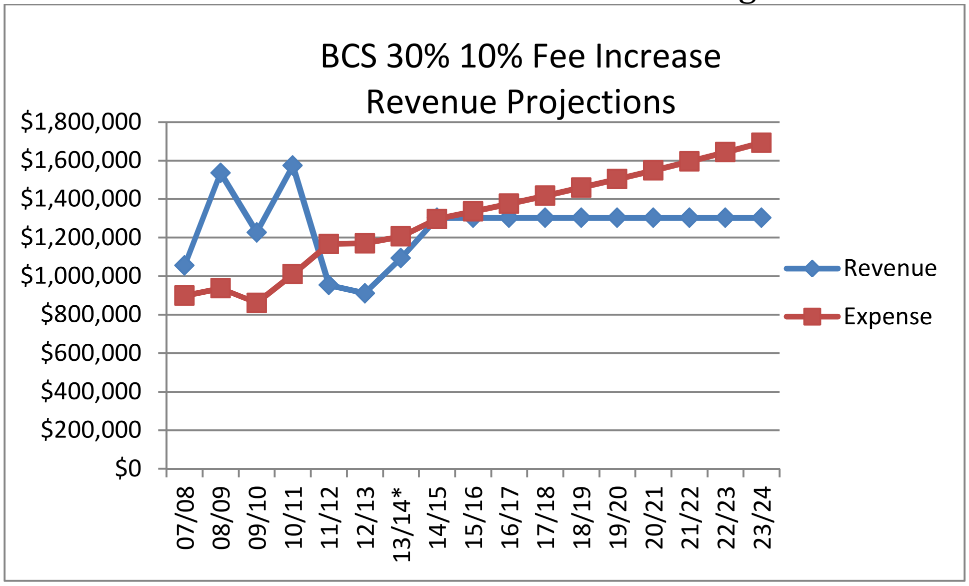

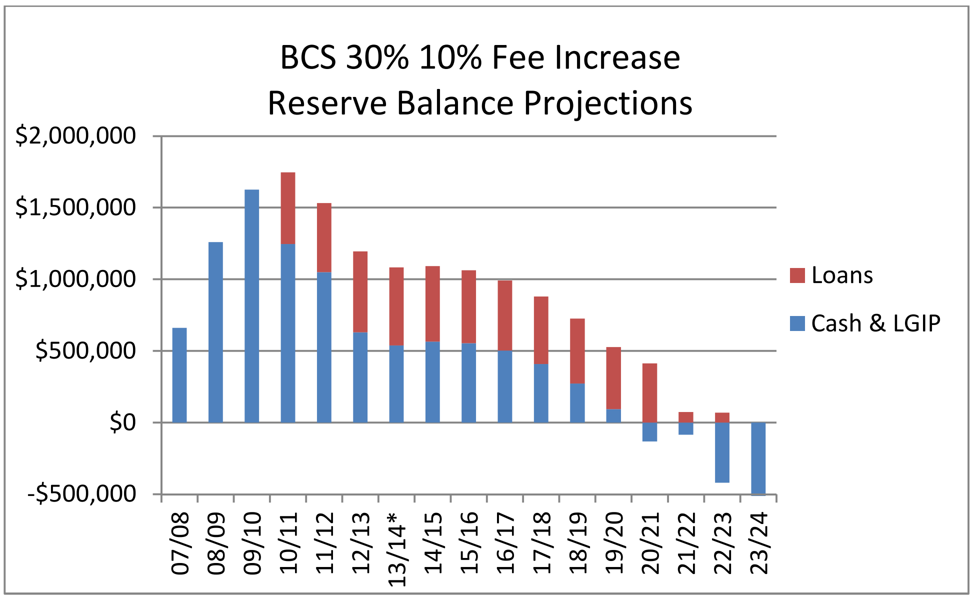

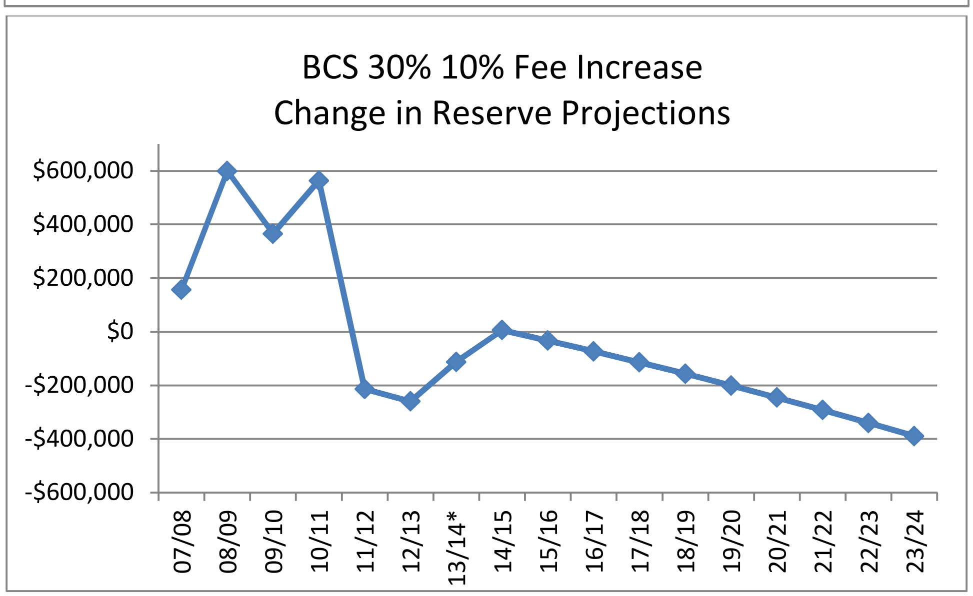

