

Running head: SHOULD THE SANDUSKY FIRE DEPARTMENT IMPLEMENT FIRE

Should the Sandusky Fire Department implement fire prevention fees?

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CERTIFICATION STATEMENT

I hereby certify that this paper constitutes my own product, that where the language of others is set forth, quotation marks so indicate, and that appropriate credit is given where I have used the language, ideas, expressions, or writings of another.

Signed: \_\_\_\_\_

## Abstract

The City of Sandusky, Ohio had recently gone through some difficult financial strains in the past several years. City officials believed it was time to evaluate the safety services in order to provide the best possible service at the most economical cost. An independent study was conducted in 2010 with a suggestion to implement fees to supplement the fire prevention bureau, however the study did not provide a method to implement the plan or determine a fee structure. The problem then became; how does the Sandusky Fire Department Fire Prevention Bureau develop a fair and equitable fee structure for fire prevention activities? The purpose of this applied research project was to gather information and develop a plan to put into operation fire prevention fees for the City of Sandusky, Ohio. The research method used was action research. The approach was to conduct a situational analysis to evaluate trends from comparable communities and fire prevention bureaus, determine factors that would help or impede the goal, and develop a useable draft. The questions were; which fire prevention activities can fees be attached to? What other comparable fire departments have imposed fire prevention fees and what are those fees for? What are the negative impacts of implementing fire prevention fees? Would the current Sandusky City Commission support a fire prevention fee program? Lastly, to what extent would the business communities support a fire prevention fee? The procedures used were internet searches, review of comparable fire departments in Ohio and questionnaires to the elected officials and the business community. The results determined that initial inspection fees were viewed as not acceptable, but re-inspection fees tolerable. The research recommends the City of Sandusky Fire Department Fire Prevention Bureau should develop a fee structure for fire safety re-inspections only.

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## Should the Sandusky Fire Department implement fire prevention fees?

### Introduction

The Sandusky Fire Department is comprised of 48 firefighters and officers, two of which are assigned to the Fire Prevention Bureau. In 2010 the elected officials of the city commission determined a need to conduct an evaluation of the public safety services. The Sandusky Police and Fire Departments were evaluated by the International City/County Managers Association (ICMA) to address future staffing needs according to requests for services for both departments, and to consider potential alternative service delivery systems. After six months of analyzing their findings the ICMA recommended several proposals to improve services; one in particular for the fire department was the application of impact fees. This recommendation was narrow in scope. To expand on the potential resource for revenue the bureau concluded research for viable service activities. Since the ICMA study was only a suggestion and did not provide a method to implement the plan or determine a fee structure the problem became; how should the Sandusky Fire Department Fire Prevention Bureau develop a fair and equitable fee structure for fire prevention activities acceptable to the community? The purpose of this applied research project is to gather sufficient information and develop a workable plan to implement fire prevention fees for the City of Sandusky, Ohio. The research method used will be action research. The approach will be to conduct a situational analysis to evaluate trends from comparable communities and fire prevention bureaus, determine factors that would help or impede the goal, and develop a useable draft that is specific, measurable, action-oriented, and timely. The questions to be answered are; which fire prevention activities can fees be attached to? What other comparable fire departments have imposed fire prevention fees and what are those fees for? What are the negative impacts of implementing fire prevention fees?

Would the current Sandusky City Commission support a fire prevention fee program? Finally, to what extent would the business community support a fire prevention fee?

### Background and Significance

The Sandusky Fire Department (SFD) is the largest fire department in Erie County, Ohio. In 2011, the SFD employed 45 career firefighters who respond from three stations. Forty two of its firefighters count as 24-hour shift strength, including six lieutenants, and six captains. The remaining three firefighters are 40-hour administrative staff (Fire Chief, Fire Marshal and one Inspector in the Fire Prevention Bureau). The SFD are a full-service fire department providing fire suppression, advanced & basic life support, technical rescue including; trench, high-angle, structural collapse, confined space, domestic preparedness, under water rescue & recovery and urban search and rescue. The City of Sandusky sits on Ohio's Lake Erie shore, a total area of 22.0 square miles, of which 10.1 cover land and 11.9 covers water. The latest U.S. Census estimate for the City of Sandusky is 25,688. The median income for a household in the city is \$31,133, with family median income standing at \$37,749. Approximately 12% of families and 15 % of the population are below the poverty line, Sandusky's once vital manufacturing base has disappeared substantially over the past 40 years. The seriousness of this problem is that what goes along with the reduction of the city's tax base is the reduction of safety services. In 2010 the Sandusky City Commission determined that a need to conduct a comprehensive staffing and operational analysis of the police and fire departments was necessary to determine where improvements can be made in order to reduce costs. In early 2011 the results from the fire department analysis came back with 17 recommendations for operational improvements. One in particular stated to impose fees to businesses for services that directly affect the operations of the Fire Prevention Bureau.

