

UMATILLA COUNTY BOARD OF COMMISSIONERS
Meeting of Thursday, November 14, 2013, 6:30 p.m.
Justice Center Media Room
Pendleton, Oregon 97801

** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ** ****

COMMISSIONERS PRESENT: Larry Givens (Chairman), Bill Elfering, George Murdock
ABSENT: None.
STAFF: Richard Jennings, Tamra Mabbott, Connie Hendrickson

** ** ** ** ** ** ** ** ** ** ** ** ** ** ****

NOTE: THE FOLLOWING IS A SUMMARY OF THE MEETING. HOWEVER, A RECORDING OF THE MEETING IS AVAILABLE AT THE PLANNING DEPARTMENT OFFICE.

November 14, 2013

Chairman Givens opened the meeting at 6:30 p.m. The Commissioners and staff were introduced to those in attendance. Chairman Givens said the purpose of the meeting was to explain the plan for the county's assumption of the Building Codes Program from the state of Oregon. The county is partnering with the city of Pendleton and the city of Hermiston. The goal in assuming the program is to better serve the citizens of Umatilla County by improving the efficiency of the services and reducing the turnaround time for permits and inspections. Another benefit will be to increase economic development in the county and our communities by improving the services.

Planning Director Tamra Mabbott said the county mailed 750 notices to licensed contractors, elected and appointed officials, realtors and planners in Northeastern Oregon. The same information presented this evening will be presented again at a meeting scheduled for Thursday, December 12th at the Stafford Hansell Government Center in Hermiston.

Senior Planner Richard Jennings had prepared a PowerPoint presentation which showed the steps in the development process as the county assumed the Building Codes program. The biggest change will occur with the home owner or developer going to the City of Pendleton for structural, electrical and mechanical permits and inspections instead of going to the state offices. People in the urban growth area of Hermiston will go to the City of Hermiston.

The timeline for the assumption of the program began with the submittal on October 1st of a preliminary operating plan and the required application to the state. The state then sent a notice to contractors on October 15th notifying them that the assumption process was beginning and starting a 30 day comment period. The operating plan and fee schedules will be submitted by January 1st. By April 1st the state will either accept or deny the county's application. The goal is to have the program operating by July 1st.

Planning Director Tamra Mabbott said that over the years there have been concerns from builders and contractors about the time it takes to process permits. In 2005 the state made cutbacks to the Building Codes program by reducing the number of inspectors and plan review staff making the wait time for permit processing from 6 to 8 weeks or longer. By localizing the program it will maximize the efficiency of the services and give the public access to the building official, the plan reviewer, code enforcement and elected officials.

The county had multiple meetings with city managers and staff from the Cities of Hermiston and Pendleton who currently have their own building inspection programs. The City of Hermiston chose to focus on their city limits and urban growth area. The City of Pendleton filed to assume the electrical program from the state and also said that they would partner with the county for the building inspection program. The county will be assuming the program for the unincorporated areas as well as the cities which do not currently have their own program. The planners from those areas are aware of what the county is doing.

John Lindstrom, Building Official from the city of Pendleton spoke about the proposed program. He said the building permit applications will be submitted to the City of Pendleton. Plans can initially be submitted up to 75% conceptual giving the inspectors a chance to visualize the project which will speed up the process when the final plans are submitted. A pre-design meeting with the city would also be helpful for the contractors and developers. There is no charge for that meeting and it aides in expediting the permitting process. For the projects within the county's jurisdiction, a land use permit will be required before the city will process the application.

The Plan Review Process will take less time to complete because the City of Pendleton already has the staff needed for the review. Being a local agency will give the builders access to staff in their area instead of Salem. Residential plan reviews have a turnaround time of 12 days or less. Commercial plan reviews are usually completed within 30 days or less.

Some of the current state Building Codes staff in the area may be assumed by the City of Pendleton. All of the inspectors for the city of Pendleton are multi-certified allowing them to complete daily inspections throughout the county. A third party support contract is required by law so that if necessary they can help to get the inspections done in a timely manner.

The building permit fees will be based on the square footage of the structure. Local jurisdictions, including the City of Pendleton, are required to base their fees on the ICC (International Code Council) Valuation Table but the state has a different fee schedule that is set by the legislature. Because of this the building permit fees will increase.

Mr. Jennings contacted several different jurisdictions to find out the amount of their building codes fees and put together a case study based on those fees. The ICC Valuation Table shows the different values based on the square footage of the structure. The value

of a project is then applied to the valuation table which will determine the plan review fees, etc.

Mrs. Mabbott said the city/county team wants to be as upfront as possible about the anticipated costs for fees. The objective is to make sure they will have a sustainable program which will generate sufficient revenue to keep enough certified inspectors on staff and provide a timely service. By law all revenues generated from a building inspection/plan review program must stay in that program. Those funds cannot be used in other departments.

Question and Answer Session

A question was asked as to how many of the state employees will be coming to the county or city and Mr. Lindstrom said he knew of four people but the total number was yet to be determined.

Someone in the audience said they have property in the Urban Growth Area of Hermiston and asked if all their land use and structural permits would be processed by the City of Hermiston and Mrs. Mabbott said they would. The land use and zoning, etc. for the urban areas will be handled by the City of Hermiston but if a septic or well is required they will still have to go to a state agency to complete it.

Chairman Givens said the goal of assuming the Building Codes program is to simplify the process by being able to get the land use and structural permits at the same place instead of having to go to several different agencies.