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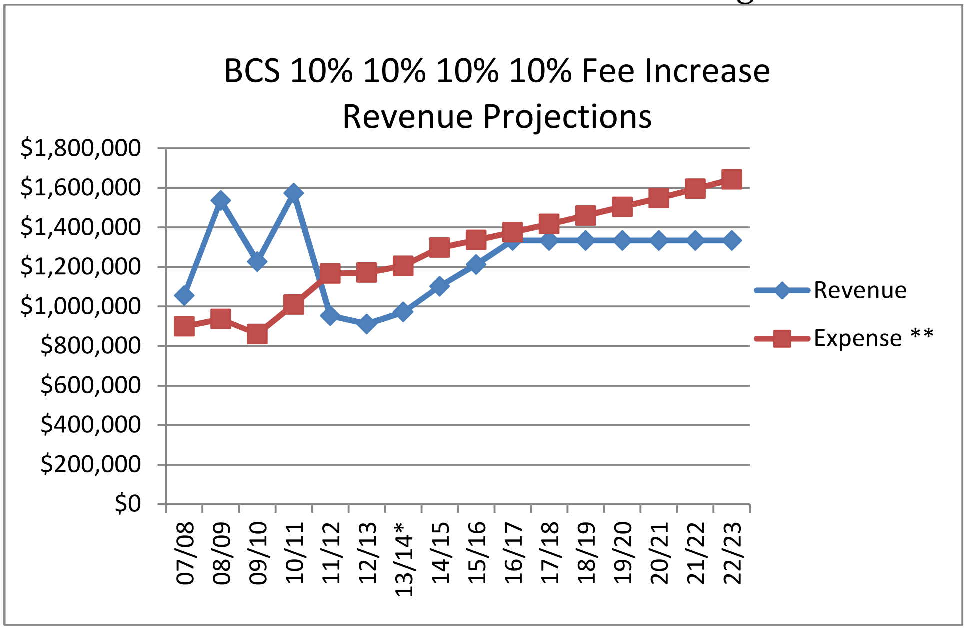

