

**MID-COLUMBIA COUNCIL OF GOVERNMENTS
Board of Directors Agenda**

Tuesday, March 3, 2015

10:00 a.m. to 11:00 a.m.

MCCOG Boardroom – 1113 Kelly Ave, The Dalles, OR 97058

I. 10:00 a.m. **Call to Order**

A. Roll Call and Introductions.

B. Approval of [minutes from January 27, 2015](#) Board meeting.

II. 10:05 a.m. **Open Agenda**

(This time is set aside for the public and board members to introduce subjects NOT on the agenda). Persons invited by the Chair to speak to the Board shall state their name and address for the record. Their presentation will be limited to three minutes. The Board will take no action on the issue(s) presented until the next Board meeting, in order to give the Board time to research any matters or to decide upon a course of action. The time restriction is necessary in order to complete this meeting as published.

III. 10:15 a.m. **Reports/Communications**

A. [Transportation ConnectOregon IV Match](#)

B. [Mid-Columbia Building Codes Services topic \(Michael Smith\)](#)

IV. 11:00 a.m. **Adjourn**

Pursuant to ORS 192.660, the Board may enter into Executive Session during the meeting to discuss topics allowed. 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, January 27, 2015 1:00 p.m. to 3:00 p.m.

Board Room, 1113 Kelly Avenue, The Dalles, Oregon

2015 Board of Directors:

Gilliam County: Denise Ball, Steve Shaffer, *Mike Weimer
Hood River County: *Maui Meyer, Les Perkins, Mark Zanmiller.
Sherman County: Tom McCoy, *Michael Smith
Wasco County: Russ Brown, Scott Hege, *Rod Runyon
Wheeler County: Lynn Morley, *Chris Perry
(*denotes Executive Committee Members)

I. Call to Order

A. Roll Call and Introductions

The meeting was called to order by Michael Smith, Chair.

Present: Denise Ball, Scott Hege, Tom McCoy, Maui Meyer, Lynn Morley, Chris Perry, Rod Runyon, Steve Shaffer, Michael Smith, Mike Weimar, and Mark Zanmiller.

Absent: Les Perkins.

Staff: John Arens, Executive Director; Sarah Brumbaugh, Fiscal Director; Cecilia Lamas-Guiney, Executive Assistant; Dan Schwanz, Transportation Director.

Guests: Tamara Jones, CIS (via phone); Rodger Nichols, Haystack Broadcasting.

B. Approval of November 25, 2014 Board Minutes.

Maui Meyer moved, seconded by Chris Perry, to approve the minutes as amended; corrected to reflect Scott Hege as present. The motion carried unanimously.

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zanmiller (11)

NAYS: None (0)

II. Open Agenda

John Arens presents BOD with update to existing depreciation policy and purchasing/bids policy to get MCCOG into compliance with FTA (Federal Transit Administration) rules.

There were no other public comments.

III. Action Items

A. CIS Representative, Tamara Jones

John Arens introduces topic to Board; had Tamara Jones from CIS speak with the Executive Committee in regard to goals, responsibilities and risk management as it relates to board members; and now is presenting same conversation to full board. Jones addresses the Board; speaks about legal issues, employee relations, and points on working as a board going forward. She discusses the Board's primary roles and responsibilities and the areas that are not within those.

Mike Smith asks Jones to clarify how Board members should handle matters involving MCCOG employees. Jones provides guidance as to public information limitations and legal boundaries.

Chris Perry asks Jones if employee interactions they (BOD members) encounter that may relate to potential direction should be taken to John Arens for him to address.

Jones replies that yes; that is an excellent idea. All employee matters will be treated similarly under similar circumstances.

Smith asks Jones if Board member goes to Arens individually, is there the need for employee to be there for that discussion. Jones responds that is correct; in that situation employee would not have to be present.

Perry thanks Tamara Jones; states she has been a great help for his county. Tamara Jones exits meeting.

B. Election of 2015 Board Officers & Executive Committee

John Arens summarizes election requirements; references the Boards By-laws. Michael Smith opens nominations.

