

PS COMMITTEE #2
February 18, 2010

MEMORANDUM

February 16, 2010

TO: Public Safety Committee
FROM: Minna K. Davidson, ^{MKD} Legislative Analyst
SUBJECT: Quarterly update – Fire Code Enforcement

Those expected to attend include:

Richard Bowers, Fire Chief, Montgomery County Fire and Rescue Service (MCFRS)
Michael Love, Chief, Division of Community Risk Reduction Services, MCFRS
Assistant Chief Michael Donahue, Deputy Fire Marshal, MCFRS

Background

On November 28, 2006, the Council approved a package of three regulations to update Fire Safety Code requirements and the fees associated with them. Executive Regulations 6-06AM, *Fire Safety Code – Fire Protection Systems*, and 7-06AM, *Fire Safety Code – Building Construction*, were intended to form the foundation for a major new Code Enforcement initiative to enable MCFRS to focus more attention on enforcement of requirements for existing structures and systems. Executive Regulation 5-06AM, *Fire Safety Code – Fee Schedule for Inspections, Permits, Licenses, Certificates & Exceptions*, established a new fee structure which was intended to eventually recoup the full cost of Fire Code Enforcement operations, including additional resources to implement the new requirements.

In view of the extensive changes to the Code requirements and fee structure, the Public Safety Committee requested quarterly updates on the implementation of the new Code Enforcement initiative.

Three-year Implementation Plan

To transition to the new initiative, MCFRS phased the implementation of the regulations over a three-year period. This extended phase-in was intended to provide time to identify and notify individuals and organizations that would be affected by the regulations, hire and train additional MCFRS Code Enforcement personnel, and initiate a new invoicing system.

According to the staffing analysis provided with the Fiscal Impact Statement, MCFRS planned to add a total of 29 new positions over the three-year period (© 22). In addition to the 21 Code Enforcement positions that existed before the regulations were approved (eight fee supported and 13 tax supported), they planned to add 13 new positions in FY07, nine in FY08, and seven in FY09. At this point, MCFRS has hired the 22 new positions to be added in FY07 and FY08. The seven new positions proposed for FY09 were not included in the FY09 or FY10 budgets.

In the MCFRS FY10 operating budget, the Council approved a civilianization initiative in Fire Code Enforcement that would have created five new civilian Fire Code Inspector positions to replace five uniformed Fire Code Enforcement positions. The new civilian positions were to be hired in September 2009, and ready for full performance by March 2010. At that time, the uniformed positions were to be abolished, and the personnel filling them were to be assigned to vacant positions in the field.

As part of the FY10 Savings Plan, the Council approved the Executive's recommendations to lapse the new civilian positions through the end of FY10, and return the uniformed positions to the field in January rather than March 2010. The Savings Plan, Round 2, also abolished one Lieutenant position whose duties were to be absorbed by others in Fire Code Enforcement. MCFRS estimated that even with this reduction in staffing for the remainder of FY10, there will be minimal impact on revenues as resources are redirected from new to existing structures and the number of permit renewals increases. The Committee discussed the impact of these recommendations during its review of the FY10 Savings Plan, Round 2. Copies of MCFRS responses to Council staff questions that were provided for the Committee's review of the Savings Plan are attached on © 16-18.

Initial fiscal analysis by MCFRS assumed that Fire Code Enforcement operations would become totally fee-supported by FY10. In previous updates, MCFRS projected that this schedule would stretch into FY11, and that full cost recovery could only be achieved with full program implementation (including hiring the seven positions that were originally scheduled to be added in FY09). MCFRS is still tentatively targeting full cost recovery for the end of FY11, but notes that there is a high level of uncertainty under the current economic conditions. MCFRS has provided information about FY08 and FY09 revenues and expenditures on © 4, FY10 budget and projections © 5, progress toward full cost recovery on © 7, and the impacts of the FY10 Savings Plan on © 9.

February 18 Quarterly Update

For the February 18 update, MCFRS staff will provide a general update on the Code Enforcement initiative, and will be prepared to discuss the issues below. An MCFRS briefing outline is on © 1-15.

Issues/Questions

Fire loss statistics and trends:

1. How do the fatality/injury/loss rates for the first half of FY10 compare with the rates in previous years?
2. Are any particular factors contributing to upward or downward trends?

Inspection progress: The briefing outline says that Fire Code Enforcement has inspected 21,000 unique occupancies since March 2007, and estimates that approximately 50% of the inspectable property stock has been inspected.

1. Considering the FY10 Savings Plan reduction in Fire Code Enforcement personnel, approximately how much longer will it take to inspect the remaining 50% of inspectable property stock?
2. How many inspections are expected to be completed in FY10? Which types of inspections is MCFRS focusing on?

Financial Impact of FY10 Savings Plan: The briefing outline says there will be minimal financial impact on the Fire Code Enforcement program in FY10, potential impact in FY11 because the number of new permits will ultimately be finite, and certain impact in FY12.