The significance of this applied research project to the Sandusky Fire Department is to conclude the best, most feasible way to impose fire prevention fees or help to define the specific fee parameters if they are imposed. This research will also determine if imposing fees for prevention activities are supported by the elected officials and business owners. The Executive Fire Officer Program Executive Leadership course content area that describes the development of policy changes directly relates to this problem. It is the intent of this author to complete a draft policy change proposal and justify its results.

The link of this research to the United States Fire Administration strategic plan is to reduce risk at the local level through prevention and mitigation and to improve local planning and preparedness.

#### Literature Review

A literature review was performed to identify the current literature on which fire prevention activities can fees be attached to. The state legislation that allows implementation of fees can be found within The Ohio Revised Code 3737.02 (2003) which reads: The fire marshal may collect fees to cover the costs of performing inspections and other duties the fire marshal is authorized or required. Ruckriegel (2010) states a mid-sized city should potentially generate close to \$1 million dollars in added revenue from; inspection fees, re-inspection fees, plan review fees, permit fees, special event fees, fees for safety education services, and violation fines. The acquired revenue could be used to; add positions, purchase supplies, increase training funds and ultimately win favor from elected officials. Revenue generation would lessen the burden on taxpayers and show a commitment to alternative funding. Ruckriegel (2010) goes on to say that in order to establish self sufficiency within the bureau officials should consider; the time spent tracking fees, invoicing fees, and the pursuit of unpaid fees. The theory is if property owners

choose to place additional demands on the fire service or neglect to comply with the established codes and standards then they should pay for those services.

Norwalk, Connecticut Fire Department Fire Marshal Glenn Ianancone (Turfgrl, 2010) was asked to look into ways to increase revenues by examining fees for fire safety inspections. Fire Marshal Ianancone stated that inspections needed to be conducted at day care centers to inspect the fire alarms and also bars and restaurants for egress issues and kitchen hood suppression systems. During an ordinance committee meeting Fire Marshal Ianancone presented to the members a draft fee structure that included; time spent on an inspection, the total number of inspections completed the year before, and the total cost to the fire department to complete these tasks. The initial plan was to impose a fee on the initial inspection and then provide a license, if a follow-up inspection was necessary due to violations there would be no additional charge. If the inspector had to inspect the property a third time then another fee would be implemented similar to the initial inspection. Common Councilwoman Kelly Straniti (Turfgrl, 2010) had some reservations to the proposal as she was consistent in voting against any fee increases to businesses. The committee then discussed changing the fees from the initial inspections to imposing the fees to the follow-up inspections only; by doing this the fees are only imposed on those that repeat the violations. Discussion then continued to include other inspection occupancies; multi-family dwellings, mobile vending trucks, dry cleaning and laundromat facilities, and even those occupancies that are owned by the city. These facilities were known to have problems in the past.

Hillsboro, Ohio Fire Department implemented annual fire inspections fees to all of their inspectible properties (Gilliland, 2010). The inspectible properties along with their fees include; health care facilities \$250, schools \$250, commercial facilities more than 2,500 square feet \$150

and less than 2,500 square feet \$75, flammable above ground storage tanks \$100, residential, daycare, pre-school and foster care facilities \$35 each and food service inspections to temporary establishments during fairs and festivals \$25 each. Hillsboro Safety and Service Director Ralph Holt stated that the additional fees had “nothing to do with creating additional income for the city” (Gilliland, 2010) the intent was to get the business owners to comply with the fire codes.

Glendale, Arizona imposed mandatory fire inspection fees that began on January 1, 2010 (Chan, 2010). The fees were divided into three categories; 1) High hazard/high business operations including; factories, warehouses, large mercantile, movie theaters, stadiums, shopping malls, large restaurants and schools. 2) Medium hazard businesses including; mercantile, churches, multi-family housing, hotels/motels and car dealerships. 3) Low hazard businesses including; small businesses, offices, small restaurants and convenient stores. The fees were based on the category; \$300 every year for all category one properties, \$75 a year with an inspection schedule of every two years for a total payment of \$150 for category two properties, and \$12.50 a year with an inspection schedule of every four years for a total payment of \$50 for category three properties. Assistant Fire Marshal Larry Randall stated the fees are expected to generate \$290,000 a year to the general fund with an annual cost of \$42,000 to administer the program (Chan, 2010).

Hassan (1999) conducted an Executive Fire Officer Research paper that addressed the increase in false alarm notifications in Prince George’s County, Maryland. The research provided another avenue for generating revenue by imposing a fee for a fire department response to any false alarm notification. 25% of their non-EMS calls were to false alarm notifications from alarm monitoring companies. This proved to have a significant impact on their service delivery.

Another Executive Fire Officer Research Paper discusses implementing impact fees as a means to fund the construction of a new fire station in Frederick County, Maryland (Marsh, 1999). Marsh states that in order to serve a rapidly growing population new fire stations need to be built in strategic locations in order to serve the community with adequate response times. Residential occupancy fees ranging from \$200-\$400 and commercial occupancies based on the total square footage were recommended.