Nominations for chair person: Maui Meyer nominates Mike Smith, Sherman County, for chair. Mark Zannmiller seconds the nomination. No other nominations are heard; chair nomination is closed and passed by the following vote:

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Weimar, Zannmiller (10)

NAYS: None (0)

ABSTENTION: Smith (1)

Nominations open for vice-chair. Chris Perry nominates Steve Shaffer for vice-chair. Shaffer nominates Mike Weimar for vice-chair. Smith asks for a second to either of those nominations.

Maui Meyer seconds nomination for Mike Weimar as vice-chair. Smith asks for any further nominations. Hearing none, nominations for vice-chair are closed. Nomination passed by following vote:

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zannmiller (11)

NAYS: None (0)

Nominations for Secretary Treasurer: Meyer nominates Rod Runyon, Chris Perry seconds, for Secretary Treasurer. Smith asks for any further nominations. Hearing none, nominations for Secretary Treasurer are closed. All Board members are in favor of nomination.

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zannmiller (11)

NAYS: None (0)

Nominations move to Executive Committee members. Tom McCoy nominates Maui Meyer from Hood River County and Chris Perry from Wheeler County, seconded by Steve Shaffer.

Smith asks for any further nominations. Hearing none, nomination is closed by following vote:

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zanmiller (11)

NAYS: None (0)

C. Appoint Budget Committee Members

Sarah Brumbaugh discusses agenda item; who currently serves on Budget Committee and what seats need filled. Needs one member appointed (or re-appointed) from Sherman County and one representative from Hood River County.

Maui Meyer inquires about Commissioner Briggs being in that seat. Brumbaugh responds that Briggs declined the seat.

Michael Smith inquires about Dee attending Committee last year; appoint her? Tom McCoy suggests Cliff Jett for seat if not Dee; Smith agrees with suggestion. Brumbaugh agrees; Smith will let her know. Chris Perry inquires to whom Wheeler County's seat is. Brumbaugh responds that it is Mr. Molinari. Arens clarifies replacement members for the Board; need a representative for City of Wheeler and Sherman County.

D. Depreciation Policy

Sarah Brumbaugh this goes along with the topic mentioned previously in open agenda; update to existing depreciation policy and purchasing/bids policy to get MCCOG into compliance with FTA (Federal Transit Administration) rules. Review with Transportation and ODOT, MCCOG had no findings, did have some observations. A few of the observations addressed MCCOGs Purchasing and Bid Policy; they gave suggestions on how to make this policy more compliant with new rules. Brumbaugh refers Board to supporting materials.

Michael Smith asks Sarah about previous numbers; cannot see strikeout. Brumbaugh replies that it was 39. Changes on Depreciation Policy and Purchasing and Bids Policy are in red.

Smith asks for clarification on policy for Purchasing and Bids; are these just additions? Brumbaugh replied yes, just additions.

Maui Meyer moves to approve the proposed Depreciation Policy, Chris Perry seconds the motion. Motion passes by the following vote:

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zanmiller (11)

NAYS: None (0)

E. Budget Modification, Sarah Brumbaugh

i. Resolution 14-04; Supplemental Budget

Sarah Brumbaugh speaks on reason for budget modification; accounts for anticipated Transportation software costs and additional STF funding; provides verbal breakdown of budget modifications. Steve Shaffer asks about professional services needed for Ecolane software.

Brumbaugh, with assistance from Dan Schwanz, replies that professional services were not on Ecolane side; it was in-house on IT side. Schwanz helped to clarify that this assistance was needed as we (the Brokerage's equipment) was going from XP to current software so they would be compatible with Ecolane software.

Mark Zanmiller asks for clarification on Ecolane negotiations statement as recorded in meeting minutes; authorized to purchase? Brumbaugh replies that the Executive Committee did authorize purchase.

Michael Smith suggests minutes may not reflect the motion specifically; minutes did not give a specific number. Arens mentions Tom McCoy's amendment to that motion; negotiations with Ecolane can continue upon condition that State will provide resources to pay for software.