An audience member asked how the staff would handle the situation if there were multiple large scale projects to be processed at the same time and Mr. Lindstrom responded that they will be acquiring certified staff from the state so they will be in a position to deal with simultaneous large-scale projects. The funds generated by each project should be sufficient to staff the project. It is best to have a contingency fund of one year, as well. He added that if it turned out they did need extra help they would call the City of Hermiston for backup with projects.

Mrs. Mabbott said the City of Pendleton offers a pre-plan review for big projects which allows them to look over conceptual designs to make sure they will have sufficient staff to process the permits submitted in a timely manner. Mr. Lindstrom said submitting plans that are only 75% complete helps a great deal so they can get an idea of what will be needed to complete the project.

Someone from the audience stated that making Building Codes a local program will be a great help to everyone in the area who has had to make round trips to Salem in a day or be on an all-day phone conference with inspectors in Salem.

There was a comment from the audience that the Building Codes program in the county jurisdictions will be more expensive handled locally than when handled by the state.

Another member of the audience stated that while it would cost more, they would not have to wait 6 weeks to 2 months to get their plans returned to them and that was a savings.

Mr. Lindstrom said their fee schedule has to be comparable to other cities its size in the same geographical area. In order for fees to be increased, they must publish a public notice and hold a public hearing before the increase can be approved.

There was discussion about the county/city setting a bulk rate inspection fee for multiple fixtures in the same structure, similar to the way the state operates.

A member of the audience said something that has happened with more frequency in the last few years is a reevaluation. As fees increase they have to redesign and modify the plans for the project to offset the costs.

It was asked if the program could be given back to the state if, after time, the county found it to be a financial drain. Mrs. Mabbott said the minimum commitment for the electrical portion of the program is 2 years but she hoped that the program would be a success. One of the benefits of having a local program is that they are able to cross train their inspectors so they are certified in structural, electrical and mechanical making it possible to provide the same level of service with fewer people.

Chairman Givens said that the county considered assuming the Building Codes program in the past due to complaints from contractors and developers regarding the delays which cost them time and money. Some of those developers went across the state line into Washington because turnaround time for plan reviews, etc. was completed more quickly. At that time it was not feasible to assume the program but today because of the partnership with the City of Pendleton and the agreement with the City of Hermiston and their cooperation it is possible to take this program, make it run smoothly and improve the service. The state did the best they could with their limited staff but their inspectors had to cover multiple rural counties which was a huge load on each of them.

Commissioner Elfering said the cost of providing the service is the same for the state of Oregon as it will be for the county and he asked how the state could provide that service for a lower fee. Mr. Lindstrom said the state has been attempting to have the counties assume their local Building Codes programs because operating the programs actually costs the state money. The fees charged by the state do not pay for the program, they are the fees set by the legislature. The state gets 12.5% of every permit issued and a part of that fee goes toward subsidizing the building programs that don't fund. The proposed fees that the county/city will charge are based on development over the last four years. State law does not allow those fees to be increased because they need more funding.

Community Development Director and City Engineer Tim Simmons oversees the building, planning and engineering for the City of Pendleton. He will also oversee the personnel side of the building codes division during the assumption process. He said that he and Mr. Lindstrom work together on building projects and budgeting. They have been

using historical data to determine if the assumption of the program would be feasible based on their current fee structure and the expenditures and revenues they expect to have. One of the reasons this program will work is that the city does not have the same overhead that the state has. The city has an established program with a building and the space for more employees. The fixed costs of doing business are in place and will not increase. There will, however, be an increase in costs such as fuel because the inspectors will be traveling to job sites further away that they have not had to go to before.

A member of the audience commented that in the private sector the builders and developers have competitors and catalog plans that they have to compete against. Some companies build homes in a complete package and don't utilize our local lumber yards or labor. The difference in the cost of submitting plans and seeing a project through to completion 25 years ago and today is huge. The cost to operate a business and purchase supplies has gone up a lot also so fees have had to be increased in order to cover that. The county/city should not feel bad about having to raise the building program fees during the assumption process. It is just the cost of staying in business. Customers who can't sustain the fees and the costs involved just do not build.

There was discussion regarding the 12.5% of the fee that is given to the state. Mr. Lindstrom clarified that the 12.5% would not be added on the proposed fees after the assumption of the program. That percentage is included in the fee. The state requires that amount from all building projects whether state operated or locally operated. The state is not operating the program for less money they are just subsidizing the non-profitable programs.

There was a question from the audience as to how many inspections will be done per week and Mr. Lindstrom said there will be daily inspections in the county. He added that when someone calls in needing an inspection it will be done the next day.

A member of the audience commented that the cost of doing business is continually increasing and it would be helpful if the county could guarantee that the fees they are setting would remain the same. Chairman Givens said no one is capable of guaranteeing that this program will be viable tomorrow depending on the volatility of the economy nationwide.

Commissioner Elfering said there is no way the state can guarantee that their rates will not increase either. Every time they hold a legislative session they are looking for more income. Mr. Simons said the state cuts expenditures in lieu of raising fees. They cut back on staff which means it will take a lot longer to get an inspection. Bernie Duffy from the Department of Environmental Quality (DEQ) gave an example saying that in 2008 there were 7 or 8 inspectors covering 12 counties. He said they still cover 12 counties but do it with a staff of 3 people.

Chairman Givens closed the meeting at 8:04 p.m.

Respectfully submitted,

Connie Hendrickson
Administrative Assistant

(Adopted by the Board of Commissioners January 22, 2014)