In reference to the question; *What other comparable fire departments imposed fire prevention fees and what are those fees for?*, Kaczmarczyk (2010) writes of a fire department comparable to Sandusky that has imposed fire prevention fees for outdoor artistic venues. The fees in Grand Rapids, Michigan were assessed based on the number of artist at the venue to ensure safety in a public gathering. The difficulties there were not that fees were imposed, but that there were no advanced notices of the imposed fees before the event occurred.

A list of 33 comparable fire departments within Ohio was obtained from the International Association of Firefighters Union local #327 (see Appendix A) of these fire departments four were found to have fire inspection fee programs noted in their most recent annual report. Beachwood Department of Fire and Rescue collected \$2,825.00 in annual and special permit fees in 2010 (Lutz, 2011). These fees were imposed to city businesses for activities in; 1,031 routine inspections, 707 re-inspections, 166 suppression system and alarm tests inspections, 126 new construction inspections, 183 new occupancy inspections, 106 reviews of construction plans and 44 planning and zoning plans reviews. Brookpark Fire Department charges a fee of \$100.00 for all inspections and fees issued by the department involving; automobile tire rebuilding plants, bowling alley-refinishing, nitrate motion picture film storage, cellulose nitrate plastics, combustible fibers, compressed gases, dry cleaning plants, dust

producing materials, blasting; explosives; ammunition, fire protection equipment; sprinkler, standpipe; alarm; yard hydrant, application of flammable finishes, flammable liquid storage tanks 150-10,000 gallons, tank vehicles, flammable liquids, fruit ripening processes, insecticidal fogging, garages, hazardous chemicals, liquified petroleum gases, lumber yards, magnesium storage, oil burning equipment, organic coatings, ovens and furnaces, places of assembly, ceremonial bonfires, match storage, party tents, welding or cutting operations, and any substance, item or material set forth in Rule 1, Appendix A of the Ohio Fire Code (Inspection and fees, 2011). Highland Heights, Ohio Fire Department fire prevention bureau documented 148 inspections of buildings up to 12,000 square feet, 32 inspections of buildings that were in the range of 12,001 to 39,999 square feet, and 27 inspections of buildings greater than 40,000 square feet, of those buildings 13 had to be re-inspected once, three had to be re-inspected a second time, and one had to be re-inspected a third time. Highland Heights also witnessed; 251 fire alarm tests, fire pump tests, hood system tests, sprinkler system tests, yard hydrant, thrust block and underground hydrostatic tests. There were 245 permits given and 22 construction plans reviewed, all activities billed totaled \$35,800 for the fire prevention bureau (Turner, 2011). Lancaster Fire Department (2011) collected and placed \$27,117.22 from January 1, 2010 to December 31, 2010. Annual and temporary permits totaled \$5805.00; photocopies totaled \$18.93; miscellaneous fees totaled \$2,223.29; but most importantly the fees collected from fire inspections alone totaled \$2,400.00.

The question; *what are the negative impacts of implementing fire prevention fees?* would begin by acknowledging that the revenue intended to help the prevention budget could simply go un-paid. In Clark County, Washington the County commissioners needed to close a \$276,000 budget gap in the fire marshal's office so the already imposed fees were tripled. After the

increase the delinquency rate on payment jumped from five percent to 17 percent (Anderson, 2010). County officials had no plan for the increase in the non-payment other than send a notice of delinquency to collection agency. Anderson (2010) goes on to say that the business owners declared their discontent with what the county was charging and that they simply could not pay the fee increase.

The City Council for Stillwater, Minnesota imposed fire inspection fees and after a period of 18 months realized they may not have the authority to collect those fees (Cox, 2009). The state attorney general's opinion was that since there were no request for service (much like an emergency service) the city has no authority to claim reimbursement. Since the ruling the City of Stillwater has collected about \$42,000 with about \$8,000 still uncollected.

Ruckriegel (2010) states if the current fire chief does not know the opinion of their community and its elected officials, the outcome of implementing fire prevention fees may not be successful. The support of those that are affected by the fees would quickly turn away from funding other projects or eliminated if approval for the newly imposed fees were not granted beforehand. Hillsboro City, Ohio Auditor Gary Lewis stated the way fees were implemented need to be proposed in a way that was not threatening to the owner (Gilliland, 2010). Ohio Auditor Lewis stated the new Assistant Chief came across as menacing by announcing outlandish fees with the risk of possible misdemeanor charges if business would not comply. Lewis goes on to say businesses often do not mind donating to the cause if a savvy approach to each situation is utilized instead of threatening (Gilliland, 2010).

Research conducted by Meek (2005) found that there may be legal limitations for what and how much a department can charge. Fees should not be based on cost recovery of every available service provided by the fire department. This can quickly be construed as a tax increase

which would immediately raise opposition since it was not voted on. If fire prevention fees are implemented, any incoming revenue can be severely impacted when budget reductions result in staff reductions (The impact of budget reductions on fire inspection fee revenue, 2011).

Projected revenues cannot be met, fines may be difficult to document and collect, budget deficits would compound and deepen the debt thereby causing a negative impact.

