



AGENDA STAFF REPORT

Joint Work Session with Wasco County Commission

MEETING DATE: November 19, 2018

TO: Honorable Mayor and City Council
Wasco County Board of Commissioners

FROM: Steven Harris, AICP
Community Development Director

ISSUE: Provision of Building Codes Services

BACKGROUND: Attached for the City Council and Board's information is an email from Mr. Mark Long, Administrator Oregon Building Codes Division (BCD), summarizing the status of services currently provided by BCD, the Division's future service plans and options available to the City and Wasco County.

Mr. Long discussed these matters in an October 15, 2018 conference call with representatives of the City, and Wasco, Sherman, Gilliam and Wheeler Counties.

Attachment

- Email from Mark Long, Administrator BCD (dated November 9, 2018)

Steve Harris

Subject: FW: Wasco County - The Dalles Bldg Services Program

From: LONG Mark * DCBS [mailto:Mark.Long@oregon.gov]
Sent: Friday, November 09, 2018 4:46 PM
To: Steve Harris
Subject: RE: Wasco County - The Dalles Bldg Services Program

Hi Steve, I won't go point by point, but rather, in practical terms, identify your options/current status.

In 2006/2007, Wasco County (and three other counties) assumed building inspection services from the state of Oregon.

Wasco County by contract, agreement or other instrument in affect "contracted" with MCCOG to provide services on behalf of Wasco County.

The fees collected and services provided during that time were county dollars and county services to its citizens in which MCCOG performed those services on behalf of the county. When the COG dissolved, any assets, revenues, reserve funds were and remained county monies for the purpose of providing building inspection services. It gets a little complicated because there were four counties involved so allocation and distribution of reserve funds can be a challenge if there were not adequate records kept locally.

Anyway, when the COG dissolved, the state provided temporary inspection services under a law that allows us to do so. The programs remained, by matter of law, county programs. The state did not ask for nor does the state have custody of any reserve county assets (we probably could have taken custody, but we did not since our engagement was intended to be temporary).

The state needs to end its temporary status for a number a reasons and has provided that notice to the four counties in writing and verbally from the beginning with more urgency over the last 5 to 6 months.

Our plan is to return back to normal operations out of the Pendleton and Salem office at the end of the year. Regardless of that transition, the state is not in a good position to continue on-going service at the level of emergency/temporary service levels recently experienced in the area. We are trying not to over commit or provide false expectations of our ability to provide services based on existing, on-going and future limitations of the organization. Those same limitations at that time were the reason Wasco and the four counties assumed the programs back in 2006/2007. We believe local government has greater flexibility and a broader range of tools available to meet local demands.

Wasco county has the program and has at least the following options:

Keep the program and the reserve funds and establish a county run building department by hiring some or all the staff needed to do so.

Keep the program and the reserve funds and contract out some or all of the functions to The Dalles, another government entity or a private provider (some risk may occur with the private provider option depending on the results of legislative action and a pending DOJ opinion on the matter). The reserve funds could be used as startup funds to

assist the provider or the county to run the program. The county and provider would establish a revenue sharing model as necessary to operate the program(s).

If Wasco county contracted with the city, then the city would perform services for the entire county on behalf of the county (or some parts of the program/area as established locally). Again, working out the service delivery and revenue sharing details between the two parties.

If the county returned the program to the state , then the state would operate the program just like any other area in eastern Oregon out of its Pendleton and Salem offices at the levels similar to other areas the state serves (about 2 days a week depending on area).

In this scenario where the program was returned to the state, WASCO county would no longer have a building inspection program so the reserve funds, fee rates, service levels and other matters would follow back to the state. Additionally, Wasco county would lose its ability to re-operate the program for three to four years.

The city of the Dalles could request to assume building inspections on its own, independent of any decision the county makes. If it was an independent act, then the area of service the city would provide is limited to the city limits. If Wasco County retained the program, they would perform the areas of the county and the city would perform the areas of the city. Again, both could contract with each other and share revenues and service areas as allowed by law.

If Wasco returned the program to the state and the city took independent action to service the city, then the state would provide service to the county, but then lose the primary areas of activity so the remaining areas may be served less. That includes the UGB.

The ability for the Dalles to take independent action could be influenced by the county if the county chose to retain the program and claimed economic impairment (and was successful). It is possible the city might not be authorized to receive an independent program.

In closing, I covered many of the basic options I could think of, there may be others available as well. The county is in the drivers seat as it relates to establishing service levels, retaining reserves and establishing and/or contracting with a third party or government entity such as the city. The city could play a role working with the county or seek to take an independent action. I don't know of a scenario where the reserve funds could flow to the city without the county contracting with city in some capacity, nor am I aware of a mechanism for the city to cover areas outside of the city limits without the county keeping the program. I am aware of at least two other areas where a city and county work together to perform services and those models appear to work.

I have also heard the county express concern about liability, which if they retained the program is true but it is also true that cities and counties contract with each other and cross indemnify to address those concerns. I can put you in touch with the city county models and how they have addressed contracts if that would be useful. Also, please remember the state is aware of individuals interested in working in your area for the city or county provided the pay rate was competitive (different than the state!) and we would be happy to help either party set up a program.

mark