1. What will likely be the impact on FY12 financials?
2. Can any steps be taken to mitigate the impact?

Complaint response: Before the previous quarterly update in October 2009, some organizations and building owners/tenants raised concerns about stepped-up Code Enforcement efforts, including lack of consistency from one inspection to the next, excessive costs for repairs to correct violations, excessive costs for Code Enforcement services, and concern that the tone of some inspections had become intimidating. On © 14, MCFRS has provided an update on a Fire Code Enforcement Work Group that was convened to address community concerns.

1. What is the timeframe for the Work Group? Is it intended to be ongoing, or is it to complete its work by a specified deadline?
2. What are the key concerns raised by business and community members who are participating in the Work Group?

3. The update on the Fee Schedule Regulation on © 10 says that the regulation is on hold while the Work Group continues to meet, and notes that there has been unanticipated resistance to the fee allocation, and a need to alleviate disparate impact while retaining incentives for compliance.

Which elements of the fee allocation are subject to resistance? What is creating the disparate impact, and what can be done to alleviate it?

4. To what extent is the Work Group involved in identifying solutions to issues of concern to the community?
5. If an individual has a Code Enforcement complaint at this time, who should they contact to address it? How would they know who to contact?

High-rise Retrofit: This initiative is on hold because of current economic conditions. The briefing outline notes that building owners have said that the Return on Investment to install sprinklers is not realistic within the economic life span of the buildings, and says that this issue will be revisited once the economy improves with additional emphasis on County support.

1. If the Return on Investment is not sufficient for owners of older buildings, should the County offer support for projects which may have limited life spans?
2. Are there other performance-based solutions that would be less costly than installing sprinkler systems in older buildings?

This packet contains:

circle #

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Fire Code Enforcement

February 2010

Second Quarter FY10 Update

Fire Loss Statistics and Trends

Human Costs

- One fire fatality YTD for FY2010
- Twenty-five civilian fire injuries YTD for FY2010
- Three fire related firefighter injuries YTD for FY2010

Property Costs

- Fire loss for the first half FY10
 - 718 fire events of all types
 - \$17.0 million in total fire loss
 - 272 fires in buildings
 - \$13.5 million fire loss in buildings

Our biggest concerns

- High-occupancy residential fires.
 - Have seen a recent increase in restaurant fires that appear to be system maintenance related.
 - Experienced 25 commercial fire events with associated loss of \$1.7 million
-

Progress in Enforcement

- Have conducted approximately 44,000 inspections since program inception in March FY07.
 - Inspected approximately 21,000 unique occupancies since March 2007.
 - Estimate to be 50% through inspectable property stock.
 - 100% of multi-family residential buildings
 - Approximately 20% through commercial stock
 - Have established two working groups with business and building owners & occupants to focus on improved communications and code compliance.
-

FY08 & FY09 Budget and Expenditures

	Budget	Revised	Actual	Revenue Deposits	Shortfall
FY08	\$7.4 million	\$6.8 million	\$6.0 million	\$2.7 million	\$3.3 million
FY09	\$6.3 million	\$6.3 million	\$6.8 million*	\$3.4 million	\$3.4 million

* Salary and Wages exceeded budgeted amount by \$642,000, but remained within Department budget limits

FY10 Budgeted and Projections

	Expenditures	Revenues deposited	Shortfall
Budgeted FY10 Total	\$6.8 million	\$3.8 million*	\$3.0 million
First half FY10	\$3.8 million	\$2.1 million	\$1.7 million
Current rate projections	\$6.0 million**	\$4.2 million	\$1.8 million

* Projected amount contained in Council approved FY10 budget.

** Includes personnel cost lapse

Billing and Collection

- Collection procedure through the County Attorney's Office finalized
- Appears to be having an impact on revenues and process
 - Deposits are up
 - Number of aging accounts continue to decrease

Full Cost Recovery

- Full cost recovery remains targeted for the end of FY11
 - High level of uncertainty due to economic conditions
 - Cost-revenue gap continues to narrow
 - Administrative constraints to matching hourly cost of providing service to salary & operating cost increases
 - Impact of personnel reduction is estimated
 - Identified \$938,000 non-recoverable inspection costs in FY09.
 - Examining means of reducing drain on staff resources
 - Requires revisions to fee regulation
 - Requires re-assessment of risk-based inspection schedule
-

Civilianization

- 5 uniformed positions have been converted to civilian inspectors.
- Positions descriptions and class revisions have been approved by OHR and OMB.
- Positions have been lapsed through FY11.

Impact of Savings Plan

- Operational

- Decrease in inspection
- Will extend the time frame to reach all buildings

- Financial

- Minimal to no impact for FY10 based on ability to redirect resources
 - Potential impact in FY11 due to finite realm of new permits
 - Certain impact in FY12
-

FSC Fee Schedule Regulation

- On hold while Fire Code Enforcement Work Group continues to meet:
 - Fee allocation has been discussed and met with unanticipated resistance
 - Need to find alleviate disparate impact while retaining incentives for compliance
 - Basic proposed changes:
 - Leaves the current hourly fee of \$140 intact
 - Marginally increases permit fees
 - Reduces certain fees for businesses
 - Completes migration to a direct fee-for-service model by eliminating prepaid fees
 - Allows for changes in inspection schedule for consistent performance
 - Introduces cost recovery for information requests post-fire from insurance companies
-