To address the question *Would the current Sandusky City Commissioners support a fire prevention fee program?* An E-mail with a link to an online questionnaire (see Appendix B) was provided for the current City of Sandusky Commissioners to determine the extent of support for a fire prevention fee program. City Commissioner Cole (personal communication, April 25, 2011) supports user fees for inspections especially those businesses involving child care. Cole also stated “ I do not think of the fees so much as income generators but simply a method to offset expenses occurred due to small businesses not germane to the general public”. City Commissioner Kaman (personal communication, April 25, 2011) stated that as a small business owner he resented the thought of an inspection fee. Kaman states; “Already, as a City business, I have more regulations and fees on my business than my competition less than a mile away does not. This would be yet another fee/tax that the townships would not have.” Kaman also states that as a City Commissioner and as a business owner he would not support a fire prevention fee program. In fact, he would prefer to lower taxes on businesses to attract not attack current businesses.

Finally, *to what extent would the business community support a fire prevention fee?* A questionnaire was given to the current members of the Sandusky Area Chamber of Commerce to be returned via fax (see Appendix C), and the members of the Sandusky Area Safety Council

was notified via E-mail to provide their responses via an internet questionnaire website (see Appendix B).

In summary, the literature review findings influenced this research project by reinforcing the importance of asking for, and considering the opinions of, all the stakeholders involved in the outcome of any fee increases. If increases are made without providing details as to why or how these fees are to be implemented and used then the stakeholders will consider it an added tax and ultimately defeat the project.

### Procedures

The Sandusky Fire Department Fire Prevention Bureau was assigned to look into the ICMA recommendations that directly affected prevention bureau activities. This author decided to combine the assignments of the bureau and the EFOP by conducting an applied research project on the recommendation of implementing fees on fire prevention activities. Action research was selected in order to result with a draft fee structure if the research supports one. This applied research project began with information provided by the ICMA study. The matter of conducting an analysis with ICMA was initially controversial among the City Commissioners because some felt a more effective analysis would be accomplished through a strategic self assessment accreditation process with the Commission of Fire Accreditation International (CFAI). The ICMA study had a price tag of \$62,000 however when grant funding was available the price became a non-issue and the study was approved. While the Sandusky Fire Department was analyzing the recommendations of the ICMA study, this author attended the National Fire Academy Executive Fire Officer's *Executive Leadership* course. This is the fourth and final course of the Executive Fire Officer Program. The course emphasized that executive fire officers have a direct responsibility with policy development. The executive fire officer should regard the

wishes of the community, the needs of the elected officials, as well as the members of the department when considering changes in policy or procedures.

Resources used to respond to the question; which fire prevention activities can fees be attached to? include; the 2007 Ohio Fire Code, periodicals and refereed journals obtained from the National Fire Academy's Learning Resource Center, and internet search engines using the keywords; *fire inspection fees*. The limitations found were that some departments included fees that were implemented from the building division as well as the fire department prevention bureau. Those departments were eliminated to provide a more accurate account. To determine information on what other comparable fire departments have imposed fire prevention fees and what are those fees for, was derived from periodicals, refereed journals obtained from the National Fire Academy's Learning Resource Center and internet search engines using the keywords; *Ohio fire departments with fire inspection fees, administrative and legislative processes of implementing fire inspection fees in Ohio*. The Sandusky Fire Department union local 327 recently re-negotiated their collective bargaining agreement. As part of their wages and benefits research, they established a list of comparable fire departments to that of Sandusky. That list was also used in this research as a sample group to determine if those departments impose fire prevention fees. Limitations to this process were; only those departments that provided the results of their fee structure in their annual report were included in this research, and economics of business and social structures may dictate the ability to implement and/or pay fees. For the question; what are the negative impacts of implementing fire prevention fees, resources used were; student manuals from the authors' personal library, periodicals and refereed journals obtained from the National Fire Academy's Learning Resource Center, and internet search engines using the keywords; *negative impacts of implementing fire inspection fees and the*

*financial impact of fire prevention fees.* The limitation here is that not all negative impacts may be documented. For the question; would the current Sandusky city commission support a fire prevention fee program? An introductory e-mail on this research was created and distributed to the current city commissioners (see Appendix B) to determine if they would support a fee structure for fire prevention activities. The e-mail had a survey monkey link attached so that the commissioners could access the questionnaire created. The current city commissioners were the only group that had validity to address this particular question. The limitation in this research was that not all commissioners participated.

