



STATE OF WASHINGTON

## STATE BUILDING CODE COUNCIL

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### SUMMARY COUNCIL MEETING MINUTES

**LOCATION:** Shoreline City Hall, Council Chambers  
17500 Midvale Avenue  
Shoreline, Washington

**MEETING DATE:** May 9, 2014

Agenda Items	Committee Actions/Discussion
1. Welcome and Introductions	Meeting was called to order at 10:00 a.m. <u>Members in Attendance:</u> Ray Allshouse, Council Chair; Dave Kokot, Vice Chair; Tom Balbo; Rod Bault; John Chelminiak; Paul Duffau; Duane Jonlin; Jeff Peterson; Steve Simpson; Eric Vander Mey; Rep. Vincent Buys <u>Staff In Attendance:</u> Tim Nogler, Managing Director; Joanne McCaughan; Peggy Bryden <u>Visitors Present:</u> Ray Mow, Thomas Hudson, Steve Crawford; David Walker, Brian Hawk, Jan Himebaugh, Kraig Stevenson, Todd Short, Rob Van Slyke, Grace Yuan
2. Review and Approve Agenda	The agenda was approved as modified, to delay the approval of the March 7, 2014 minutes to the next Council meeting.
3. Public Comment on Items not on the Agenda	<b>Kraig Stevenson</b> representing ICC stated he gave staff a copy of the ICC brochure on CDP Access. Anyone can access this to make comments on the IGCC. Also the committee hearings were held last week and the results will be posted for viewing.
4. Review and Approval of March 7, 2014 Minutes	To be reviewed and approved at the next Council meeting on June 13, 2014.
5. Committee Reports MVE Committee	<b>Eric Vander Mey</b> , as chair, reported on the MVE Committee. The Committee met on Wednesday, May 7 in a conference call. There were two items on the agenda; reviewing the Executive Order and reviewing an Energy Code Interpretation from Pierce County. <b>Tim Nogler</b> gave a brief overview of the Executive Order sent the latter part of April. There is specific reference to SBCC in the section dealing with energy efficiency. It directs SBCC to work on the Energy Efficiency Code for new buildings. It also directs the Dept. of Commerce to take the lead in developing this new program working with SBCC. Through the new program SBCC and Commerce will develop early and wide spread deployment of energy neutral buildings prior to the 2031 statutory requirement. Also the cost benefit test should include accounting for external cost for greenhouse gas emissions.

	<p>In executive orders there are three types. There is general policy, directive and mandate. This executive order falls in the category of a general directive but it does not have the force and effect of law. This is a recommendation from the Governor. State agencies are expected to comply based on the Governor's directive.</p> <p><b>Eric</b> said they had a discussion regarding this order among the Committee members, staff and Chuck Murray of the Dept. of Commerce. Chuck's message to the Committee, this is now at the top of his priority list.</p> <p>We discussed the early adoption portion of the order, where SBCC is tasked to work on new buildings as the primary focus. Existing buildings would fall to Dept. of Commerce with different types of financing for energy upgrades.</p> <p>There is to be a new carbon task force. This potentially adds another part of the cost effective equation, which we will work on with Dept. of Commerce. The early adoption was discussed and what it could mean to our process and to SBCC.</p> <p><b>Tim</b> indicated the Council has a number of different priorities which include reducing energy consumption by 70%, considering a Green Building Code, developing an Aspirational Code and now this Executive Order. SBCC needs to determine what our plan is in context of these various goals. Staff recommends an Executive Committee meeting to look at this order and the work plan we are engaged with and where it could take us. It might be advisable to establish a policy position that we could bring back the Council at the June meeting.</p> <p><b>Ray Allshouse</b> directed staff to set up a meeting of the Executive Committee to evaluate the Executive Order and make recommendations to the Council at the next Council meeting.</p> <p><b>Jeff Peterson</b> asked about the finances of the Council and the impact of multiple code development processes going on at once.</p> <p><b>Eric</b> continued his MVE report stating they approved one interpretation. There are also several energy code changes that we are going to be working on drafting emergency rules or permanent rules at the June meeting.</p>
<p>BFP Committee</p> <p> </p> <p> </p>	<p><b>Dave Peden</b> reported on the BFP Committee meeting held on May 8. There were two code amendment proposals discussed. Both were heard at the Council's last meeting. The first was Log 14-04 involving Group E plumbing issues and the schools' fixtures count. A lot of public comment was received regarding two different amendments to the proposal. The Committee voted to send the proposal with "Amendment 1" to the Council for rule making. This was a good compromise as there was a large jump in fixtures from the 2009 to 2012 codes. The school districts showed the difference was very costly. The amendment is a good middle ground and a less of a financial burden for the school districts. Footnote E made this concern more to the discretion of the building official. <b>Tim</b> added that "Amendment 1" uses the 100 sq. ft. per student ratio as the basis for the calculation and wouldn't require any additional approval. "Amendment 2" provides that the building official would approve the actual number of occupants. After discussion it was apparent that supporting "Amendment 1" was consistent</p>