Mike Weimar moves, seconded by Tom McCoy, to approve Resolution 14-04, Supplemental Budget. Motion passed by the following vote:

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zanmiller (11)

NAYS: None (0)

F. Resolution 14-05, Authorized Signers

Arens presents agenda item to Board; wanted to reconfirm who authorized signatures are for MCCOG checking account. The only change is adding Marvin Pohl as an authorized signature.

Mark Zanmiller asks if there is a two-signature policy. Sarah Brumbaugh replies yes; items over \$2,000 require two signatures.

Maui Meyer motions to approve Resolution 14-05, adding Marvin Pohl, Deputy Director as a signer on the checking account and reaffirming John Arens, Sarah Brumbaugh, and Holli Francis. Motion was seconded by Steve Shaffer, and passed by the following vote:

AYES: Ball, Hege, McCoy, Meyer, Morley, Perry, Runyon, Shaffer, Smith, Weimar, Zanmiller (11)

NAYS: None (0)

IV. Reports/Communications

A. John Arens

i. Annual Meeting Calendar

Arens provides information on current Executive Committee and Board meeting calendar. Mentions the next meeting session will be a training session/strategic planning with Barbara Briggs, from 10 a.m. to 3 p.m.

Board members discuss schedules and availability changes. Steve Shaffer suggests he could call-in. Smith agrees; he could call-in as well. After discussion; Board agrees to keep training as scheduled.

ii. Department Update - Transportation

Dan Schwanz discusses current status of Ecolane implementation. Roll-out did not go smoothly; had issues with utilizing software, provider support, coupled with staff illness. A couple of weeks ago, these issues came to a head. These issues were addressed and Ecolane was contacted to help resolve these issues and improve software implementation.

Arens shares Transportation Brokerage staffing information; hired new employee for a part-time, temporary position.

Steve Shaffer asks Schwanz about negotiations with Columbia Gorge CCO's. Schwanz replies no, nothing currently.

Michael Smith asks if MCCOG is keeping in contact with them. Arens replies the door is open; the last conversation had been over the phone. Schwanz provides that the conversation occurred before the last full Board meeting.

Smith asks if MCCOG is continuing to pursue this. Arens replies yes; he is planning to attend CCO meeting tomorrow night.

Tom McCoy asks if after a year or so of using software, will Schwanz have a better idea of the number of rides, etc? Schwanz replies yes.

Shaffer suggests this is the key; to identify the "needs." Schwanz agrees. He is already seeing more information; the readily available reports have been helpful.

V. Adjourn

There being no further business to come before the MCCOG Board of Directors, the meeting was adjourned at 2:22 p.m.

Respectfully submitted by:

ATTEST:

Cecilia Lamas-Guiney, Executive Assistant

MCCOG Board Chair

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Mid-Columbia Council of Governments

Memorandum

To: MCCOG Board of Directors
From: John R. Arens
Date: March 3, 2015
Subject: **Transportation ConnectOregon IV Match**

Discussion:

On November 18, 2011 MCCOG submitted an application to ODOT for a ConnectOregon IV grant as part of the funds to help with the construction of The Dalles Transit Center (TDTC). As per contract #28710 we were awarded up to \$750,000, or 80% of the total eligible Project Costs whichever is less. As the recipient, we are required to match twenty (20) percent of the eligible Project Costs. Throughout the entire process, including the application process, we were planning to use the Flex Funds grant to match the ConnectOregon IV Grant. While on a phone call with Darrell Norton, ODOT in late January 2015, it became apparent that match requirements were misunderstood.

We now have, in writing, confirmation that we can use Flex Funds to match the ConnectOregon IV grant. However, it will reduce the project budget by \$187,500 (please see attached email).

Moving forward, we still need to continue to look for other grant opportunities to complete TDTC. At this point we will be looking to secure an additional \$1.7 million to complete the project.

Staff Recommendation:

Authorize staff to consider all funding options for completion of TDTC and bring those options to the Board for your consideration.