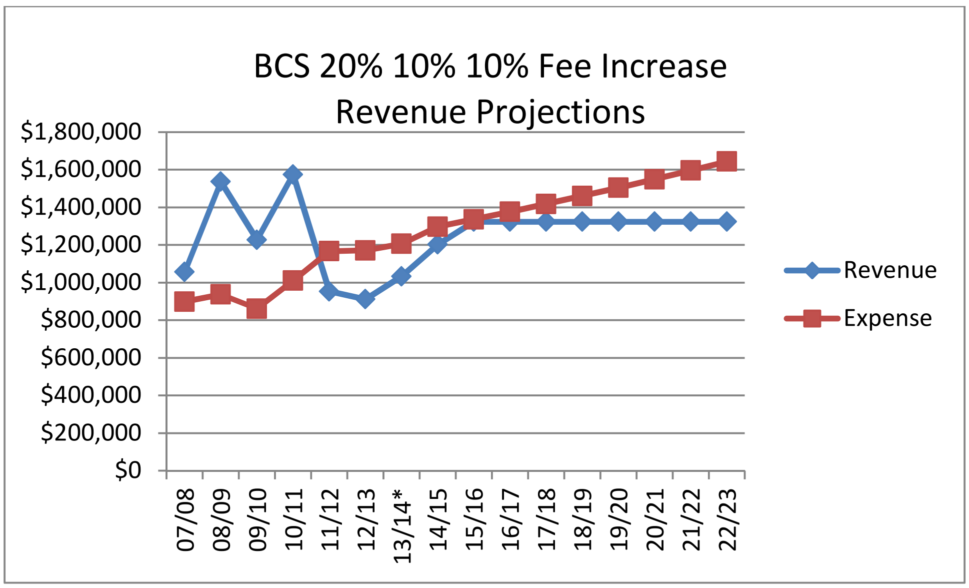

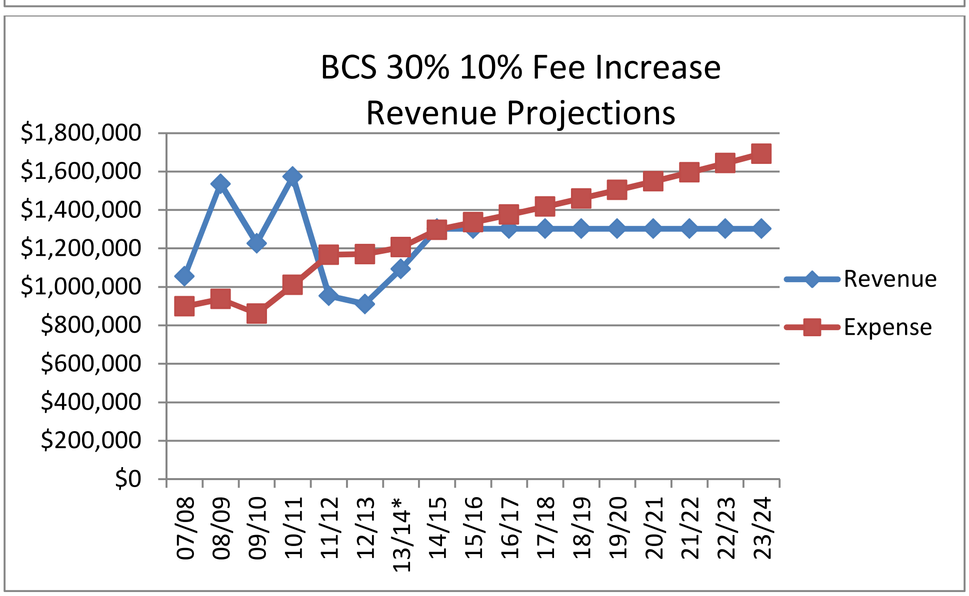

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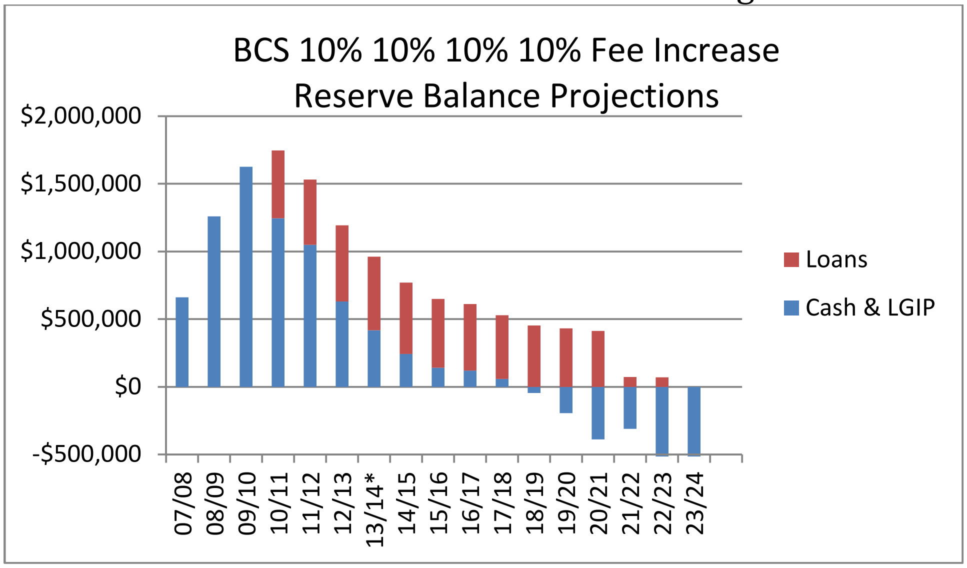

