



Board of Directors Meeting

Tuesday, October 1, 2013

5:30 p.m.

Location: Northern Wasco PUD, 2345 River Rd, The Dalles, OR 97058

- I. 5:30 p.m. **Call to Order**
 - A. Roll Call and Introductions.
 - B. Approval of August 20, 2013 minutes.
- II. 5:35 p.m. **Open Agenda**

(This time set aside for the public and board members to introduce subjects NOT on the agenda).
- III. 5:40 p.m. **Public Hearing**
 - A. Public Hearing on Proposed Permit Fee Increases for Building Codes Services;

RULES OF THE HEARING:

This hearing will be recorded. All those wishing to testify must sign in to speak. When your name is called, please state your name and address for the record and who you are representing. All public testimony will be limited to 5 minutes each. Please refrain from repeating earlier testimony and only speak if you have new information to provide. The audience is asked to refrain from clapping, speaking loudly to each other, using cell phones or otherwise willfully creating any disturbances during this hearing. Any person(s) creating a disturbance will be asked to leave the room.

- IV. **Close Public Hearing. Board Discussion/Action**
 - A. Resolution No. 12-24, Adopting Permit Fee Schedule for Building Codes Services; and
- V. **Reports**
 - A. Area Agency on Aging.
- VI. **Executive Session – ORS 192.660 (2) (e)**
 - A. Real Property.
- VII. **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, August 20, 2013, 1:00 p.m. to 4:00 p.m.
Board Room, 1113 Kelly Avenue, The Dalles, Oregon

2013 Board of Directors:

<u>Gilliam County:</u>	*Mike Weimer, Steve Shaffer
<u>Hood River County:</u>	*Maui Meyer, Les Perkins, Weathers
<u>Sherman County:</u>	*Michael Smith, Cliff Jett, Tom McCoy
<u>Wasco County:</u>	*Rod Runyon, Steve Kramer, Carolyn Wood
<u>Wheeler County:</u>	*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

Present: Steve Shaffer, Cliff Jett, Michael Smith, Tom McCoy, Rod Runyon, Steve Kramer, Carolyn Wood, and Chris Perry.

Excused: Anne Mitchell, Maui Meyer, Ed Weathers, Mike Weimar, Les Perkins, and Jack Lorts.

Staff: John Arens, Executive Director; Bob Futter, Building Official; Dan Schwanz, Transportation Director; and Tine Meriwether, Executive Assistant.

Guests: Kathy Ursprung, The Dalles Chronicle; and Bill Lennox, resident.

B. Approval of July 23, 2013 Minutes

Tom McCoy moved, seconded by Cliff Jett to approve the July 23, 2013 minutes. The motion carried unanimously.

II. ACTION ITEMS

A. Continue Building Codes Fee Discussion.

John Arens reviewed his PowerPoint presentation from the last meeting and spoke with regards to Building Codes' background and current staff. He stated the inspectors are cross-trained in different disciplines and can do multiple inspections with the exception of plumbing and electrical inspections. With regards to overtime, he commented inspectors are not working too much overtime to justify hiring another inspector. He noted inspectors do put lots of miles on their cars because of the large geographic area covered.

Rod Runyon asked about the break-down on overhead expenses of MCCOG. He stated this would be useful to have and he remembered this was a question posed at the last meeting.

Arens reviewed the \$50K and \$350K residential construction permits, and the \$1mil commercial construction permits compared to Malheur, Hood River, Morrow and Deschutes counties. He stated with a 40% increase in fees we would still be below cost. He stated Morrow is going through a boon in inspections with approximately \$900mil worth of projects on their books. He stated Morrow has over a \$2mil reserve account.

The issue of when the state steps in to oversee a project was discussed. Bob Futter stated if the State determines that a local jurisdiction does not have specialty in a major project, they can step in to assist. He stated he is not aware that this is being done in Morrow County.

Arens reviewed actual revenues and expenses from years 2007-08 to 2012-13. Chris Perry asked why the operational expense increased in years 2011-12 and 2012-13. Arens commented that several things occurred in staff and new vehicles were purchased. Staff will report back to the Board on specifics.