with the 2009 code. The fixture count is adjusted to show an increase in the number of fixtures. **Duane** asked if the sq. ft. was gross sq. ft. of the whole school.

**Ray Mow**, representing Puget Sound School Coalition, states the intent of this proposal is to get a happy medium. Analysis has been done with what the 2012 code proposes and it would increase the number of fixtures two fold if not more. Many jurisdictions feel this is extreme.

**Rob Van Slyke**, with the Bethel School District, agrees this would have been a severe burden if the 2012 code was not changed. They calculated that one of their high schools would be required to have triple the number of fixtures. We are planning an expansion in a few years which would have huge cost implications. It would have used up space for science classrooms and increased the costs for sewer and water.

**Rep. Buys** asked if there is a problem we are addressing, asserting that current counts are adequate. **Rep. Buys** asked why are we changing this if there is no problem. **Dave Peden** states we removed the former amendment to when we adopted the 2012 IBC. We are trying also to reduce the number of amendments to the State Building Code. **Ray** added that other occupancies in Group E indicated there was a problem. At that time the impact on schools was not realized.

**Steve Crawford** is director of capital projects in Central Issaquah School District. He states that the 2003 code based the minimum number of plumbing fixtures on 100 sq. ft. per occupant. To follow the 2012 code a building with 600 kids under the 2003 code, using the 2012 calculation would come to 2500 kids. This is a huge difference. Pursuing "Amendment 1" is the right decision.

**Bryan Hawk**, North Shore School District said they did a water study 8 years ago where they monitored water closets, urinals, etc. They determined there were no problems in water quality and no adverse effects lining up with the current number of fixtures. We are spending money for fixtures for no benefit.

**Kraig Stevenson** with ICC, said it seems there is some information the ICC didn't have. As a representative of ICC, he feels this information should be brought forward to ICC and he takes no exception to changing the code.

**Grace Yuan**, Puget Sound School Coalition, thanks SBCC for working with them both in the fall and this spring regarding portables and now on the fixtures. She would like the Council to move forward with this amendment as a number of schools have projects on hold because of this issue.

**Tom Hudson**, with Dykeman Architects is working on a school project which is a 125,000 sq. ft. high school for a population of 1600. Under the 2012 code ratio, the 1600 population resulted in 130 water closets. Under the 2009 code the number of water closets was 69. They recalculated using net sq. footage which gave us 93 fixtures. So it is still an increase, but this new amendment is a good compromise.