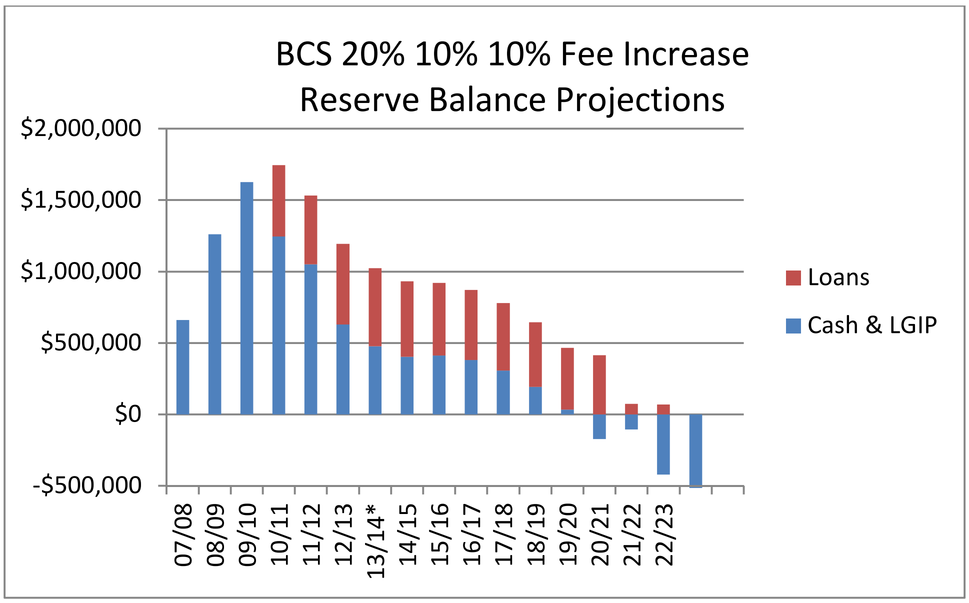

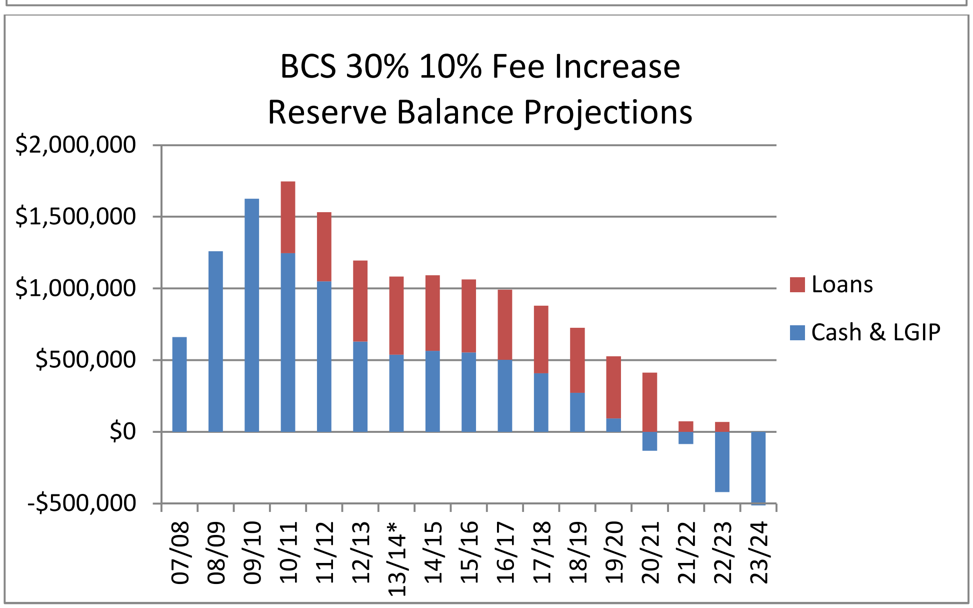