Arens reported that staff will be budgeting \$50,000 annually toward replacements of two vehicles at a time. Runyon asked about less expensive vehicles or more fuel efficient vehicles. Arens stated some of the roads are rough, dirt roads and back country, over streams. He stated ground clearance and good tires are critical. Staff can look into Jeeps as an option as opposed to the pick-up trucks currently used. He noted staff has looked into Subaru Outbacks and was told the undercarriage would be torn up within six months of use. Although less expensive, they will not last as long.

Arens reviewed the revenue & expense charts as provided in the Board packets.

A discussion ensued about the Reserve Fund loans. The loans are for 10 years, as allowed by state law, and amortized over 30 years. Arens reviewed the current commercial loan (\$492,715) on the MCCOG building at .5% annual interest¹. Each department is paying their fair share of that loan on a monthly basis. Another loan is for \$100K at .54% interest is used as a match for the \$870K Transportation (ODOT) grant received for property purchase and initial construction costs². Also, that matching grant will be used to leverage an additional \$750K ODOT grant; for a total fund of \$1.720 million available to complete the new transportation facility. Arens stated staff will continue to go out for additional resources to finish that project.

Staff discussed what the options might be at the end of the loans in terms of pay-off. Dan Schwanz stated federal dollars cannot be used to pay off Building Code loans.

¹ Resolution No. 10-04, 03/22/11, repealed and replaced by Resolution No. 12-16, 05/28/13.

² Resolution No. 12-17, 05/28/13.

Arens continued his review of the revenues and expenses chart. He stated 27% of expenses are for overhead.

Carolyn Wood stated she believes fees need to be self-sustaining. The Board discussed incremental increases which allow for annual review. Arens stated annual fee increases would need to be done through public hearing. The basis for permit fees was further discussed. Futter commented there is a modest or slight fluctuation each year in structural permits of 1% to 2%. He stated he cannot predict what the increase or decrease might be because it is based on property valuations.

The issue of incremental increases and how to implement them were discussed. Arens asked that the Board consider the planning aspect of incremental or annual increases because they take months to accomplish through the notification and public hearing process. He stated that no matter what the Board adopts with an effective date of January 1, 2014, Building Codes is projected to lose \$150K in revenue this year.

Wood stated this is a business proposition and not a tax issue, and with comparisons around the state, the fees are still on the low side. The responsible thing is to look at either the 20% or the 30% increase. She said the 30%-10% seems to reasonable.

Cliff Jett, expressed his concern about losing money now and not being able to catch up with just a 30% initial increase. He stated he realized it was "sticker shock" for people, but he favored a 40% increase all at once. Steve Kramer stated after looking at the charts, even with a 60%/80% increase Building Codes can "never get even" when expenses continue to increase and revenues are "flat-line." McCoy stated that additional increases will need to occur. Smith commented that it is hard to know or predict what future revenues will be, but future increases would be more like 3% to 5%. Runyon stated that maybe down the road the Board will have to decide if we should keep Building Codes because it "might be too much hassle."

The issue of contracting with a private service was discussed. Wood commented that we should not expect to make a huge profit but we should not be expected to run this program at a loss. A discussion ensued regarding the formula and how to present the facts to the public at the hearing. McCoy stated he believed this board needs to support whatever proposal is put forward. However, that does not mean you can't change your mind at the hearing.

Jett stated his agreement that the Board cannot go into a public hearing and not have a recommendation that they can agree on based on the numbers that have been presented. He stated this is a business decision and unless the public has some "compelling information" to provide that would change the Board's decision, we need to move forward and understand we are not making money on this, we are just trying to break even.

Arens stated the public hearing needs to focus on revenue and expense. It's not about the Reserve Fund.

McCoy and Wood both stated they could support either a 20%/10% or 30%/10% increase. Jett stated he could support a 30%/10% increase. Perry stated he could support a 20%/10%/10% increase.

Chair Smith called for a motion.

**Following discussion, McCoy moved for a 20/10/10, seconded by Perry. The motion carried by the following vote: Ayes: McCoy, Wood, Runyon, Kramer, Perry, Shaffer, Smith (7)
Nay: Jett (1)**

Shaffer commented that he sees the discussion will be about cutting expenses at the public hearing and he does not see a lot of room to cut.

A discussion between the Board and staff ensued regarding the types of inspections and measures that could be implemented for more efficient use of time. Futter described the typical types of inspections and gave examples of routes inspectors may take in one day and what kinds of delays can take place.