Lastly, to respond to the question; what extent would the business community support a fire prevention fee? This author visited the Sandusky Area Chamber of Commerce to determine the best way to address its' members. The President of the Chamber of Commerce provided a contact list of all of the members that included; names, phone and fax numbers and website addresses of all of the members of the Sandusky Area Chamber of Commerce. The instrument selected to reach the members with the questionnaire was via fax (see Appendix C). In order for the recipients to return their completed questionnaire, a return fax number was provided to them. The President of the Sandusky Area Safety Council was also contacted to see if they had the ability to provide a contact list of their members. The President forwarded an E-mail with the questionnaire link similar to the one given to the Sandusky City Commissioners so that their members could respond via the internet. These two organizations were chosen as the sample selections to represent all of the businesses within the City of Sandusky. The limitations of the sampling include; not all businesses in the City of Sandusky were members of these organizations and therefore not represented; only those Chamber of Commerce members that

provided fax numbers were contacted; and only the members of the Sandusky Area Safety Council who responded to the questionnaire were included in the results of this research.

### Results

The results of this applied research paper determined specifics to the first question; which fire prevention activities can fees be attached to? Based on the literature review just about any inspection activity attached to the prevention bureau can have a fee attached to it, however it should be noted that some fees may already be in place with an active building division. Anytime resources are used for tracking, invoicing, or collecting charges should also be considered within the fee structure. The unexpected findings are that fees are usually avoided for all educational activities such as extinguisher training for businesses and risk reduction for children and the elderly. The results to the question; what other comparable fire departments have imposed fire prevention fees and what are those fees for? found that other comparable fire departments have imposed fire prevention fees but only specifically for inspections and permits. Most have broken down their fee structure to the types of occupancies and use groups so that those that impose more of a life safety risk are more costly. The unexpected finding was that there are not many departments that utilize the inspection fee option as a revenue generator for their bureaus. The question; what are the negative impacts of implementing fire prevention fees? addressed some very important steps that should be considered before proposing any kind of inspection fee program to the community. The opinions of the elected officials, the business owners and managers, and the citizens of the community should be sought out and considered before any kind of fee structure is implemented. Inspection fees should not be considered to close a budget gap because payments may not be collected in a timely manner and can also be thought of as an additional “tax”. The support of the community is a vital part of the process. A non-threatening

approach and a thorough education process on how the program works is highly recommended to ensure a successful outcome of the policy change.

Would the current Sandusky City Commission support a fire prevention fee program? Of the seven City Commissioners only three responded to the questionnaire, all three stated that it is time to implement a fee for these inspections and that it would be a great revenue generator for the department (see Appendix B). The responders also stated that the fees should be based upon the level of risk (barber shop vs. chemical plant), average of other comparable cities who impose a fee or a combination of both. When asked; would a fee on “re-inspections only” be acceptable? All three responders stated YES, the first inspection is provided at no charge, while all additional inspections are charged a fee. The fourth question asked; If the local businesses are provided with a reminder of their fire safety requirements before the initial inspection would you be OPPOSED to a re-inspection fee if there are still violations found? All three responders stated NO, they were given a chance to avoid the fee. The questionnaire specifically referenced initial fire inspections and re-inspections of local businesses. They were asked; should this study look into implementing fees in other areas of prevention activities? two recommended; multi-family residential properties (3 units or more), child care facilities and one stated no fees should be imposed to other areas due to the financial impact to these other properties (see Appendix A).

To what extent would the business community support a fire prevention fee? A questionnaire was given to the current members of the Sandusky Area Chamber of Commerce and the Sandusky Area Safety Council. The results of those who responded are as follows: According to the annual report of 2010 the fire prevention bureau spent 31% of their time conducting fire inspections and re-inspections of local businesses, schools, and health care facilities. Is it time to implement a fee for these inspections? 22% stated; YES, it would be a

great revenue generator for the department while 78% said NO, the city is responsible for conducting the inspections (Figure 1).