Access Design Manual

- Several meetings with key stakeholders have been held
 - Initial concepts and tradeoffs have been identified
 - Draft is on third revision
 - Potential conflict between new Maryland Storm Water Management Regulation requirements and State Fire Code have been identified
-

High-rise Retro Fit

- No change to report from last quarter
 - Remains on hold
 - Several high-rises that voluntarily came forward previously to retrofit have reconsidered due to economic pressures
 - During discussions with building owners, ROI to install is not realistic within economic life span of the buildings
 - Will be revisited once economy improves with additional emphasis on County support
-

Alternative Funding for Sprinklering

- Previous alternative funding explored:
 - Tax breaks at various levels
 - Grants out of fire district tax
 - Create special tax class to fund retrofit
 - Increase property tax by nominal amount to fund as capital project

- Total cost of retrofitting is very high
 - Approximately 85 buildings
 - \$110 million based on \$4 / square foot
 - County would need to have financial reserves to fund

Fire Code Enforcement Work Group

- Working with:

- Department of Economic Development
- Regional Government Service Centers
- Chambers of Commerce
- Building owners groups
- Business operators

- Meetings have been productive to date:

- Have identified major areas of concern with business community
 - Have implemented the Customer Advocate position
 - Restructuring fire code enforcement delivery
 - Have reached out to other jurisdictions to identify best practices
-

FCE Costs to the Business Community

- 20,000 hours of inspection time in last 12 months
 - 7,000 of those hours were not billed
 - Average ***invoiced*** inspection
 - Fire protection system operational permit - \$50
 - 1.9 hours
 - \$266 inspection cost
 - Overall, costs of inspections have not been an issue
 - Have found general support for our fee methodology
 - Has been some disparate impact
 - Late fees are onerous
 - Steps have been taken to reduce the impact
-

Fire and Rescue Service

S2 Lapse Five Non-uniformed Fire Code Inspectors (-\$293,490)

S4 Lapse Five Uniformed Positions in Fire Code Enforcement (-\$102,000)

1. If the five civilian positions that would have implemented the Fire Code Enforcement civilianization initiative are not hired, and the five uniformed positions that they would have replaced are returned to the field early, how will this affect Fire Code Enforcement's ability to carry out its mission?

Response: The loss of five inspector positions will lengthen the time it will take for Fire Code Enforcement to inspect all of the non-single-family home structures in the county as required by Chapter 22 of the county code.

2. If there will be a reduction in service, how will Fire Code Enforcement prioritize its workload, and which activities will be reduced?

Response: In addition to lengthening the timeline to complete inspection of all non-single-family home structures, Fire Code Enforcement may reduce the frequency of inspections of county buildings, which have long histories of strong compliance with the fire code. Additionally, county buildings are fully occupied during high risk periods and are staffed with county employees. This provides a level of control not available in privately held occupancies.

3. Both of these items indicate that MCFRS does not anticipate a drop off in revenue because of a substantial increase in the number of permits being renewed (an administrative function). Please provide a breakout comparing distribution of FY10 Fire Code Enforcement revenues as projected during the FY10 budget review with the distribution of revenues as currently projected.

Response: The fire code inspection program is performing as intended. The staffing model was and remains predicated on the concept of providing a critical mass of personnel that could be shifted in response to the cyclical nature of new construction work load. Data trends through November 2009 indicate that revenues from new construction and DPS permitted work are down by approximately -14%. However, new fire code enforcement program work has correspondingly increased by +35%. Most importantly, systems testing, operational and general permits are respectively running at 160%, 124% and 286% of original projections. Overall, revenues are expected to be at approximately 108% of budget projections for FY10. Please see the attached spreadsheet for a detailed breakdown.

4. Which types of permits are being renewed?

Response: Operational permits for all fire protection systems must be renewed annually per County regulations. There are also repeat general permits for such activities as fire works displays, special events that present unique high-level hazards (e.g., golf tournaments and home shows), and fuel stations, among others.

5. For the future, will permit renewals provide an ongoing level source of revenue, or will they be intermittent or cyclical in nature?

Response: The Fire Code permitting requirements were intended to provide a consistent revenue stream base from which to gauge hourly fee recovery. At the current phase of implementation, fire protection and general permits are not fully developed as a revenue stream. While all

residential properties have been inspected and appropriate permits obtained from these occupancies, Fire Code Enforcement has only inspected and obtained permits in approximately 25% of the commercial occupancy stock. The commercial occupancy stock is an unknown universe and our estimate is based on geographic coverage data. It is important to note that the number of fire protection systems is finite and the upswing in permit captures, at the current increased rate, is not expected to last much beyond FY11.

S3: Open Station 34 on June 1, 2010. How certain is it that Station 34 will be completed in time to open on June 1? What would be the impact of deferring the opening for an additional month until the beginning of FY11, for an additional savings of about \$200,000 in FY10?

Response: There have been some contractor delays with Fire Station 34. It is expected at this time that the Fire Station will be operational as of June 1, 2010. This item is included because of the construction delays associated with the station. MCFRS fully expects that as of June 1, 2010 and with no other construction delays that the station will be operationalized as of June 1, 2010.