**Tom Balbo** asked if the 100 sq. ft. is too high. **Tom H.** stated it would be higher

	<p>than the 2009 code required on gross sq. footage.</p> <p><b>Rep. Buys</b> asked whether it might be simpler to go back to the 2009 code as opposed to another mash-up document. He then asked why the ICC moved away from the 2009 code to the 2012 if there was no issue with the 2009. <b>Dave Peden</b> replied it was a state amendment in 2009. It's not an ICC issue. We elected to get rid of the state amendment and adopted the model code.</p> <p><b>Kraig Stevenson</b> stated when calculating the occupant load for schools the code says net sq. footage so you are not assigning occupant load for spaces that are unoccupied. In Chapter 29 the table states how many fixtures per number of students. The number didn't change from the 2009 code to 2012 code; it was the removal of the state amendment that caused the impact.</p> <p><b>Rep. Buys</b> asked staff since we are going to have some code or something that is not in the 2012 code, would it be out of order to go back to the 2009 language. <b>Tim</b> said it would be out of order. If we went back the number of fixtures would stay the same in the table but we would use the 100 sq. ft. gross floor area per student. <b>Dave Peden</b> stated the amendment didn't just affect these E occupancies; it affected a lot of other occupancies. We should not just revert back to 2009 code. This proposal modifies the E occupancy criteria. <b>Rep. Buys</b> asks if there were issues with the other classifications that were addressed. <b>Ray Allshouse</b> confirmed that there were issues and it was brought to our attention.</p> <p><b>Duane Jonlin</b> moved to modify Footnote E to read 100 sq. ft. of gross building area per student. <b>Tom Balbo</b> seconded the motion.</p>
<p style="text-align: center;"><b>Motion</b></p>	<p><b>Dave Peden</b> made a motion that Council follow the Committee's recommendation and move this proposal with the amendment into rulemaking. <b>Steve Simpson</b> seconded the motion. <b>Dave Peden</b> confirmed this is an emergency. <b>The motion carried.</b> <b>Tim</b> reported that by this action we will post this for the June meeting as a proposed rule then we will put it in the permanent rule making process.</p> <p><b>Dave Peden</b> continued with the Committee report. Also discussed was Log 14-06 pertaining to guards for mechanical equipment and the confusion regarding their application. In some jurisdictions it is interpreted that guards need to be added to existing buildings. It could give a false sense of safety if they are not installed properly. This is definitely a life-safety issue so we agree with the action of the Council to move this forward to the Building Code TAG. We will convene a TAG meeting in the near future.</p>
<p style="text-align: center;"><b>Motion</b></p>	<p>The Committee approved the interpretation for the City of Bellevue related to PV panels in the Fire Code.</p> <p>There was a brief report from the IRC TAG on Solar PV. They let us know that their work is still in progress. The final report is forthcoming.</p> <p><b>Dave</b> summarized a request from <b>John Williams</b> of DOH for an interagency coordination request. DOH is responsible for licensing nursing homes, hospitals, etc. in Washington. The federal government has oversight, and has historically used the NFPA 101 Life/Safety Code to determine if a facility is safe from fire</p>

	<p>risks. They have opened up a comment period in the Federal Register, and John is planning to offer comments related to using Washington codes in lieu of the NFPA code. He wants to meet with the SBCC to consider a collaborative approach to the issue. It looks like a great idea. It could help simplify things for our agencies and the designers and builders of health care facilities.</p> <p>He asked the Council to allow another Committee meeting to discuss this in more detail, and to give John the approval that we agree with his idea. John doesn't need our approval, but it would be good to show cooperation and give more ammunition for the proposed change.</p> <p><b>Dave Kokot</b> noted he deals with this issue on a regular basis, dealing with hospitals and facilities in the Spokane area. He has had good communication with DOH and DSHS, but the advantage of this new approach means we could get certificates of occupancy under the Building Code. This is an excellent direction to go. He feels we definitely should support this.</p> <p><b>Duane Jonlin</b> commented he has worked on hospital design for 15 years and essentially we have two sometimes conflicting codes in front of us the whole time because they are different in very subtle ways. This can be extremely difficult for the design team and the contractors to understand. Making this change would reduce costs on hospital construction without any negative impact on life-safety.</p> <p><b>John Williams</b> agrees with Duane's comments. DOH has gone on for six to eight years trying to make sure the federal standards and the state building code are on par with each other and each deal with health care facilities appropriately. Based on some action that happened over the last cycle DOH staff feel that the 2015 ICC codes will dramatically address health care facilities and all of the nuances involved with that. Health care facilities are a different kind of occupancy and the levels of protection are different than any other type of building.</p> <p>John noted that we are at a decision point right now. CMS has opened up the rules for comment and that hasn't happened since 2002 and before that it was 1985. We believe the state building code is appropriate and we want to use it as an alternative method. CMS will take these comments and they have to respond to them. John thinks they will resist at first, but acting now is important. He would like to be able to say this was run by SBCC and they support this.</p> <p><b>Dave Peden</b> added that John is on a deadline, as the comments are due by June 13, which is the date of the next Council meeting. We don't feel this issue can wait until the next meeting. That is why we are asking for a committee meeting. Also to keep transparent and allow public comment if there is any on this issue.</p> <p><b>Duane Jonlin</b> moved the Council grant the BFP Committee authority to make a recommendation to DOH and to move forward on this. The motion was seconded by <b>Dave Kokot</b>. <b>The motion carried.</b></p>
<p>6. TAG Reports IRC TAG Report</p>	<p><b>Ray Allshouse</b> reported on the IRC TAG meeting. The TAG has been looking at the proposal on solar PV and quite a bit of time was spent discussing it. There are two issues that need to be addressed. One is the merits of the technical proposal.</p>