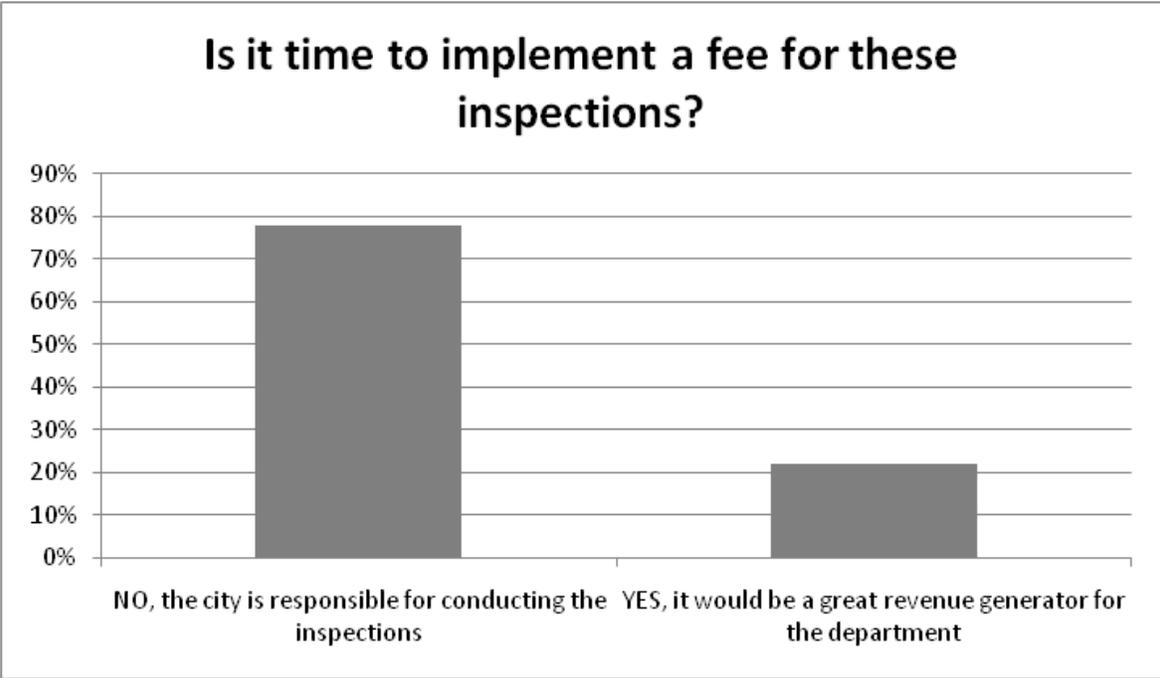


Figure 1

Those who stated YES went on to say that those fees should be based on; average hours spent on inspecting the property 9%, Type of use group (business, school, health care, etc.) 18%, level of risk (barber shop vs. chemical plant) 13.5%, based on the average of other comparable cities who impose a fee 4.5%. When asked; would a fee on “re-inspections only” be acceptable? (re-inspections are conducted when violations are found) 73% responded YES, the first inspection is provided at no charge, all others are charged a fee while 27% stated NO, the city is responsible for all inspections regardless of the number of times the inspectors go there (Figure 2).

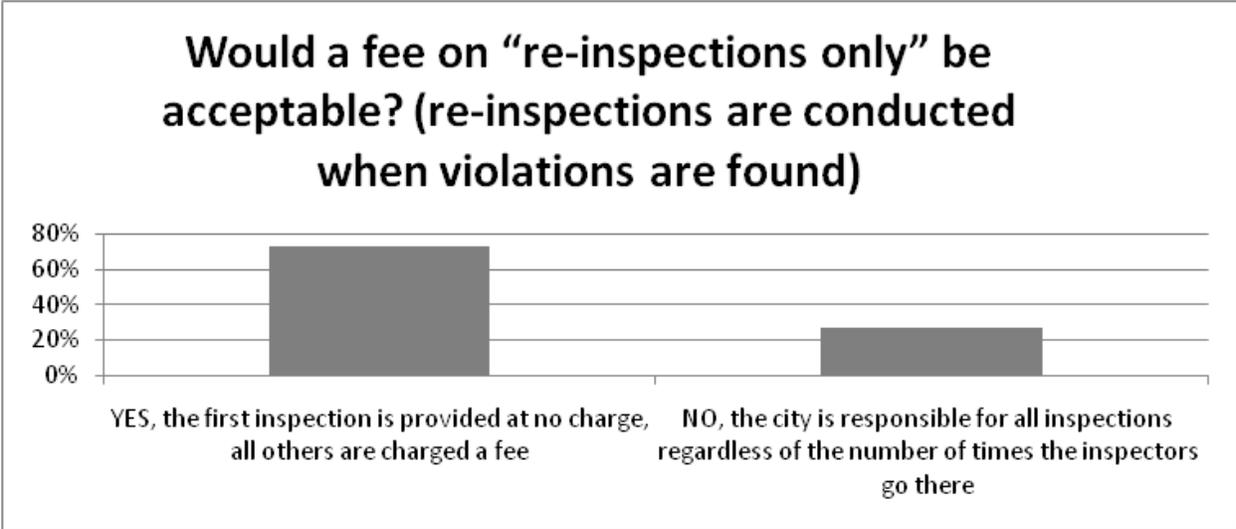


Figure 2

The next question asked; if the local businesses are provided with a reminder of their fire safety requirements before the initial inspection would you be OPPOSED to a re-inspection fee if there are still violations found? 23% stated YES, the city is responsible for conducting all inspections while 77% declared NO; they were given a chance to avoid the fee (Figure 3).