S5: Delay Spring Recruit Class

1. For how long would this recruit class be delayed? When would the next class be held?

Response: There will be no recruit class for the remainder of FY10. The timing of the next class depends on FY11 funding.

2. How would this delay affect MCFRS' ability to fill positions in the field during the remainder of FY10 and FY11? Would it lead to an increase in overtime to backfill positions?

Response: The recruits from this class would not have graduated until after FY10, thus there is no impact on positions this year. There is a potential impact on FY11, but it has to be viewed in the context of MCFRS's FY11 budget, which is still being formulated. There will be no impact on overtime in FY10. Without a budget for FY11, it is difficult to assess the FY11 impact of not starting this recruit class in FY10. The FY11 recommended budget will offer a workable plan for moving forward.

3. According to Council staff's records, the Executive originally budgeted \$1,036,000 for a February class of 18 recruits. The Council added \$660,000 for 12 additional recruits, bringing the total funding to \$1,696,000 for a class of 30 recruits. The Round 2 Savings Plan estimates a savings of \$1,370,000 from delaying the February class. Why is the savings \$326,000 less than what was budgeted?

Response: The \$326,000 is overtime funding that had been budgeted for recruit school instructors. While there will not be a recruit class in FY10, MCFRS overtime is running high at this point in the year, thus it is more reasonable to offer \$326,000 in savings in an area other than overtime.

Police

S1: Decrease Cost: Reduce Fees Paid to Safe Speed Contractor: Payments will be reduced by \$4.67 million in the remainder of the fiscal year. What is the anticipated revenue reduction due to fewer citations?

Response: The revenue reduction due to fewer citations is \$12,960,500. The estimate assumes revenues of \$15,837,110 compared to revenues of \$28,797,610 assumed in the original budget.

			<u>budgeted</u>	<u>Current (5 mo)</u>	<u>End of year</u>	<u>% of budgeted</u>
license, new construction & DPS permitted work	L122	fire alam & detection systems	\$ 283,310	\$ 147,574	\$ 354,178	125.0%
	L123	fire sprinkler & standpipe	\$ 634,110	\$ 148,391	\$ 356,138	56.2%
	L125	all other fire protection systems	\$ 82,500	\$ 66,514	\$ 159,634	193.5%
	L126	Fire code exceptin reuests	\$ 45,000	\$ 11,988	\$ 28,771	63.9%
	C429	Fire pumps & generators	\$ 13,910	\$ 2,660	\$ 6,384	45.9%
	C430	Shaft inspections	\$ 37,930	\$ 9,975	\$ 23,940	63.1%
	C431	Life safety inspections	\$ 476,170	\$ 127,303	\$ 305,527	64.2%
	C432	Smoke control systems	\$ 7,620	\$ -	\$ -	0.0%
	C434	Permit changes	\$ -	\$ 5,612	\$ 13,469	
	L160	Nursery daycare license inspection	\$ 55,970	\$ 31,486	\$ 75,566	135.0%
	L162	Board & care facilities	\$ 75,375	\$ 25,958	\$ 62,299	82.7%
	L163	Detentional health care	\$ -	\$ -	\$ -	
	L164	Fire code exception requests	\$ 54,660	\$ 17,016	\$ 40,838	74.7%
	L220	Occupancy permits	\$ 356,545	\$ 168,174	\$ 403,618	113.2%
		subtotals	\$ 2,123,100	\$ 762,651	\$ 1,830,362	86.2%
	new program & indirect services work	C436	Engineering services	\$ 73,770	\$ 14,298	\$ 34,315
C437		Systems and structures	\$ 315,000	\$ 210,521	\$ 505,250	160.4%
C438		Battalion enforcement	\$ 10,000	\$ 6,528	\$ 15,667	156.7%
C439		Health care facilities	\$ 6,190	\$ 5,660	\$ 13,584	219.5%
D524		automation enhancement	\$ 388,515	\$ 142,824	\$ 342,778	88.2%
C433		Operational permits	\$ 540,485	\$ 280,060	\$ 672,144	124.4%
L121		general permit - indefinite	\$ 80,890	\$ 96,308	\$ 231,139	285.7%
L124		fire code license fees	\$ 233,100	\$ 51,297	\$ 123,113	52.8%
C435		Research support	\$ 7,610	\$ 127,482	\$ 305,957	4020.5%
		subtotals	\$ 1,655,560	\$ 934,978	\$ 2,243,947	135.5%
totals			\$ 3,778,660	\$ 1,697,629	\$ 4,074,310	107.8%

MEMORANDUM

October 4, 2006

TO: Beverley K. Swaim-Staley, Director
Office of Management and Budget

VIA: Martha Lamborn, Management and Budget Manager *ML*

VIA: Brady Goldsmith, Management and Budget Specialist *Brady*

FROM: Anita A Aryeetey, Management and Budget Specialist *AA*

SUBJECT: Executive Regulation 5-06, Fire Safety Code – Fee Schedule
for Inspections, Permits, Licenses, Certificates and
Exceptions

REGULATION SUMMARY

This regulation provides a schedule for regular inspections as required by the Montgomery County Fire Safety Code, Section 22-23. The regulation establishes operational permits for fire protection systems, license requirements to work on fire protection systems, along with fees for such inspections, permits and licenses. The regulation also revises existing fees for inspection services, permits, licenses, certificates, and exceptions.