procedure and revisiting the bylaws that govern the TAG process there is a lot of emphasis on the authority granted to the TAG. Council members should be aware that the final decisions are made at the Council level, not the TAG level. TAGS are technical advisory groups to refine, analyze and review the proposals that come forward. In the revision of the bylaws there was a term limit. There was question of turnover in the TAGs and how to manage this change in policy. We have a number who have participated in these TAGS for years and we do rely on them. We rely on their expertise and the time they volunteer. Also brought up was the balance of representation on issues. The bylaws now state an appointment is for one term; possibly an additional term. The TAGs we have set up now are for the 2012 process. We are at the point again where we will need to provide people the opportunity to confirm their interest and re-establish the TAGs for another term. It will be a challenge as some members have provided their expertise for years. Staff will look at the status of the TAGs before the June meeting. The Council chair or Committee chair can appoint TAG members and we will be informing the Council of the process.

**Duane** commented he did not participating in the rewriting of the bylaws but the idea of term limits for TAG members is a really bad idea for a few reasons. Most of the TAG members represent some organization that continues to appoint them and occasionally they appoint someone new. If a business has their guy and they want to keep him, they ought to be able to do that. It is very hard to find people who are willing to sacrifice that much time. The Energy Code TAG process last code cycle took at least 200 hours and finding people who are willing to do that is really tough. We need to find a way to remove that rule from our process.

**Tim** said we will prepare a presentation on the bylaws and the TAG procedure and positions that are represented. We were also going to ask TAG chairs to prepare a brief summary of the past cycle, the process, and suggested improvements for the June meeting.

**Tom Balbo** asked if we are going to post a notice, how are we going to post it? How would people find out about this availability? **Tim** said we would post it on our website and send it out to our list serv. We could go through other mediums. **Tom** feels not many folks would look at the website.

**John Chelminiak** asks the history of the rotation on the TAG members. He recalls that being a request from people who give a significant amount of input to the meetings. They stated that some were on the TAGs too long and brought their own attitudes to it. There was a discussion among the Council about it and how you get people who are committed to being able to volunteer that time. There isn't a magic answer. We should review the reasons for the term limit.

**Duane** said if you create a term limit then you are taking away the authority for general contractors or whoever who want to appoint their person to represent them.

**John** agrees it is very difficult to get people to dedicate their time to do this. With the economy turning around it is much harder to get people to do that.