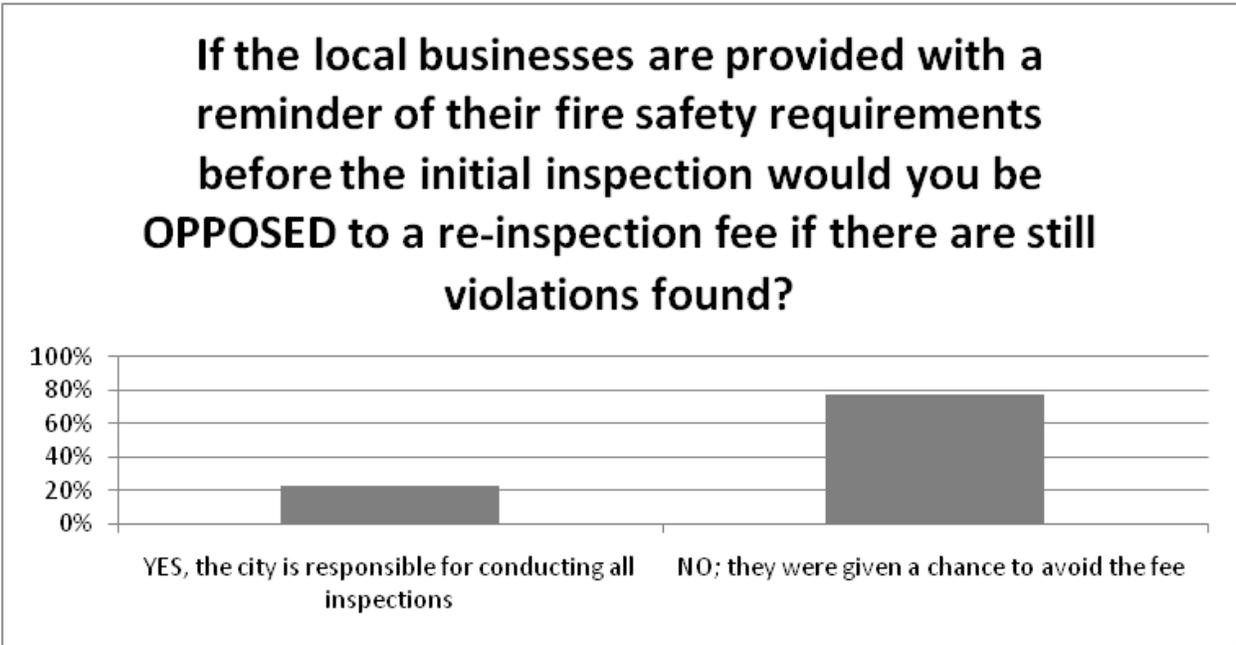


Figure 3

The final question provided multiple choices for the recipient. The final question and their results are as follows; this questionnaire is specifically referencing initial fire inspections and re-inspections of local businesses. Should this study look into implementing fees in other areas of prevention activities? These areas and the responses are demonstrated in figure 4.

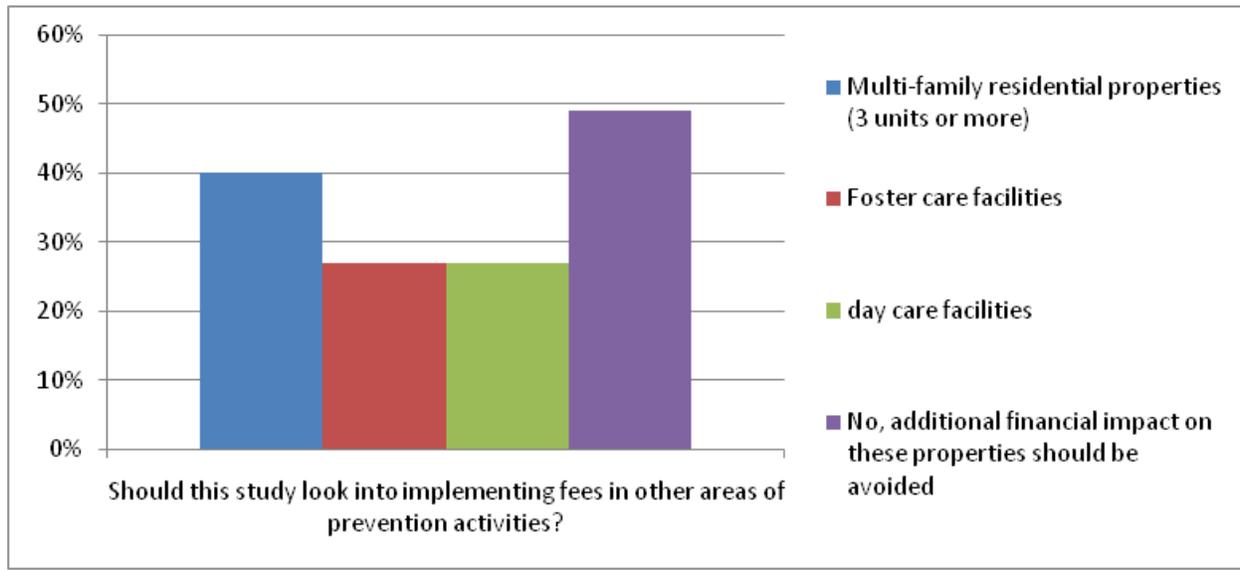


Figure 4

Based on the results of this research, it is the intention of the author to develop a draft strategic plan to the Sandusky City Commissioners that outlines a fee program for re-inspections only (see Appendix D). The feedback received from the business community confirms acceptance to a re-inspection fee only. To maintain equality the fees will be based on the amount of time usually spent on the re-inspection and not on the type of occupancy or use group.

