



925 S. Main Street  
Lebanon, Oregon 97355

TEL: 541.258.4906  
cdc@ci.lebanon.or.us  
www.ci.lebanon.or.us

# MEMORANDUM

## *Community Development*

To: Mayor Jackola and City Council  
From: Kelly Hart, Community Development Director  
Subject: Northwest Code Professionals Contract Renewal

Date: June 3, 2024

### I. INTRODUCTION

The City of Lebanon contracts with Northwest Code Professionals, LLC (NWCP) to administer its building inspection program as provided in ORS Chapter 455. The City has contracted with NWCP since 2006 and has been operating under the latest contract since 2017, with no amendments.

### II. CURRENT REPORT

The City and NWCP entered into contract negotiations to update general contract terms. Below is a general overview of the contract adjustments:

- Term: the previous contract was evergreen with no term period. This contract has a five-year term.
- Compensation: The previous compensation was based solely on an hourly rate and did not appropriately reflect the work allocation based on permit funds collected. The new contract compensation identifies up to 85% of the permit plan check fees, which will be distributed to NWCP as the building official conducts the majority of the work associated with building plan checks. The inspections would be based on an hourly rate. This new compensation structure will be phased in over three years, with an increasing percentage of plan check fees distributed to NWCP each year. The City's permit fee structure has been adopted to maintain staffing levels and the contract terms.

The NWCP contract is funded exclusively with building permit fees. These fees are restricted funds that can only be used to pay for the building program in accordance with State Law and are not part of the City's General Fund.

### III. RECOMMENDATION

Approve the contract for NWCP with the initiation date of July 1, 2024, and allow the Community Development Director to sign all appropriate documentation.