FISCAL SUMMARY

The program will be phased in over three years, with complete implementation by FY10. This fiscal impact statement is based on the cost of implementing the regulation as published in the Montgomery County Register.

Revenues

This regulation increases existing fees by 15 percent; replaces permanent certificates with annual certificate requirements; adds a new fire protection system operational permit at \$60; other fees ranging from \$12 to \$500; adds a new fee of \$140 per hour for inspector contact time; and adds a new annual inspection requirement for fire safety.

The revenue projection for FY07 also includes an automation enhancement fee which is 10 percent of any regular fee including permits, licenses or any activity for which the fire safety code requires a fee and is in addition to that regular fee.

Revenue assumptions are based upon a 34 to 50 percent collection factor of the anticipated revenue for the first year of enhanced code enforcement efforts, which yields \$2,221,510 (\$2,019,550 from new and increased fees, and \$201,960 from the automation enhancement fee). In FY08, the revenue assumptions are based upon 70 to 75 percent compliance (until all sites are identified) and collections. The FY08 revenue is estimated at \$4,641,070 (\$4,219,150 new and increased fees and \$421,920 automation enhancement). In FY09 the revenue assumptions are based upon 100 percent compliance and collections. The

FY09 and FY10 revenue is estimated at \$5,851,850 (\$5,319,860 new and increased fees and \$531,990 automation enhancement).

Expenditures

Personnel

To comply with the new code enforcement regulations, MCFRS proposes a phased-in approach to personnel where 13 full-time positions will be added in FY07 at 10.2 WYs which includes 2.1 WYs in overtime. Salary, wages and benefits total \$1,066,310 in FY07. In addition there will be nine full-time positions added in FY08 for a total of 22 positions at 26.2 WYs with salary, wages and benefits totaling \$2,835,970 (see attachments A and B).

Operating

Operating expenses are comprised of uniforms, personal protection envelopes (PPE's), self contained breathing apparatus (SCBA), community outreach, PSCS radios, office space, furniture, computers including tablet PCs, equipment and communication, vehicles, fuel, maintenance and automation enhancements.

Total operating expenses in FY07 are \$1,516,330, which includes one-time expenses of \$856,340. The operating expenses also include costs for relocation of HHS staff who occupy the space next to Fire Code Enforcement. The Department of Permitting Services has agreed to split the cost of relocating the HHS staff because they have a similar need for space within the same facility. MCFRS has identified \$418,220 as their share and listed it as part of the one-time expenses in FY07. FY08 operating expenditures are \$1,518,630, with \$249,770 in one-time expenses (see attachments A and B).

Michael Donahue, Montgomery County Government Fire and Rescue Service, Steve Batterden, Department of Public Works and Transportation, Robert Debernardis, Montgomery County Health and Human Services, and Robert Hubbard, Department of Permitting Services contributed to and concurred with this analysis.

Attachments:

- A. Fire Code Enforcement - Staffing Analysis: FY07 Incremental Costs & Revenues of Staffing Improvements.
- B. Fire Code Enforcement - Staffing Analysis: FY08 Incremental Costs & Revenues of Staffing Improvements.

cc: Chief Carr, MCFRS
Randy Wheeler, MCFRS
Michael Donahue, MCFRS
Robert Hubbard, DPS
Robert Debernardis, HHS
Steve Batterden, DPWT

Issuing Department Fire and Rescue

Contact Person Michael Donahue, 7-2470

Executive Regulation No. 5-06

FISCAL IMPACT STATEMENT

Fire Safety Code – Fee Schedule for Inspections, Permits, Licenses, Certificates & Exceptions

Title of Regulation

FISCAL SUMMARY: Presentation of the incremental increase or decrease in expenditures and revenues for the current and next fiscal years.

	<u>Current Fiscal Year FY 07</u>	<u>Next Fiscal Year FY 08</u>
1. Revenues:		
<i>Fire Tax District Fund: Inspection Fees, Permits, etc</i>	\$2,019,550	\$4,219,150
<i>Automation Enhancement</i>	<u>\$ 201,960</u>	<u>\$ 421,920</u>
Total Revenues	\$2,221,510	\$4,641,070
2. Personnel Costs: All uniformed positions		
Salaries and Wages (including OT):	\$ 770,930	\$2,028,980
Fringe Benefits:	<u>\$ 295,380</u>	<u>\$ 806,990</u>
Total Personnel Costs:	\$1,066,310	\$2,835,970
3. Operating Expenses:		
List Items: office space, fuel, maintenance, brochures, gear, uniforms, scba, vehicles, pscs radios		
Total Operating Expenses:	\$ 971,170	\$ 815,910
Capital Outlay:	\$ 343,200	\$ 280,800
<i>Automation Enhancement</i>	<u>\$ 201,960</u>	<u>\$ 421,920</u>
	\$1,516,330	\$1,518,630
Total Expenses (2 + 3):	\$2,582,640	\$4,354,600
4. Positions Affected:		
Positions:		
Full-time:	13	22
Part-Time:	0	0
Workyears:		
Full-time: (includes 2.1(07) and 4.2(08) WY in OT)	10.2	26.2
Part-Time:	0	0