	<p><b>Eric Vander Mey</b> feels Council should also discuss the Energy Code TAG and its structure. We have had some ideas on that and they should be revisited. One of his ideas is having a TAG of 25 people and having the TAG members commit to the subject matter they want to vote on and be at all those meetings. This would help with the quorum issue and only having 5 people attend. <b>Duane</b> indicated that last year there was a system where you were only a TAG member if you had been to half of the meetings, which might be more workable.</p> <p><b>Rep. Buys</b> said it was his understanding the bylaws stated if you miss more than two meetings you were automatically disqualified from participating. So we have some form of dealing with that issue. With Eric’s suggestion we could end up with sub-TAG groups and the TAG is already a sub-group of this group. The work required for staff with the paper trail and the public meetings requirement gets out of control.</p> <p><b>Duane</b> also mentioned a proponent would have to show up to several meetings to be sure his topic was covered as it was discussed each time. <b>Jeff Peterson</b> asked Duane if there was a division between residential and commercial. Duane said there literally are two codes within the energy code. There were some that were very interested in commercial and some that only wanted to hear about residential. <b>Duane</b> said they were considered in different meetings; however the representatives who are more interested in residential showed for the commercial code related meetings as well.</p>
<p>7. Proposed Expedited Rules Residential Energy</p> <p style="text-align: right;"><b>Motion</b></p> <p>Commercial Energy</p>	<p><b>Tim</b> reported on the proposed expedited rules that were looked at in March. They were submitted as code change proposals and determined through our committee to be appropriate for an expedited rule. This means we file these changes which are primarily editorial changes. Then a 45 day period for comment followed by filing as permanent rules.</p> <p>There are three residential items which were removed from a table that are not relevant under the 2012 code. A couple of exceptions were duplicated into a single item. It clarified that the boilers are also part of the one option under R406.2. All of these were reviewed by the Council and were determined to be appropriate for expedited rulemaking. We filed the whole section as these occur throughout the document. There was no public comment on this.</p> <p><b>Duane</b> moved the Council accept these residential clean-up amendments as expedited rules. <b>Dave Kokot</b> seconded the motion. <b>The motion carried.</b></p> <p><b>Tim</b> discussed the commercial energy code. These items are very similar to the residential. Primarily it is replacing the term “residential” with Group R for clarification throughout the document. It’s appropriate because the commercial energy code is confusing when a reference is made to residential. Residential family home has a separate definition in the energy code. There are a number of grammatical corrections and also technical fixes. All are editorial issues and will be filed as expedited rules. <b>Duane</b> asked if the corrections are included in the printed copy of the Energy Code. <b>Tim</b> said they are included in what ICC has for</p>

<p>Mechanical</p>	<p>publication of the WSEC.</p> <p><b>Motion</b> <b>John Chelminiak</b> moved to adopt the changes to the Washington State Energy Code-Commercial. <b>Dave Kokot</b> seconded the motion. <b>The motion carried.</b></p> <p>In mechanical an item was brought forward appropriate for expedited rule. It adds a sentence clarifying outdoor air to be supplied to all habitable spaces consistent with the reference under the Mechanical Code 403.8.5.1.</p> <p><b>Motion</b> <b>Eric Vander Mey</b> moved to adopt this editorial change as an expedited rule. The motion was seconded by <b>Duane Jonlin</b>. <b>The motion carried.</b></p>
<p>8. Fire Sprinkler Coalition Presentation</p>	<p><b>Todd Short</b> is presenting for the Washington Fire Sprinkler Coalition (WFSC). In September 2012 there was a request from the Council to receive more information on fire sprinklers. Today Council has an opportunity to see the fire sprinkler trailer demonstrate an actual sprinkler head activated by heat and how it works. The trailer is set up across the street for observation after the meeting.</p> <p>On September 13, 2007 the WFSC gained approval for the city of Redmond from SBCC to require sprinkler systems be installed in all new one and two family dwellings units. Since that time in Redmond we have installed or permitted well over 1,000 sprinkler systems. At the time those opposed said if we passed this, the added cost to those homes would negatively impact the economic vitality of the city. This has not occurred.</p> <p>A concern of WFSC's is this is the third code cycle that we will be having the national model code including the fire sprinkler requirement in all new one and two family dwelling units, but it is still not adopted by Washington State. It is important to understand the life safety aspect of residential fire sprinklers in the home which provides the ultimate safety for those dwelling occupants.</p> <p>Todd served on the IRC TAG that saw the first code cycle edition of these requirements. The process was a bit confusing and unfair to those who made the original decision. A lot of testimony provided needed to be absorbed; the decision was made in a rapid fashion. This doesn't serve Washington citizens the way the Council would want to serve them. The second code cycle was the same. There was a lot of testimony provided on one day and the decision had to be made the same day.</p> <p>Mr. Short appreciates the Council asked for more information. The Coalition is ready to make a declaration today to say we don't want an adversarial process like we had in the last two code cycles. Together we need to find solutions to these issues that are preventing jurisdictions from installing sprinklers in homes. The fire service is united on this; the labor groups, fire chiefs, and fire marshals all believe in fire sprinklers. We are all saying the same thing.</p> <p>We know what happens at a fire incident. We know what the outcome is. It is almost common for us; not so common for the average citizen. The escape time has been diminishing rapidly because materials in homes are more of a synthetic nature. The escape times has been reduced from 17 minutes in the 70s to 3 minutes today.</p> <p>Another significant building feature has been the slight type of construction. We</p>