Jett asked if the Board needs to set forth a plan on implementation of fee increases or how they would occur. Tine Meriwether asked for clarification on the wording of the implementation process for the resolution that would be brought forward for consideration at the October public hearing.

Following comments, Runyon made a motion that changes would be reviewed annually as needed. The motion died for lack of a second.

Following discussion, it was the consensus of the Board to have a draft resolution available at the public hearing with the proposed 20/10/10 fee increases. Following public comments and Board deliberation, the document can be amended and finalized for the Board Chair's signature.

The public hearing date was set for October 1, 2013 at 5:30 p.m. to be held in the board room of Northern Wasco PUD.

Steve Kramer was excused at 3:00 p.m. to attend another meeting.

C. Transportation Brokerage Update.

Dan Schwanz, Transportation Director, presented his staff report as provided in the Board packets. The report outlines potential outcomes for the Transportation Network in providing brokerage services to Pacific Source Coordinated Care and Eastern Oregon Coordinated Care. Schwanz stated another meeting is scheduled for September 3rd with Eastern Oregon CCO. He stated the chart enclosed in the staff report has changed slightly because eligibility requirements will be changing with the new Affordable Care Act. This may result in increased ridership.

Arens stated the Board may need to make a decision at some future date with regards to the changes as outlined in the report. He stated staff will need to consider management and staffing needs if Transportation services change and the number of counties we serve increases. Arens stated the planning phase is just beginning for the new Transportation Network facility that can accommodate additional personnel if that is the direction.

III. ADJOURN

There being no further business to come before the MCCOG Board of Directors, the meeting was adjourned at 3:15 p.m.

Respectfully submitted by:

ATTEST:

Tine Meriwether, Executive Assistant

Michael Smith, Board Chair

- COPY -

August 21, 2013

Brett Salmon
Policy Analyst
Oregon Building Codes Division
POB 14470
Salem OR 97309-0404

Re: Fee Adjustments

As required in OAR 918-020-0220, Mid Columbia Building Codes Services is advising your office of proposed fee adjustments for structural, plumbing, electrical, mechanical, solar, manufactured homes and MH/RV parks. A copy of the current and proposed fee schedules is attached.

Currently our office is running a significant deficit in our building permit fees vs expenses. We are proposing fee increase to all specialties approximately 40%, spread over the next two years. We are proposing a 20% increase effective 1-1-14, an additional 10% effective 7-1-14 and an additional 10% effective 7-1-15.

Our last significant fee modification was in November, 2008 (mechanical only), with minor modifications to comply with BCD's Uniform Fee Methodology since that date. All of those additional changes were designed to be revenue-neutral.

Our Board has scheduled a public hearing at 5:30 PM, October 1, at the Northern Wasco PUD, 2345 River Rd, The Dalles. We will send your office a copy of the actual adopted fees and effective dates after the public hearing.

Robert L. Futter
Building Official
541-298-4461

MID-COLUMBIA COUNCIL OF GOVERNMENTS

RESOLUTION NO. 12-24

**A RESOLUTION AUTHORIZING ADOPTION OF PERMIT FEE INCREASES
FOR ALL SPECIALTY CODES OF MID-COLUMBIA BUILDING CODES SERVICES.**

WHEREAS, Mid-Columbia Council of Governments (MCCOG) is an intergovernmental agency formed under ORS Chapter 190, consisting of the five counties of Wasco, Hood River, Sherman, Gilliam and Wheeler; and

WHEREAS, the current fee schedule is substantially the same schedule as adopted in 2008, except for minor increases to mechanical permits, and no longer generates the revenue necessary for Mid-Columbia Building Codes Services (MCBCS) to be self-sustaining; and

WHEREAS, a permit fee increase of 40% across all specialties would provide the additional revenue to sustain the MCBCS program.

NOW, THEREFORE, BE IT HEREBY RESOLVED, the MCCOG Board of Directors, having reviewed the proposed fee schedule Exhibit "A" attached hereto and by this reference incorporated herein, held a public hearing, and being fully advised in the premises, does hereby formally adopt a fee increase across all specialty codes, with the initial increase of 20% (twenty-percent) to take effect January 1, 2014, the second increase of 10% (ten-percent) to be effective July 1, 2014, and the third increase to be effective July 1, 2015.

ADOPTED by the Board of Directors of Mid-Columbia Council of Governments, this 1st day of October, 2013.