From: NEWTON Darrell R [mailto:Darrell.R.NEWTON@odot.state.or.us]
Sent: Tuesday, February 24, 2015 12:07 PM
To: John Arens
Subject: FW: 18104 The Dalles Transportation Center Funding

The following has been agreed upon: The project budget is set at \$2,450,586 which includes a \$10,342 match commitment affiliated with the FLEX grant funds. The table below.

Darrell Newton
Local Agency Liaison, Reg. 4
63055 N Hwy 97, Building M
Bend, Oregon 97701
(541) 388-6272

From: PARLETTE Katie M
Sent: Tuesday, February 24, 2015 11:48 AM
To: NEWTON Darrell R
Subject: 18104 The Dalles Transportation Center Funding

Darrell,

As we discussed the available funding in the construction phase will be reduced by \$187,500 the required match amount on the Connect Oregon funds. I didn't realize the Connect Oregon was being matched with Flex funds so this is not local responsibility. However, the remaining Flex funds will require local match. We cannot use any other funding source to cover the match on the Flex because the local committed to the match and it was never the intention or identified that we'd be using a different source. The total available funding = \$2,450,586.

	Federal	Local
Connect OR	\$750,000	
Enhance	\$1,599,886	
Flex	\$90,358	\$10,342
	\$2,440,244	\$10,342

Let me know if you have any additional questions.

Thanks

Katie Parlette
ODOT
Region 4 STIP Coordinator
541-388-6037

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February 6, 2015

SUBJECT: Wasco County Building Codes

On February 5, 2015 Mr. Tyler Stone left a message on my phone that after several County Commission meetings hearing from Mr. Wayne Lease the county would be establishing a small stake holder group of contracts to look into building codes.

I followed up with a phone message and stopped by Mr. Stone's office but he was not in. On February 6th at 3:30 he returned my call to discuss what was taking place. After 8 months of hearing from Mr. Lease the commission asked Mr. Stone to set up this committee. Mr. Stone mentioned meeting with Mr. Lease on more than one occasion to discuss different issue.

It was pointed out that MCCOG administers the MCBCS and that if there were any issues they should be brought to MCBCS, the Executive Director or the MCCOG/BOD. Wasco County has no authority over the MCBCS and for the purpose of good governance Wasco County should refer any and all issues to MCCOG.

Mr. Stone mentioned that Mr. Lease told him that he could not get answers to his questions from MCCOG and that he was barred from MCCOG meetings. That is not the case; after one meeting where Mr. Lease ranted for 45 minute it was clear that MCCOG need to enforce time limits to the open session potion of the Board meetings. Mr. Lease had attended several Board meetings and had opportunities to voice his concerns to the BOD. He has made several requests for Public Information and we have e-mailed and mailed the Public Information Request requirements to him but he has not followed through with acquiring the information. To provide this information the agency has a policy that charges for staff time to produce the information requested.

Wasco County will have the group look into the needs, concerns and fees of building codes. One of the options is to look at combining Wasco County Planning and Building Department. I shared with Mr. Stone that an email to the MCCOG Executive Committee provided the 6 month financial report, MCBCS is 24% in the red at a cost of \$162,512. If MCCOG is having difficulties breaking even, it would be even more difficult for Wasco County to break even with a smaller jurisdiction and all of the same requirements from The State of Oregon, Building Codes Division (BCD).

It was pointed out to Mr. Stone that BCD has a specific process if an entity is going to pursue an assumption of Building Codes. He indicated that he and Mr. Hege have been in contact with BCD.

Mr. Stone was going to keep me informed of the process.

John R Arens, Executive Director



WASCO COUNTY COMMISSION MEETING

February 18, 2015

To the Wasco County Commission,

On February 5th Mr. Stone called my office to inform me that Wasco County would be establishing a small stake holder group to discuss building codes and that they would be looking into the needs, concerns and fees of building codes.

From the conversation with Mr. Stone on February 6th I was provided information that Mr. Lease had been communicating with the commission over the past 8 months, that he had had several conversations with Mr. Lease and that the commission decided they needed to look into this.