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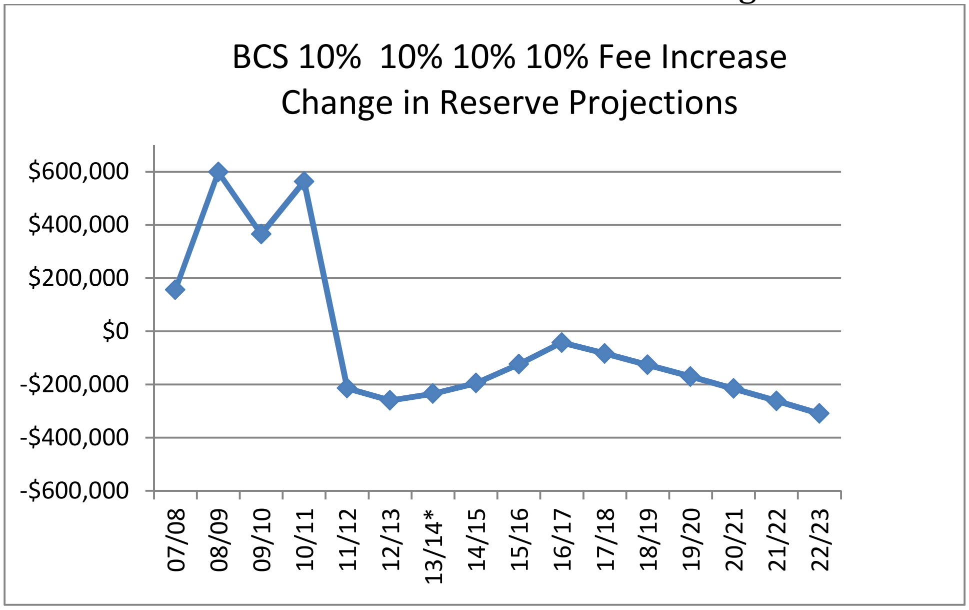