SIGNED:

Michael Smith, Board Chair

ATTEST:

Tine Meriwether, Executive Assistant

Exhibit "A" to Resolution No. 12-24

Mechanical Permit Fees

Item	Current	Proposed Effective 1-14	Proposed Effective 7-14	Proposed Effective 7-15
Furnace 100K Btu	\$10.00	\$12.00	\$13.00	\$14.00
Furnace 100K Btu+	\$15.00	\$18.00	\$19.50	\$21.00
Duct Work	\$10.00	\$12.00	\$13.00	\$14.00
Unit Heater	\$10.00	\$12.00	\$13.00	\$14.00
Wood Stove	\$10.00	\$12.00	\$13.00	\$14.00
Repair/Alteration	\$10.00	\$12.00	\$13.00	\$14.00
Evap Cooler	\$10.00	\$12.00	\$13.00	\$14.00
Vent System	\$10.00	\$12.00	\$13.00	\$14.00
Vent Fan	\$7.50	\$9.00	\$10.00	\$11.00
Clothes Dryer	\$7.50	\$9.00	\$10.00	\$11.00
Floor Furnace	\$10.00	\$12.00	\$13.00	\$14.00
Hydronic System	\$20.00	\$24.00	\$26.00	\$28.00
Gas Piping 1-4 outlets	\$20.00	\$24.00	\$26.00	\$28.00
Gas Piping Additional outlet	\$2.50	\$3.00	\$3.25	\$3.50
Underground Piping	\$20.00	\$24.00	\$26.00	\$28.00
Air Handling Unit	\$10.00	\$12.00	\$13.00	\$14.00
Heat Pump 100K	\$10.00	\$12.00	\$13.00	\$14.00
Heat Pump 100K+	\$20.00	\$24.00	\$26.00	\$28.00
Domestic Incinerator	\$10.00	\$12.00	\$13.00	\$14.00
Other Equipment	\$10.00	\$12.00	\$13.00	\$14.00
Hourly Rate	\$65.00/hr	\$78.00/hr	\$84.50	\$91.00
Commercial:				
Up to \$3,500 Value	\$50.00	\$60.00	\$65.00	\$70.00
\$3,501 - \$10,000	\$50 + \$1.00/\$100	\$60 + \$1.20/\$100	\$65.00 + \$1.30/\$100	\$70.00 + \$1.40/\$100
\$10,000 +	\$115 + \$2.50/\$1,000	\$138 + \$3/\$1,000	\$149.50 + \$3.25/\$1,000	\$161.00 + \$3.50/\$1,000
Minimum Fee	\$50.00	\$60.00	\$65.00	\$70.00

Plumbing Permit Fees

Item	Current	Proposed Effective 1-14	Proposed Effective 7-14	Proposed Effective 7-15
New SFD (one bath)	\$210.00	\$252.00	\$273.00	\$294.00
New SFD (2 bath)	\$285.00	\$342.00	\$370.00	\$399.00
New SFD (3 bath)	\$360.00	\$432.00	\$468.00	\$504.00
New SFD (addl bath)	\$75.00	\$90.00	\$97.00	\$105.00
Additional Kitchen	\$50.00	\$60.00	\$65.00	\$70.00
Addl 100' Sewer/Water	\$30.00	\$36.00	\$39.00	\$42.00
RV Spaces 1 st 10	\$320.00	\$384.00	\$416.00	\$448.00
Addl Space	\$27.50	\$33.00	\$36.00	\$38.50
Fixtures up to 3	\$60.00	\$72.00	\$78.00	\$84.00
Addl Fixture	\$20.00	\$24.00	\$26.00	\$28.00
Site Utilities/100'	\$30.00	\$36.00	\$39.00	\$42.00
Residential Sprinkler 0-2,000 sf	\$100.00 (all sizes of house)	\$120.00	\$130.00	\$140.00
Res sprinkler 2001-3,600 sf		\$160.00	\$174.00	\$188.00
Res sprinkler 3,601-7,200 sf		\$200.00	\$218.00	\$236.00
Res sprinkler 7,201 + sf		\$240.00	\$262.00	\$284.00
Specialty Fixtures	\$46.00	\$55.00	\$60.00	\$64.00
Hourly Rate	\$65.00	\$78.00	\$84.50	\$91.00
Med Gas \$10,000	\$225	\$270	\$292.00	\$315.00
Med Gas \$10,000+	\$1.50/\$100	\$1.80/\$100	\$1.95/\$100	\$2.10/\$100
Minimum Fee	\$50.00	\$60.00	\$65.00	\$70.00