are seeing firefighters drop through roofs and/or floor assemblies. Recently the Underwriters Laboratories and the National Institute of Standards and Technology are doing experiments to show what is happening. The engineered light weight trusses are failing much faster than before. We used to have 20 minutes to spend on a roof, now we have 6. However, we are not even there to put out the fire until seven to ten minutes into the fire.

You can see the passion of the fire service on this issue of residential fire sprinklers. We believe citizens need to have that level of fire safety. We also understand there are other opinions. We want to provide education and provide results of the UL and NIST studies completed. If you pull something out of the national model code you do so knowing what is the impact and outcome.

Mr. Short doesn't believe homes are built better today. You need to adopt the fire sprinklers in the home. The fire service is not going to go away.

**Rep Buys** reports we did have legislation that would have incentivized and encouraged people to install sprinklers in residential, but the sprinkler organization came out against that. We also tried to incentivize builders in voluntary adoption by lowering the cost. He doesn't understand why you came out against the legislation to incentivize the installation of sprinklers. **Mr. Short** asked for more detail from Rep. Buys, who said this was for the installers. They now must have the highest level of knowledge in order to install sprinklers. We wanted to reduce the educational requirements to what a plumber would need to know to install the system. It was HB2260 from last year. **Mr. Short** felt Rep. Buys referred to Fire Chiefs and the Fire Marshals associations. **Rep. Buys** said both of these organizations were on board with the proposed legislation. **Mr. Short** appreciates Rep Buys comments. He maybe was referring to legislation requiring a plumber to have a contractor's license in order to install the systems. Mr. Short would be willing to work with Rep. Buys on this.

**Tom Balbo** asked about the second floor of homes. You would have to put in a pump. Tom is concerned about the cost of the pump. **Dave Kokot** said eastern Washington and western Washington do things a little different. On the east side they have a number of facilities that work with the pump and tank systems. For a single family residence it is a very minimal impact. You are looking at a 200 gal. tank with a small hp. pump, with just enough pressure to run two sprinkler heads; all that is required for a residential system. A well has the same system; it becomes a holding tank for the sprinkler systems.

**John Chelminiak** appreciates the presentation by Todd Short. John asked when the time to escape dropped from 17 to 3 minutes. **Todd** said it was about the mid-70s to today. **John** then asked for the time on the roof today. **Todd** said roof assemblies and floor to ceiling assemblies previously were about 20 minutes, when builders used dimensional lumber vs. light weight construction used now; this reduces the time on a roof to 6 minutes.

**Duane** thinks engineered trusses aren't creating a problem. He feels this type of construction has been the standard for more than 40 years, and asked what changed. **Todd** said the problem is only when they are under flame impingement.

