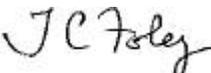


COUNTY OF ALBEMARLE

EXECUTIVE SUMMARY

AGENDA TITLE: Fire Prevention Code Fee Schedule	AGENDA DATE: March 04, 2015
SUBJECT/PROPOSAL/REQUEST: Adoption of a Resolution to adopt a revised Fire Prevention Code Fee Schedule	ACTION: X INFORMATION:
STAFF CONTACT(S): Foley, Walker, Davis, Blair, Eggleston, Oprandy and Lagomarsino	CONSENT AGENDA: ACTION: INFORMATION:
PRESENTER (S): Dan Eggleston, Howard Lagomarsino	ATTACHMENTS: Yes
LEGAL REVIEW: Yes	REVIEWED BY: 

BACKGROUND:

The Albemarle County Fire Rescue Department Prevention Division (ACFR-Prevention) presented information regarding the Virginia Statewide Fire Prevention Code (VSFPC) Fee Schedule to the Board at its September 3, 2014 meeting (See Attachment A). The current fee schedule has not been amended by the Board since 2005, and it references outdated code sections and omits several hazardous activities and occupancies that require enforcement actions pursuant to the VSFPC. Prevention is the most effective way of protecting the citizens of Albemarle County from fires. One method of prevention discussed on September 3rd is the ACFR-Prevention "target hazard" permit and inspection program. It was identified that this program's current fee schedule recovered only 10-16 % of the costs of the program's administration from 2005 to 2013. A proposal was presented that would modify the fee schedule to potentially recover as much as 25% of the associated expenses. The Board expressed an interest in revising the fee schedule to recover more of the ACFR-Prevention program expenses. The discussion focused on "user" fees and fair application of those fees. Board members expressed an interest in recovering 100% of the costs associated with those operations that are discretionary, such as fireworks displays, while costs for other operations, such as facility inspections for permits, should be recovered relative to the time and effort expended in administering the programs. The Board requested that staff engage stakeholders and citizens through meetings, focused discussions and/or surveys, and provide a report to the Board in the first quarter of 2015.

STRATEGIC PLAN:

Economic Prosperity: Foster an environment that stimulates diversified job creation, capital investments, and tax revenues that support community goals.

DISCUSSION:

As directed by the Board, ACFR-Prevention staff, with the assistance of Community Engagement staff, conducted a focus group meeting and a survey. Four stakeholders (of the 200 invited) attended the focus group meeting and 197 people (of the 4600 invited) responded to the survey. The Community Engagement Report is attached (Attachment D).

There was a low turnout for the stakeholder meeting, but those present spent several hours discussing the proposed fee changes. Attendees expressed concern regarding fee increases and generally did not agree with increasing the fees. Additionally, potential process changes and efficiencies were discussed, which ACFR-Prevention staff will evaluate internally.

The survey sought to gauge attitudes towards cost recovery among citizens and business owners. The survey included links to the September 3, 2014 Board meeting agenda, discussion, fee proposal, and associated documents as a means of providing background and education on the topic. 197 people responded to the survey in total but not every respondent answered every question. Of the 197 respondents, 49 (approximately 25%) indicated they are business owners.

As expected, not everyone agrees with the proposed increases, but survey respondents overwhelmingly supported increasing the fees and recovering more of the costs of the ACFR-Prevention permit and inspection programs.

When asked if a greater percentage of costs should be recovered through fees (183 respondents answered the question), 131 (72%) responded "yes" while 52 (28%) responded "no."

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When asked if a 25% recovery rate from fees is reasonable (184 respondents answered the question), 94 (51%) responded yes, 48 (26%) indicated fees should recover less than 25%, and 42 (23%) indicated fees should recover more than 25%. Of the 184 responses to that question, 136 respondents (74%) believe a 25% or higher recovery rate for fees is reasonable.

When asked the appropriate percentage recovery rate for administrative costs for fireworks permits (181 respondents answered the question) 121 (67%) indicated that 100% of the costs should be recovered, 57 (31%) indicated less than 100% should be recovered, and three (2%) indicated that more than 100% should be recovered.

The survey showed a high level of support exists among respondents for an increase in the fees associated with other inspections, re-inspections and plan reviews as well.

The survey results and specific comments made by many respondents may be found in the attached Report (Attachment D.) The comments include support for cost recovery; recommending caution because pricing may cause people to avoid inspections/permits, ultimately lessening community safety; ensuring that the prevention operation is efficient to control costs; concern that re-inspections will be generated just to increase revenue; and opposition to any fee increase.

Attachment E sets forth the current and proposed fees for each category. The current fee schedule does not include fees for several permits that are required by the VSFPC. Those are identified in Attachment E as being new fees. The proposed fee schedule includes an approximate 14% increase (from \$175 to \$200) in many fees. These include hazardous materials operations and similar programs. There are some fees with greater proposed increases, such as open burning, which increases from \$325 to \$500. Complaints about open burning increase the work load associated with these events, and the increase is to cover the additional work load. Other fees, such as tire plants, dry cleaning and other hazardous operations, are proposed to be increased from various amounts to \$200 to ensure uniformity. Firework displays represent the largest increase. There is a desire as expressed in the survey responses to recover all costs associated with these events. The current fee of \$75 barely covers reviewing the application. The work load for a normal firework display equated to a \$600 fee or a 700% increase.

Some categories of the proposed fee schedule require a permit fee, but do not require an inspection fee. The inspection fee is designed to capture the additional time spent conducting the inspection at a permanent/fixed facility to issue a recurring permit. Those permits that do not require an inspection fee are generally for one-time operations outside of fixed facilities. The permits not requiring the inspection fee have the cost of providing the service built into the permit fee. These permits include open burning, firework displays, carnivals/fairs, some hot works/welding events, floor finishing and tents.

BUDGET IMPACT:

Costs recovered based on the County's current fee schedule range from \$41,512.00 in FY 2005 to \$83,950.00 in FY 2013, which represents between 10% and 16% of the operating budget for the ACFR-Prevention Division. Staff estimates that implementation of the proposed fee schedule would offset as much as 25% of the ACFR-Prevention Division's operating budget annually and/or could provide additional funding for additional fire prevention resources.

RECOMMENDATIONS:

Staff recommends that the Board adopt the attached Resolution adopting the proposed revised fee schedule (Attachment F) effective May 15, 2015.

ATTACHMENTS:

- A – [September 3, 2014 Executive Summary](#)
- B – [2005 Fire Code Fee Schedule Resolution](#)
- C – [Albemarle County Fire Rescue- Office of the Fire Marshal Fee Schedule-Jurisdictional Comparison](#)
- D – [Community Engagement Results](#)
- E – [Chart showing fee increases by category](#)
- F – [Resolution adopting the proposed Albemarle County Fire Rescue-Office of the Fire Marshal Fee Schedule](#)

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