



Oregon

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*Statewide Consistent Forms & Fee Methodologies
Rulemaking Advisory Committee
Draft Minutes*

Monday, May 19, 2008

1:00 p.m. – 4:00 p.m.

- Members Present:** Lori Graham, City of Portland
Jeff Starkey, City of Salem
Stuart Ramsing, City of Eugene
Don Miner, OMHA
Susan Steward, BOMA
- Members Absent:** Nathan Phillips, Electrical Contractor
John Killin, IECA
Ron Murray, UA Local 290
Warren Jackson, Marion County
- Guests Present:** Larry Thornton, City of Monmouth
Roberto Rios, City of Monmouth
- Staff Present:** Chris Huntington, policy and technical services interim manager
Aeron Teverbaugh, policy analyst
Matt Barber, policy analyst
Kristy Nielsen, policy analyst
David Galati, regional programs manager
Dana Fischer, code para-technical specialist
Shauna Parker, rules coordinator

1. Introductions

The committee and staff introduced themselves.

2. Review proposed draft rules

Chris Huntington, Interim Manager Policy and Technical Services explained that the goal for the implementation of these rules are to file the rules July 1, 2008 with an effective date of January 1, 2009. This should allow time for the jurisdictions to accomplish any work necessary to implement these rules in time for the effective date.

Stuart Ramsing, City of Eugene, asked the division to provide a recap of the issues related to this rulemaking and explain the [memo](#) provided to the committee.

Interim Manager Huntington explained that with these [rules](#) the division is attempting to gain consistency throughout the state relating to the forms and methodologies used among local jurisdictions.

Ms. Teverbaugh further explained that the problem stems from the fact that the current methodologies make it difficult for an individual to enter into a remodel or construction project and have a clear idea of the manner in which their permit fees are obtained and charged. The methodologies used to calculate surcharges and fees vary from jurisdiction to jurisdiction which creates a problem for the consumer. These rules do not concern the actual permit cost, but rather they address the process used to arrive at these costs. This allows for a uniform methodology when assessing fees regardless of the final permit cost.

Ms. Teverbaugh also discussed the issues and problems that have arisen in previous committee meetings, via correspondence since the last meeting, and at the rulemaking hearing held in January.

The committee discussed their concerns around surcharges and other fees. They also discussed the definition of a surcharge. Discussion included the itemization of fees, the various types of fees offered by jurisdictions, and the types of fees that would be considered legitimate fees under the term “administrative fees.”

Ms. Teverbaugh explained that legally there is a difference between a surcharge and a fee and further explained what the division means by administrative fees and surcharges. Ms. Teverbaugh explained that those jurisdictions that wanted to provide transparency to customers could itemize permitting fees.

Interim Manager Huntington explained that methodologies such as system development charges, zoning fees, public works fees, and transportation fees are outside the scope of this rule and the objective of the division in this rulemaking. Rather, the “administrative fees,” such as commonly used technology or miscellaneous fees, are the types of charges that would be under the scope of this rule and that the division would like to see included in a local jurisdiction’s fee schedule.

Ms. Teverbaugh discussed the rules with the committee on a page-by-page basis explaining the rule format and proposed changes.

Don Miner, Oregon Manufactured Homes Association, requested clarification on whether the rules would apply to all jurisdictions across the board regardless of demand and building ability.

Interim Manager Huntington clarified that the intent of these rules is that they apply to all jurisdictions. The jurisdictions would have six months between July and January to make the necessary changes to be in compliance.

The committee reviewed and discussed the form and format of the permit applications. Ms. Teverbaugh clarified that the rules do not mandate the use of a specific form. The specific form used would be up to the jurisdiction.

The committee discussed the use of the most current ICC valuation table as of April 1st and whether that would require local jurisdictions to amend their fees on a yearly basis.

Lori Graham indicated a concern in the building valuation table specifically relating to footnote b, "unfinished basements," and the fact that it is unclear what is included by the use of this term. She noted that unfinished residential basements were a different matter from unfinished commercial basements and she questioned the ICC's methodology.

Mr. Ramsing stated that he would recommend not using the ICC building valuation table, because it makes the rules dependent on an agency that Oregon does not have control over or input in the development of the table. He noted his concern that the ICC table's valuations may go up or down based on the economy but jurisdictions costs do not go down. Mr. Ramsing also requested clarification on the need to update the table on a yearly basis.

Ms. Teverbaugh explained the reason behind the yearly update is to keep Oregon up to date with regards to using a consistent and uniform fee schedule and valuation table.

Interim Manager Huntington stated that some jurisdictions have to go through the public hearing process, while others have adopted ordinances which allow the jurisdiction to adopt the most recent valuation table. Therefore, the process for adoption at each jurisdiction would vary. Mr. Huntington explained that adopting the most recent ICC table does not constitute a fee change unless the permit fees also change.

Mr. Ramsing questioned whether the rules would prevent any incentives or refunds offered by local jurisdictions which is common practice. Interim Manager Huntington stated that there was nothing in the rules that would prohibit waiving plan review fees, a portion or all of the permit fees as an incentive for green projects.

Jeff Starkey raised the concern over the use of the ICC table and whether or not it is copyrighted. Mr. Starkey stated that he wanted to make sure that jurisdictions can put the table on the web, produce it, and hand it out without violating copyright laws.

The committee also discussed its concern over the January 1, 2009 implementation date.

Mr. Ramsing stated that he believed the implementation date to simply be too soon. He indicated that he believed small jurisdictions don't have the resources to make this timeline happen, that there would be studies that would be required. Ms. Teverbaugh asked if he thought the larger jurisdictions would be willing to share some of the data that they have to assist smaller jurisdictions. Mr. Ramsing stated that he was unsure of the exact process that jurisdictions would have to go through to analyze the effect of the new rules on building department revenues.

Interim Manager Huntington explained the next steps in the process. He explained that the division would take the committee's comments back, make appropriate changes, and circle the rules back to the committee through email for their approval in time for the July 1, 2008 filing date.

3. Adjourn

The committee adjourned the meeting at 2:45 p.m.

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