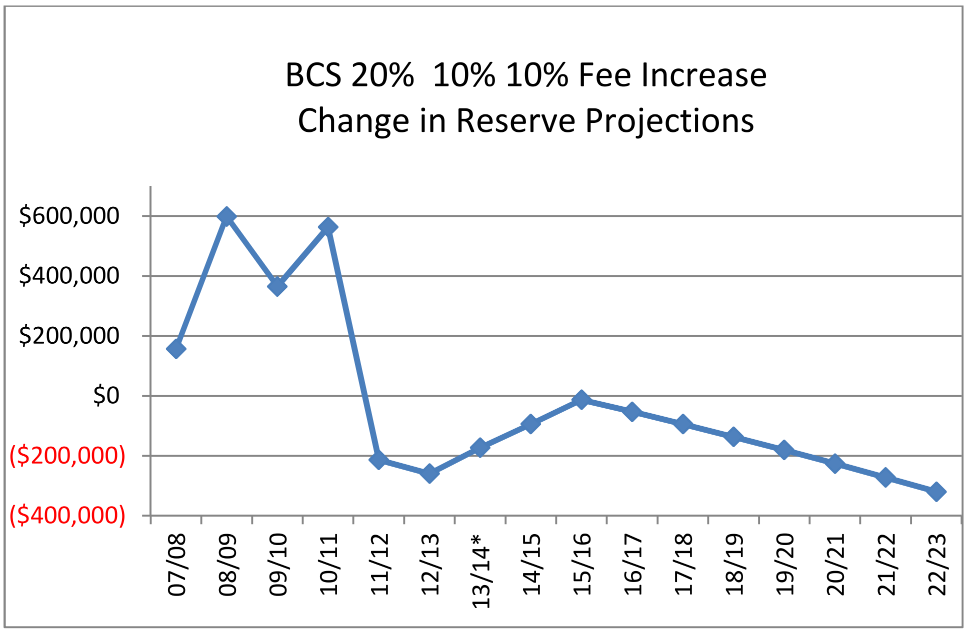

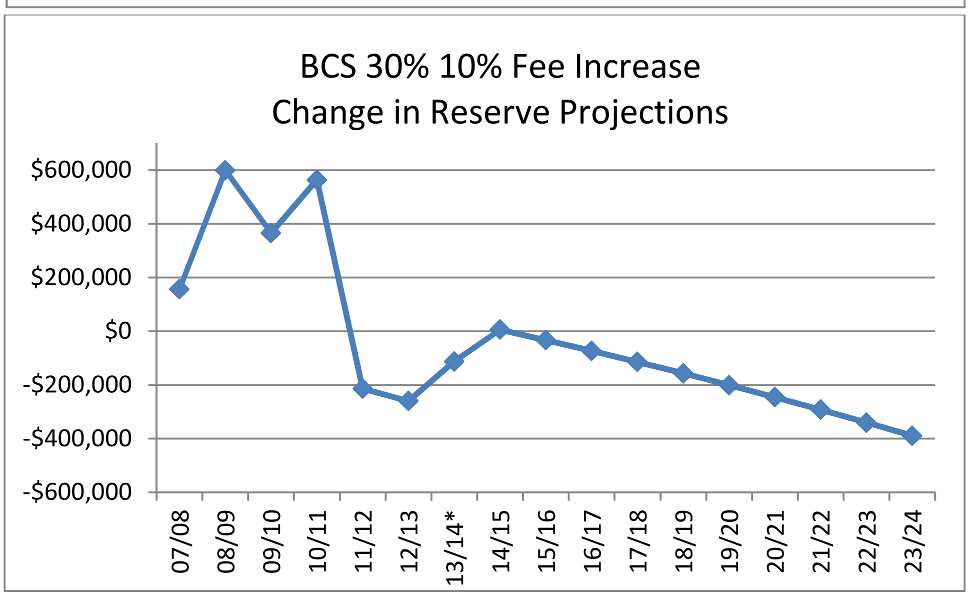

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10 10 10 10 Scenario

Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14*	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2024-24
Revenue	1,055,796	1,536,151	1,227,034	1,573,847	953,213	911,142	971,885	1,102,482	1,212,730	1,334,003	1,334,003	1,334,003	1,334,003	1,334,003	1,334,003	1,334,003	1,334,003
Expense	898,938	936,764	861,385	1,010,177	1,166,898	1,170,800	1,205,924	1,297,102	1,336,015	1,376,095	1,417,378	1,459,899	1,503,696	1,548,807	1,595,272	1,643,130	1,692,424
Change in Reserve	156,858	599,387	365,649	563,670	-213,685	-259,658	-234,039	-194,620	-123,285	-42,092	-83,375	-125,896	-169,693	-214,804	-261,269	-309,127	-358,421
Cash & LGIP	661,389	1,260,776	1,626,426	1,245,898	1,050,001	629,417	416,709	243,419	141,465	120,704	58,659	-45,906	-194,269	-389,472	-309,811	-615,325	-598,137
Loans				500,000	482,212	564,503	545,984	527,370	508,663	489,860	470,961	451,967	432,876	413,689	73,296	70,063	0