5. Assumptions and Explanations: See attached memo.

6. Economic Effect on Private Sector: Revised fees by 15% to account for personnel cost increases; new fees of \$140/hour for inspector contact time; permanent certificates replaced with annual certificate requirements; new fire protection system operational permits at \$50; new corporate and employee license requirements at \$200 and \$50; and new annual inspection requirements for fire safety.

OMB REVIEW

Fiscal Impact Statement approved

OMB Director

Fiscal Impact Statement not approved, OMB will contact department to remedy.

Attachment A

Fire Code Enforcement - Staffing Analysis
FY07 Incremental Costs & Revenues of Staffing Improvements

Position	Year	Number of Positions	Number of Work Years	FY07					
				Salary & Wages ^A	Benefits ^A	Annual Operating ^B	One-time Operating	Capital Outlay	Revenue Off-Set
Admin Specialist I - gr.18	FY07 ^C	1	0.67	\$ 33,289	\$ 9,987	\$ 1,665	\$ 6,320	\$ -	\$ 860,675
	FY08 ^D								
	FY09								
Fiscal Assistant - gr.16	FY07	1	0.67	\$ 30,365	\$ 9,110	\$ 1,665	\$ 6,320	\$ -	\$ -
	FY08								
	FY09								
Assistant Chief ^E	FY07	1	0.67	\$ 78,793	\$ 42,032	\$ 10,721	\$ 566,183	\$ 31,200	\$ -
	FY08								
	FY09								
Captain/Program Manager	FY07 ^C	1	0.67	\$ 66,537	\$ 33,994	\$ 10,721	\$ 27,752	\$ 31,200	\$ 700,375
	FY08 ^D								
	FY09								
Lieutenant/Inspector	FY07	2	1.33	\$ 114,617	\$ 56,463	\$ 21,442	\$ 55,504	\$ 62,400	\$ -
	FY08	1							
	FY09	2							
Master FF/Inspector	FY07	3	1.75	\$ 136,674	\$ 71,396	\$ 29,405	\$ 83,256	\$ 93,600	\$ -
	FY08	3							
	FY09	1							
FF3/Inspector	FY07	4	2.33	\$ 146,545	\$ 72,399	\$ 39,206	\$ 111,008	\$ 124,800	\$ -
	FY08	5							
	FY09	4							
Overtime	FY07		2.10	\$ 164,102					
	FY08								
	FY09								
Subtotals^F		29.0	10.18	\$ 770,923	\$ 295,382	\$ 316,779	\$ 856,343	\$ 343,200	\$ 1,561,050
New Construction new fees									\$ 458,500
Subtotal New Fees									\$ 2,019,550
Automation Enhancement Fund									\$ 201,955
Total New Revenues									\$ 2,221,504
Total Expenditures									\$ 2,582,627
Balance									\$ (361,123)

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Fire Code Enforcement - Staffing Analysis FY07 Incremental Costs & Revenues of Staffing Improvements

Notes

- ^A Assumes that all management & civilian positions will be in place beginning November 1, 2006 to begin program development. MFF & FF3 positions start in December to allow for training. Program implementation to begin January 1, 2007.
- ^B Annual operating costs combines office space, motor pool, equipment & communications, and automation enhancement.
- ^C Assumes that first year program start-up will limit revenue collection to 50% for Operational Permits, New construction, & Licensing and 34% for Activity-based permits & Systems testing.
- ^D Assumes that second year of the program will only realize 75% compliance and revenue until all occupancies are identified.
- ^E One time operating costs Includes initial year of space leasing and cost of relocating Health & Human Services from 255 Rockville Pike.
- ^F Does not include senior fire protection engineer, fire protection engineer and OSC positions and associated revenues added in FY06

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Attachment B

Fire Code Enforcement - Staffing Analysis FY08 Incremental Costs & Revenues of Staffing Improvements