Commissioner Hege and Commissioner Runyon are both on the Mid-Columbia Council of Governments (MCCOG) Board. They have both participated at MCCOG public hearings and Board meeting where Mr. Lease has been provided an opportunity to ask questions and testify on building codes issues. Additionally Commissioner Hege and I met on several occasions to discuss building codes and answer all of his questions which were similar to Mr. Lease's questions.

Questions:

Why would Wasco County decide to create a stakeholder group to discuss a regional program that they are members of?

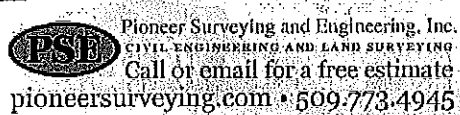
Why didn't you refer Mr. Lease to the appropriate governing body to address these concerns?

Why haven't you communicated with the MCCOG Board about any concerns prior to taking action on your own?

As a member of MCCOG you have a responsibility to help in the governance of the agency by setting policy that would provide better services to the region that we represent; how is this action by Wasco County fulfilling your role to represent regional governance and provide better services to the constituent's in Wasco County as well as the other 4 counties in the MCCOG region?

Respectfully Submitted,


John R. Afens, Executive Director



County eyes building code issue

By Neita Cecil

As of Tuesday, February 24, 2015

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After hearing a citizen complain for most of a year about how a regional agency oversees building codes operations, Wasco County is launching a task force to study the matter.

Officials with the agency being complained about, the Mid-Columbia Council of Governments, say they are surprised by the county's move.

They contend the complaints raised by the citizen, Wayne Lease, have already been addressed and were unfounded.

Lease, meanwhile, claims to have gotten no satisfaction from MCCOG, which led him to seek help from Wasco County.

MCCOG Executive Director John Arens read a letter Feb. 18 to the county commission, which stated, in part, "Why haven't you communicated with the MCCOG Board about any concerns prior to taking action on your own?"

The commission did not respond to the letter at the meeting, but later, Wasco County Commission Chair Scott Hege told the Chronicle that concerns with MCCOG have been going on for "a number of years" and "have definitely not been resolved."

Wasco County representatives to MCCOG, of whom he is one, have voiced those concerns, which included voting against a building permit fee hike in 2013, Hege said.

He said Lease, who is a master electrician, was only one of several contractors who have raised concerns, "and we're responding to that."

Wind projects in Sherman and Gilliam counties created a large reserve in the building codes program several years ago and use of those reserves is the main point of contention for Lease.

He contends MCCOG is improperly co-mingling streams of permit fees — by law, electrical permit fees must be separated, he said — and improperly used reserves to re-roof a building and refinance a mortgage internally.

MCCOG officials said Lease is incorrect and his concerns are unfounded.

Hege said his own concerns tend to be more "operational. It's an issue of management and it's an issue of how they make decisions and where they put overhead."

Hege added, "While it's understandable they pull some [overhead costs] out [of permit fees], I'm not sure it's not too much, maybe a lot too much."

MCCOG is a five-county entity with 45 employees that provides a variety of services including transportation, senior services, workforce development and building codes. Its budget this year is \$11 million, of which building codes is \$2.5 million (which includes a \$1.4 million reserve). Building codes has 7.5 employees.



Building codes was run by the state until 2008, when MCCOG took it over after the state wanted to divest itself of it. It remains a state function handled by MCCOG.

Hege even held out the possibility that Wasco County could seek to offer building codes services itself.

The county is in the midst of streamlining its public works and planning departments to be more efficient, and "looking at how building codes play into that," he said.

Hege said, "Organizations like MCCOG can become fairly expensive in terms of how they operate programs and at times, they may not be the most efficient to run a program." He said that could be the case for building codes. "I'm not convinced it's a better way than possibly looking at it ourselves."

Wasco County Commissioner Rod Runyon said the idea for a task force came from Tyler Stone, the county's administrative officer, after meeting many times with Lease.