20 10 10 Scenario

Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14*	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2024-24
Revenue	1,055,796	1,536,151	1,227,034	1,573,847	953,213	911,142	1,032,628	1,202,707	1,322,978	1,322,978	1,322,978	1,322,978	1,322,978	1,322,978	1,322,978	1,322,978	1,322,978
Expense	898,938	936,764	861,385	1,010,177	1,166,898	1,170,800	1,205,924	1,297,102	1,336,015	1,376,095	1,417,378	1,459,899	1,503,696	1,548,807	1,595,272	1,643,130	1,692,424
Change in Reserve	156,858	599,387	365,649	563,670	-213,685	-259,658	-173,296	-94,394	-13,037	-53,117	-94,400	-136,921	-180,718	-225,829	-272,293	-320,151	-369,445
Cash & LGIP	661,389	1,260,776	1,626,426	1,245,898	1,050,001	629,417	477,451	404,388	412,682	380,896	307,826	192,236	32,848	-173,379	-104,743	-421,282	-720,634
Loans				500,000	482,212	564,503	545,984	527,370	508,663	489,860	470,961	451,967	432,876	413,689	73,296	70,063	-

30 10 Scenario

Year	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14*	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2024-24
Revenue	1,055,796	1,536,151	1,227,034	1,573,847	953,213	911,142	1,093,370	1,302,933	1,302,933	1,302,933	1,302,933	1,302,933	1,302,933	1,302,933	1,302,933	1,302,933	1,302,933
Expense	898,938	936,764	861,385	1,010,177	1,166,898	1,170,800	1,205,924	1,297,102	1,336,015	1,376,095	1,417,378	1,459,899	1,503,696	1,548,807	1,595,272	1,643,130	1,692,424
Change in Reserve	156,858	599,387	365,649	563,670	-213,685	-259,658	-112,554	5,831	-33,082	-73,162	-114,445	-156,966	-200,763	-245,874	-292,338	-340,197	-389,490
Cash & LGIP	661,389	1,260,776	1,626,426	1,245,898	1,050,001	629,417	538,194	565,356	553,605	501,774	408,659	273,024	93,591	-132,682	-84,090	-420,675	-740,071
Loans				500,000	482,212	564,503	545,984	527,370	508,663	489,860	470,961	451,967	432,876	413,689	73,296	70,063	-

Mid-Columbia Council of Governments *Memorandum*

To: MCCOG Board of Directors

From: Dan Schwanz, Transportation Director

Date: August 13, 2013

Subject: MCCOG Medicaid Brokerage

The Oregon Health Authority is in the process of transforming Medicaid funded health care by providing most state funded health care through Coordinated Health Care Organizations (CCO's). Included in this change in the health care delivery system is that, at some point, the CCO's will be responsible for non-emergent medical transportation (NEMT) that is currently brokered by MCCOG.

The date that this transition needs to be completed by is January 1, 2014. (Note: this date is now appearing to be a soft date with a new hard date of June 30, 2014.)

Currently, we see several potential outcomes for the MCCOG Transportation Brokerage:

1. If MCCOG is unable to come to agreement with Pacific Source CCO for brokerage services for Hood River and Wasco Counties and with Eastern Oregon CCO (EOCCO) for our remaining counties, MCCOG would exit the brokerage business.
2. If MCCOG is able to come to agreement with Pacific Source for services to Hood River and Wasco Counties only, MCCOG would reduce the current staff of 4.5 FTE's down to approximately 1.5 to 1.75 FTE's to provide brokerage services.
3. If MCCOG is able to come to agreement only with Eastern Oregon, a service area of 5 to 12 counties east of Wasco County, the potential staffing level is outlined in the chart below.
4. If MCCOG provides service for Pacific Source and Eastern Oregon, a service area of 7 to 14 counties, the potential staffing level it outlined in the chart below.

<u>Staffing Analysis</u>

Projected staffing is based on historical utilization of the brokerage program prior to additional services being added on July 1, 2013 and, prior to the projected date of January 1, 2014 when a large number of new people will be eligible for Medicaid funded services under the Affordable Care Act, commonly known as Obama Care. Additional staff needs are based on our best guess of what demands the additional services and clients will make on the program.