	<p>UL testing is finding out what the issue is. We can provide you with the UL studies. <b>Duane</b> then asked about escape times, as he hasn't seen any statistics indicating that fatalities have risen. Fatalities have decreased. <b>Todd</b> replied there has been a plateau of around 3,000 deaths per year. We are identifying people who are elderly, young or with mobility issues. They are the "at-risk" population.</p> <p><b>Rod Bault</b> asked what the minimal pressure would be to run the system. He wants to endorse this. <b>Todd</b> said the sprinkler head installed in residential occupancies require a minimum of 7 lbs./sq. in. of pressure. There are two heads that are required to meet that pressure. It also has a gallons per minute requirement which is a 23 g.p.m. A 260 gallon tank is not as big as you think. It can be tucked away so it is not even visible.</p> <p><b>Jeff Peterson</b> also appreciates Todd's presentation. At a Master Builders meeting yesterday, they discussed that permit lead times for sprinkler systems are more than double in King County; more than what the building permit lead times are. It is one more obstacle as we try to move forward. We have a double permit system that is really unwieldy. If you can address this it would be appreciated. <b>Todd</b> said we are going to own some responsibility when we have issues to be addressed. We are committed to make every effort to do that. We do need to work together to make that process better. <b>Ray</b> thanked Todd for his presentation and the demonstration that is across the street.</p>
<p>9, Process Improvement – Lean Report</p>	<p><b>Tim Nogler</b> reported the Lean Process has been endorsed by the Governor and state agencies are now following DES's lead on this. SBCC has used our Agency's LEAN consultant to review our code development process. We have now gone through the first couple of steps. We have had two meetings in this regard and reviewed the steps in our process and identified some areas that could use improvement. There are a couple more steps to do in this process which involve some of the Council members to participate in this. We will be asking the Council and other stakeholders to give input.</p> <p>Tim went through the steps of the Lean process with PowerPoint and showed our Value Stream Map which identifies potential areas where improvements could be made. We looked at the "touch time" required for each step on the map. Then we looked at where we could improve and shorten the time frames. We then looked at where things could be modified, which would put us in a "future state."</p> <p><b>Tom Balbo</b> asked Tim how many lawsuits SBCC has had. Tim replied there was one major lawsuit. We also have had petitions filed within the last code cycle.</p> <p><b>Jeff Peterson</b> indicated his company had been through the Lean Process when the recession hit and this process allowed them to keep building through the recession. He is a firm believer in the process. He is impressed with the sticky notes on the map; it looks like you are doing it right. He encouraged us.</p>
<p>10. Staff Report</p>	<p>Tim then reported on the budget issues. SBCC in this fiscal year shows revenue is lower than it has been over the last ten years. We then compared 2013 and 2007, which was when our revenue peaked. As we compared the jurisdictions between the high and low years the median in a major Puget Sound jurisdiction is about a</p>

	<p>30% reduction. We've identified a number of county jurisdictions with major reductions in permits and we found accounting errors.</p> <p>The next step is to get information out to jurisdictions and look at their paper trail. We anticipate the permit number will increase. However our fund balance is declining and expenditures are exceeding the revenue at a rate that will put us at a zero balance by the end of 2015. We are budget planning for the next biennium which will be part of the budget package that goes to the legislature. We are looking at where we might ask for improvements or specifically what we are going to need in our budget. We have support from the Governor and the executive branch to move ahead with a request for a fee increase.</p> <p><b>Duane Jonlin</b> stated in the last meeting it was alarming that our revenues were worse than 2010. Why do we see backlogs around the state, what is happening that would have us not be dramatically better than we were. <b>Tim</b> indicated that Jeff Peterson brought forward information that speaks to that. We are experiencing a bottleneck in issuing permits. <b>Jeff</b> said that buildable lands in the major metropolitan areas are getting to a 'built out status' and the Growth Management Act severely restricts the issuance of permits beyond those boundaries. Land may qualify as buildable, but it may not be financially viable. Some of those aspects are keeping the GMA from expanding. Also no one did development in 2010 and it takes years to get plats through the process. This means there will be a shortage of buildable lots for a while. There may be building in commercial projects but not in the residential area. There are a lot of issues preventing complete economic recovery of the construction market at this time.</p> <p><b>John Chelminiak</b> said it would be interesting to find out how many housing units are being produced and whether that is the difference. A change in funding seems appropriate.</p> <p><b>Rep. Buys</b> asks Tim what the permit fee is for the additional units over the base fee. <b>Tim</b> said the fee is \$2 for each additional unit and the base fee is \$4.50. This has been the fee since 1989. <b>Dave Kokot</b> said we can't be expected to survive on the money from the 80's and 90's</p> <p><b>Tim</b> informed the Council of upcoming meetings. There is a BFP Committee meeting to discuss the federal rule. Also an Executive Committee will be scheduled to discuss the Executive Order and the Council meeting on June 13, which is a conference call.</p>
11. Other Business	There was no other business.
12. Adjourn	The meeting was adjourned at 12:27 p.m.