"We're just going to do a process here to make sure everything's good and try to narrow down his questions," Runyon said of Lease. "Wayne is very broad in his concerns and it's time to get this thing resolved."

Runyon said the county has talked to other commissioners on the MCCOG board about its concerns. "It's not like we haven't shared this," he said in response to Arens' letter. "It's not like we haven't referred him [Lease] to our partners, but it keeps coming back to us."

Stone hopes the task force will have a contractor, electrician, plumber, a design/build firm representative and someone from the state building codes division in Salem.

"We're just asking the question: are there issues with building codes services from your perspective?" Stone said.

"What are we doing right? What are we not doing and how should we move forward from here because we've had a lot of feedback through the commissioners and through Mr. Lease about things that we should be looking into."

Given the large reserves from windfarm projects, contractors were upset when MCCOG wanted to raise permit fees 40 percent in 2013.

But Mike Smith, chair of MCCOG and a Sherman County commissioner, said building codes has not paid for itself in five years, and it has not raised fees in more than 10 years before the 2013 increase.

"We'd been using those reserves to keep the costs of building codes down," Smith said.

The building codes budget – funded entirely by fees, and no taxes — is based on an estimate of how much building will be done each year. "And that's hard to do, and that's why you need a large reserve," Smith said.

Even with the 10 percent hike that was settled on in 2013, building codes was in the red this year and needed nearly \$300,000 in reserve money, Arens said.

Lease said, "Praise the Wasco County [Commission] for what they wish to accomplish by forming a stake holders committee to explore the validity of my accusations."

Lease said MCCOG improperly used \$220,000 of building codes reserves to re-roof a MCCOG building and refinance a \$500,000 MCCOG building mortgage.

MCCOG paid off a standard commercial mortgage that had a 6 percent rate and set a much lower self-repayment rate of .5 percent.

Smith said paying off the mortgage with building code funds "was legal and completely allowable."

That low repayment rate is the same minimal rate of return received from the state investment pool, where the rest of the building codes reserves are located, Arens said.

"On both of those loans we are paying back into the building code reserve every month," Arens said.

Lease also contends electrical permit fees were being co-mingled with other fees, contrary to state law.

The fees are kept in the same account, said Smith, but are tracked separately. "He feels they should be in a separate account, but that's not required."

Smith said Lease was "also very mistaken about how our audit works." Lease contends the agency isn't following accounting rules.

All of Lease's complaints were studied and determined to be unfounded, Smith said.

"We didn't know that Wayne had been lodging the same complaints [to the county] that had already been answered and were found to be incorrect. We made sure all of his questions were answered; we thought he had accepted that. Wasco County was at the same meetings and heard the same data."

Smith said MCCOG was prepared to hand over documents to Lease, but wanted a \$100 down payment on copying and research costs. Lease declined.

Lease said, "MCCOG doesn't understand the word transparency." He said no other building codes agency has sought 40 percent permit fee increases, as this one has (it settled on 10 percent in 2013), and no other building codes agency uses reserves the way MCCOG does. "No one else uses the reserves as their own personal bank accounts," Lease said.

Lease said MCCOG's attorney told them they couldn't do interdepartmental transfers, so they changed the transfers to interdepartmental loans.

Hege said he cares about maintaining partnerships with other counties, but he said it can be particularly frustrating for Wasco County, which represents "80 percent of the deal, but in many cases we control almost nothing."

Hege said an example of not having input into MCCOG was when contractors were promised an advisory committee for the building codes program, but it never happened. "I've expressed frustration over that many times."

MCCOG said it tried to form the committee, but nobody was interested, Hege said, but he's talked to contractors who don't recall being asked to be on one.

The advisory committee idea was nixed at a recent executive committee meeting of MCCOG, out of fears it would be "Wasco County-centric," Hege said. "I understood that."

Hege said his frustrations with building codes dates back to when it was taken over by MCCOG in 2008.

"I didn't support it at the time," Hege said. He was in the construction industry then. There were fears of fee increases then. "Fast forward and when MCCOG came out and they requested a 40 percent increase in the fees, I had a number of concerns then."

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