On July 1, 2013, the state added the following services to our responsibilities: Screening and signing off on non-emergent ambulance rides; and screening and providing the reimbursement for client supplied transportation, meals and lodging. It is too early to know what the work load impacts will be as a result of these additional services. However, our telephone activity has increased by over 1,000 calls from 6,224 in June to 7,237 for July, 2013. In our current service area we had been screening these rides for a period of time, but we suspect that all programs within DHS were not fully participating in the screening requirement. All programs are now participating as MCCOG is now providing the reimbursement.

It is even more difficult to project the additional work load from reimbursement screening and payment that would occur if Eastern Oregon CCO were to request our services in seven additional counties that we do not currently provide service for. (Note: in a couple of conversations that we have had with Eastern Oregon CCO, they have requested that we consider taking on all 12 counties that they are responsible for, not just the 5 counties that we currently serve)

Effective July 1, 2013 the home brokerage is responsible for all of the client's transportation needs no matter where in the state the client may land. Prior to July 1, clients who ended up in Portland became the responsibility of the Portland area broker to return the client to their home county. We expect increased long distance trips as a result of this change.

We anticipate a sizable increase in the number of eligible people starting January 1, 2014 due to the Affordable Care Act. It is unknown how many of those people will make use of non-emergent medical transportation.

The areas of uncertainty, as described below, require MCCOG to make assumptions about future staffing requirements and space needs which may or may not be accurate.

In calendar year 2012, MCCOG provided 22,016 one-way rides at a cost of $972,754 in Gilliam, Morrow, Sherman, Umatilla, and Wheeler counties. The average cost of a trip was $44.19 and the cost for each ride brokered was $7.50. MCCOG has 4.5 FTEs associated with the whole brokerage (7 counties) with 5 counties accounting for 65 per cent of the rides. Based on 2012's service model the 5 EOCCO counties would need 2.9 FTE's.

During the same time period, EOCCO provided MCCOG with service data for 6 of the 7 remaining counties. Lake County is served by another brokerage in southern Oregon. The 6 counties are served by Central Oregon Intergovernmental Council aka Cascades East Ride

Center. According to numbers provided, there were 23,267 one way rides provided at a cost of $799,711. The average cost of a trip was $34.39 and the cost for each ride brokered was $8.31. It is unknown how many full-time equivalents Cascades East is using to provide this service. Based on MCCOG's staffing plan for services provided prior to July 1, 2013 we would need an additional 3 FTE. However, this does not account for the additional rides that occur in Lake County.

MCCOG would also have to add a part-time or full-time Contracts Specialist to work with the providers in the very large geographic area that would consist of EOCCO counties. Currently, the Transportation Director serves in this capacity but, with the significant addition of travel and time requirements, that would not continue. It is also likely that this position may have to take on the driver training that is currently paid for by Oregon Health Authority.

Conditions prior to July 2013

EOCCO 5 current counties	2.28 FTE	.65 FTE Supervision/Contracts

Conditions after July 2013

EOCCO all 12 counties	5.5 FTE	2.0 FTE Supervision/Contracts

Conditions after January 1, 2014

EOCCO all 12 counties	6.5 FTE	1.65 FTE Supervision/Contracts

Note: the staffing needs are conservative estimates at this time because we have only just completed one month of the full reimbursement and ambulance authorization process. We do not have all of the data compiled in order to project future workloads. And, with the addition of newly eligible clients in January as a result of the Affordable Care Act, how much additional demand there will be for medical transportation is completely unknown at this time - the number could be much higher. If MCCOG contracts with Pacific Source CCO there could be 1.5 additional FTE's involved.

Space Requirements

Current Space – Main office 25 X 18, Dan's Office 13 x 12, Brent's office 13 x 12. Currently MCCOG has 762 square feet for 6.5 FTE and that space is very tight. In the future if MCCOG took on both CCO's at 14 counties, we would need room for at least 10 FTE and ideally closer to 2,000 square feet of space.

c: file