Position	Year Added	Number of Positions	Number of Work Years	FY08					
				Salary & Wages ^A	Benefits ^A	Annual Operating ^B	One-time Operating	Capital Outlay	Revenue Off-Set
Admin Specialist I - gr.18	FY07 ^C	1	1.00	\$ 51,656	\$ 15,497	\$ 2,496	\$ -	\$ -	\$ 1,291,013
	FY08 ^D								
	FY09								
Fiscal Assistant - gr.16	FY07	1	1.00	\$ 47,118	\$ 14,136	\$ 2,496	\$ -	\$ -	\$ -
	FY08								
	FY09								
Assistant Chief ^E	FY07	1	1.00	\$ 124,038	\$ 66,168	\$ 226,985	\$ -	\$ -	\$ -
	FY08								
	FY09								
Captain/Program Manager	FY07 ^C	1	1.00	\$ 104,743	\$ 53,514	\$ 75,576	\$ -	\$ -	\$ 2,011,135
	FY08 ^D								
	FY09								
Lieutenant/Inspector	FY07	2	2.00	\$ 180,432	\$ 88,885	\$ 28,732	\$ -	\$ -	\$ -
	FY08	1	1.00	\$ 90,216	\$ 44,442	\$ 14,366	\$ 27,752	\$ 31,200	\$ -
	FY09	2							
Master FF/Inspector	FY07	3	3.00	\$ 246,154	\$ 122,463	\$ 43,098			
	FY08	3	3.00	\$ 246,154	\$ 122,463	\$ 43,098	\$ 83,256	\$ 93,600	\$ -
	FY09	1							
FF3/Inspector	FY07	4	4.00	\$ 263,932	\$ 124,184	\$ 57,464			
	FY08	5	5.00	\$ 329,915	\$ 155,230	\$ 71,830	\$ 138,760	\$ 156,000	\$ -
	FY09	4							
Overtime	FY07								
	FY08		4.20	\$ 344,615					
	FY09								
Subtotals		29.0	26.2	\$ 2,028,972	\$ 806,982	\$ 988,056	\$ 249,768	\$ 280,800	\$ 3,302,147
New Construction new fees									\$ 917,000
Subtotal New Fees									\$ 4,219,147
Automation Enhancement Fund									\$ 421,915
Total New Revenues									\$ 4,641,062
Total Expenditures									\$ 4,354,578
Balance ^G									\$ 286,484

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Fire Code Enforcement - Staffing Analysis FY08 Incremental Costs & Revenues of Staffing Improvements

Notes

- ^A Assumes that all management & civilian positions will be in place beginning November 1, 2006 to begin program development. MFF & FF3 positions start in December to allow for training. Program implementation to begin January 1, 2007.
- ^B Annual operating costs combines office space, motor pool, equipment & communications, and automation enhancement.
- ^C Assumes that first year program start-up will limit revenue collection to 50% for Operational Permits & Licensing and 34% for Activity-based permits, Systems testing, & New Construction fees.
- ^D Assumes that second year of the program will only realize 75% compliance and revenue until all occupancies are identified.
- ^E One time operating costs includes initial year of space leasing and cost of relocating Health & Human Services from 255 Rockville Pike.
- ^F Does not include senior fire protection engineer, fire protection engineer and OSC positions and associated revenues added in FY06
- ^G Monies collected that exceed expenditures will be committed to fund programs required by fire code, such as fire department access boxes. Fire department access boxes are required for all structures except one and two family dwellings. These boxes contain keys to all areas of a given building. To ensure security of buildings, new key locks will be installed in fire apparatus to prevent theft, and existing building FD access boxes will be rekeyed. In future years, additional purchases, such as cone calorimeters and forensic analysis equipment, and non-revenue generating support personnel may be added to improve service.

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Fire Code Enforcement - Staffing Analysis

FY09 Incremental Costs & Revenues of Staffing Improvements

Position	Year Added	Number of Positions	Number of Work Years	FY09					
				Salary & Wages ^A	Benefits ^A	Annual Operating ^B	One-time Operating	Capital Outlay	Revenue Off-Set
Admin Specialist I - gr.18	FY07 ^C FY08 ^D FY09	1	1.0	\$ 53,464	\$ 16,039	\$ 2,496	\$ -	\$ -	\$ 1,721,350
Fiscal Assistant - gr.16	FY07 FY08 FY09	1	1.0	\$ 48,768	\$ 14,631	\$ 2,496	\$ -	\$ -	\$ -
Assistant Chief ^E	FY07 FY08 FY09	1	1.0	\$ 128,379	\$ 68,484	\$ 234,278	\$ -	\$ -	\$ -
Captain/Program Manager	FY07 ^C FY08 ^D FY09	1	1.0	\$ 108,409	\$ 55,387	\$ 14,366	\$ -	\$ -	\$ 2,681,513
Lieutenant/Inspector	FY07 FY08 FY09	2 1 2	2.0 1.0 2.0	\$ 186,747 \$ 93,374 \$ 186,747	\$ 91,996 \$ 45,998 \$ 91,996	\$ 28,732 \$ 14,366 \$ 28,732	\$ - \$ - \$ 55,504	\$ - \$ - \$ 62,400	\$ - \$ - \$ -
Master FF/Inspector	FY07 FY08 FY09	3 3 1	3.0 3.0 1.0	\$ 254,769 \$ 254,769 \$ 84,923	\$ 133,087 \$ 133,087 \$ 44,362	\$ 43,098 \$ 43,098 \$ 43,098	\$ - \$ - \$ 27,752	\$ - \$ - \$ 31,200	\$ - \$ - \$ -
FF3/Inspector	FY07 FY08 FY09	4 5 4	4.0 5.0 4.0	\$ 273,170 \$ 341,462 \$ 273,170	\$ 134,957 \$ 168,696 \$ 134,957	\$ 57,464 \$ 71,830 \$ 57,464	\$ - \$ - \$ 111,008	\$ - \$ - \$ 124,800	\$ - \$ - \$ -
Overtime	FY07 FY08 FY09		4.2	\$ 356,677					
Subtotals		29.0	33.2	\$ 2,644,826	\$ 1,133,676	\$ 1,173,504	\$ 194,264	\$ 218,400	\$ 4,402,863
New Construction new fees									\$ 917,000
Subtotal New Fees									\$ 5,319,863
Automation Enhancement Fund									\$ 531,986
Total New Revenues									\$ 5,851,849
Total Expenditures									\$ 5,364,670
Balance^G									\$ 487,179