Electrical Permit Fees

Item	Current	Proposed Effective 1-14	Proposed Effective 7-14	Proposed Effective 7-15
Ea Dwelling Unit up to 1,000 sf	\$106	\$127	\$138.00	\$148.00
Ea Dwelling Unit addl 500 sf	\$19.00	\$23.00	\$25.00	\$27.00
Limited Energy/dwelling unit	\$25.00	\$30.00	\$32.50	\$35.00
Manuf Home Service	\$63.00	\$78.00	\$84.50	\$91.00
multi-family/dwelling unit	\$45.00	\$54.00	\$58.00	\$63.00
200 amp Service	\$79.00	\$95.00	\$103.00	\$110.00
201-400 amp Svc	\$94.00	\$113.00	\$122.00	\$132.00
401-600 amp Svc	\$156.00	\$187.00	\$203.00	\$218.00
601-1000 amp Svc	\$204.00	\$245.00	\$265.00	\$286.00
Over 1,000 amp Svc	\$469.00	\$563.00	\$610.00	\$657.00
*Renewable Energy 5 KVA or less	\$79.00	\$95.00	\$103.00	\$110.00
*Renewable Energy 5.01 – 15 KVA	\$94.00	\$113.00	\$122.00	\$132.00
*Renewable Energy 15.01-25 KVA	\$156.00	\$187.00	\$203.00	\$218.00
*Wind Generation 25.01-50 KVA	\$204.00	\$245.00	\$265.00	\$286.00
*Wind Generation 50.1-100 KVA	\$469.00	\$563.00	\$610.00	\$657.00
*Solar Generation 25.01 KVA +	Additional \$6.25/KVA	Additional \$7.50/KVA	Additional \$8.10/KVA	Additional \$8.75/KVA
Branch Circuit	\$4.00	\$4.80	\$5.20	\$5.60
Branch Circuit without Svc	\$54.00	\$65.00	\$70.00	\$76.00
Irrigation Pump	\$63.00	\$78.00	\$84.50	\$91.00
Sign	\$65.00	\$78.00	\$84.50	\$91.00
Limited Energy	\$63.00	\$78.00	\$84.50	\$91.00
Hourly Rate	\$65.00	\$78.00	\$84.50	\$91.00
Minimum Fee	\$54.00	\$60.00	\$65.00	\$70.00

Manufactured Dwelling

Item	Current	Proposed Effective 1-14	Proposed Effective 7-14	Proposed Effective 7-15
Placement	\$160.00	\$192.00	\$208.00	\$224.00
Re-Insp	\$65.00/hr	\$78.00/hr	\$84.50/hr	\$91.00.hr

Structural & MH & RV Parks Permit

Item	Current	Proposed Effective 1-14	Proposed Effective 7-14	Proposed Effective 7-15
\$1.00 - \$2,000	\$50.00	\$60.00	\$65.00	\$70.00
\$2,001- \$25,000	\$50 + \$7.80/\$1,000	\$60.00 + \$9.40/\$1,000	\$65.00 + \$10.15/\$1,000	\$70.00 + \$10.90/\$1,000
\$25,001- \$50,000	\$229.40 + \$5.85/\$1,000	\$276.20 + \$7/\$1,000	\$298.45 + \$7.60/\$1,000	\$320.70 + \$8.20/\$1,000
\$50,001- \$100,000	\$375.65 + \$3.90/\$1,000	\$451.20 + \$4.70/\$1,000	\$488.45 + \$5.10/\$1,000	\$525.70 + \$5.45/\$1,000
\$101,000+	\$570.65 + \$3.25/\$1,000	\$686.20 + \$3.90/\$1,000	\$743.45 + \$4.25/\$1,000	\$798.20 + \$4.55/\$1,000
Hourly Rate	\$65.00/hr	\$78.00/hr	\$84.50/hr	\$91.00/hr

Solar Panels

Item	Current	Proposed Effective 1-14	Proposed Effective 7-14	Proposed Effective 7-15
Prescriptive Structural	\$135.00	\$160.00	\$175.00	190.00