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Fire Code Enforcement - Staffing Analysis FY09 Incremental Costs & Revenues of Staffing Improvements

Notes

- ^A Assumes that all management & civilian positions will be in place beginning October 1, 2006 to begin program development. MFF & FF3 positions start in November to allow for training. Program implementation to begin January 1, 2007.
- ^B Annual operating costs combines office space, motor pool, equipment & communications, and automation enhancement.
- ^C Assumes that first year program start-up will limit revenue collection to 50% for Operational Permits, New construction, & Licensing and 34% for Activity-based permits & Systems testing.
- ^D Assumes that second year of the program will only realize 75% compliance and revenue until all occupancies are identified.
- ^E One time operating costs includes initial year of space leasing and cost of relocating Health & Human Services from 255 Rockville Pike.
- ^F Does not include senior fire protection engineer, fire protection engineer and OSC positions and associated revenues added in FY06
- ^G Monies collected that exceed expenditures will be committed to fund programs required by fire code, such as fire department access boxes. Fire department access boxes are required for all structures except one and two family dwellings. These boxes contain keys to all areas of a given building. To ensure security of buildings, new key locks will be installed in fire apparatus to prevent theft and existing building FD access boxes will be rekeyed. In future years, additional purchases, such as cone calorimeters and forensic analysis equipment, and non-revenue generating support personnel to improve service.

Fire Code Enforcement - Staffing Analysis

FY10 Fully Implemented Program Costs & Revenues

Position	Year Added	Number of Positions	Number of Work Years	FY10					
				Salary & Wages	Benefits	Annual Operating	One-time Operating	Capital Outlay	Revenue Off-Set
Admin Specialist I - gr.18	FY10	1	1.0	\$ 55,335	\$ 16,601	\$ 2,496	\$ -	\$ -	\$ 1,721,350
Fiscal Assistant - gr.16	FY10	1	1.0	\$ 50,474	\$ 15,143	\$ 2,496	\$ -	\$ -	\$ -
Assistant Chief	FY10	1	1.0	\$ 132,872	\$ 70,881	\$ 241,841	\$ -	\$ -	\$ -
Captain/Program Manager	FY10	1	1.0	\$ 112,203	\$ 57,326	\$ 14,366	\$ -	\$ -	\$ 2,681,513
Lieutenant/Inspector	FY10	5	5.0	\$ 483,208	\$ 238,039	\$ 71,830	\$ -	\$ -	\$ -
Master FF/Inspector	FY10	7	7.0	\$ 615,267	\$ 321,404	\$ 43,098	\$ -	\$ -	\$ -
FF3/Inspector	FY10	13	13.0	\$ 918,875	\$ 453,961	\$ 186,758	\$ -	\$ -	\$ -
Overtime	FY10		4.2	\$ 369,160					
Subtotals		29.0	33.2	\$ 2,737,395	\$ 1,173,355	\$ 1,094,871	\$ -	\$ -	\$ 4,402,863
New Construction new fees									\$ 917,000
Subtotal New Fees									\$ 5,319,863
Automation Enhancement Fund									\$ 531,986
Total New Revenues									\$ 5,851,849
Total Expenditures									\$ 5,005,621
Balance									\$ 846,228

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FY07–FY09 Revenue Stream

	FY07		FY08		FY09	
	Return Rate	Projected Revenues	Return Rate	Projected Revenues	Return Rate	Projected Revenues
<u>Battalion Inspectors</u>						
Commercial, Educational, Institutional	34%	\$ 212,177	75%	\$ 828,109	100%	\$ 1,104,145
Complaint Management	n/a					
<u>Systems & Structures Unit</u>						
Multi-family, commercial, retail	34%	\$ 463,196	75%	\$ 1,127,875	100%	\$ 1,503,833
Special events & unique hazards	34%	\$ 25,002	75%	\$ 55,151	100%	\$ 73,535
FPS Contractors	50%	\$ 30,300	75%	\$ 45,450	100%	\$ 60,600
Capacity Certificates	50%	\$ 86,250	75%	\$ 129,375	100%	\$ 172,500
All fire protection systems	50%	\$ 744,125	75%	\$ 1,116,188	100%	\$ 1,488,250
Non- & Complex / tenant space	50%	\$ 458,500	100%	\$ 917,000	100%	\$ 917,000
		\$ 2,019,550		\$ 4,219,147		\$ 5,319,863
		\$ 201,955		\$ 421,915		\$ 531,986
		\$ 2,221,505		\$ 4,641,062		\$ 5,851,849