#### Discussion

The state legislation allows implementation of fees within The Ohio Revised Code 3737.02 (2003) which reads: The fire marshal may collect fees to cover the costs of performing inspections and other duties the fire marshal is authorized or required. This code eliminates any argument an opponent may have when discussing a right to propose a fee. Ruckriegel (2010)

states a mid-sized city has the potential to generate close to \$1 million dollars from; inspection fees, re-inspection fees, plan review fees, permit fees, special event fees, fees for safety education services, and violation fines. The implication here is that with well structured fee programs revenue that includes; tracking fees, invoicing fee, and the pursuit of unpaid fees can be generated for many years.

Owners, business managers, and the elected officials can agree that if property owners choose to place additional demands on the fire service or neglect to comply with the established codes and standards then they should pay for those services.

Norwalk, Connecticut Fire Department Fire Marshal Glenn Ianancone (Turfgrrl, 2010) stated that inspections can be conducted at day care centers to inspect the fire alarms and also bars and restaurants for egress issues and kitchen hood suppression systems. Draft fee structure that includes; time spent on an inspection, the total number of inspections completed the year before, and the total cost to the fire department to complete these tasks were considered. This author believes that these tasks should be well developed and that fees on initial inspections should be avoided. Follow-up inspections however should be charged a fee. If the inspector had to return to the property a third time for continued violations then another fee should be implemented. The committee ultimately agreed upon voting against any fee increases for multi-family dwellings, mobile vending trucks, dry cleaning and laundromat facilities, and even those occupancies that are owned by the city. If these facilities require an inspection and violations are noted, the inspector would still have to take the time to return for another inspection. Singling out certain facilities because of what they do does not eliminate the time spent by the inspector to return to the facility for code compliance.

Hillsboro, Ohio Fire Department implemented annual fire inspections fees to all of their inspectible properties (Gilliland, 2010). The inspectible properties along with their fees varied based on the occupancy or use group. This author believes this can become confusing and selective to the business owners. In this case, in order to maintain consistency throughout all businesses all re-inspection fees should be based on time spent at that facility.

Glendale, Arizona imposed mandatory fire inspection fees that were divided into three categories; 1) High hazard/high business operations including; factories, warehouses, large mercantile, movie theaters, stadiums, shopping malls, large restaurants and schools. 2) Medium hazard businesses including; mercantile, churches, multi-family housing, hotels/motels and car dealerships. 3) Low hazard businesses including; small businesses, offices, small restaurants and convenient stores. These fees were also based on the occupancy and the level of risk. This type of fee structure can also become confusing because of occupancy changes that often within the building. In this example as well, one fee based on the amount of time conducted to complete the inspection would be more efficient.

Hassan (1999) conducted an Executive Fire Officer Research Paper that addressed the increase in false alarm notifications in Prince George's County, Maryland. The research provided another avenue for generating revenue by imposing a fee for a fire department response to any false alarm notification. These types of calls do have a significant impact on service delivery however with these fees in place comes the possibility of staff workers disconnecting the alarm notification devices to avoid the false alarms.

Another Executive Fire Officer Research Paper discusses implementing impact fees as a means to fund the construction of a new fire station in Frederick County, Maryland (Marsh, 1999). Impact fees are not addressed in the Ohio Revised Code. This type of code development

could take years to develop through the legal process and reduce business development within the community and therefore not recommended.

In reference to the question; *What other comparable fire departments imposed fire prevention fees and what are those fees for?*, Kaczmarczyk (2010) writes of a fire department comparable to Sandusky that has imposed fire prevention fees for outdoor artistic venues. Sandusky does have similar social events with inspection fees already established for food vendors and tent inspections. All participants are well aware of the inspection since it is a part of the permit fee.

Beachwood Department of Fire and Rescue collected \$2,825.00 in annual and special permit fees in 2010 (Lutz, 2011). These fees were imposed to city businesses for activities in; routine inspections, re-inspections, suppression system and alarm tests inspections, new construction inspections, new occupancy inspections, reviews of construction plans review, planning review, and zoning plans review. Sandusky currently has fees attached to construction plans review and zoning review through the building division. Brookpark Fire Department charges a fee of \$100.00 for all inspections and fees issued by the department involving various hazards, again, initial inspection fees may be difficult to implement due to lack of support from elected officials and the business community. Highland Heights, Ohio Fire Department fire prevention bureau documented inspections fees totaling \$35,800 for the fire prevention bureau (Turner, 2011). Most of these fees are from permit fees for plan reviews and acceptance tests. Sandusky already has those fees in place through the building division. Lancaster Fire Department collected and placed \$27,117.22 from January 1, 2010 to December 31, 2010 (Annual report fire department, 2011). The fees collected from fire inspections alone totaled \$2,400.00. This revenue can be achieved in Sandusky if an inspection fee structure were in place.

The question; *what are the negative impacts of implementing fire prevention fees?* M. Anderson (2010) states the business owners declared their discontent with what the county is charging and that they simply cannot pay the fee increase. The officials in Sandusky should disclose the fees for non-compliance of the code before the program is completed and reinforce that fees are only implemented if a re-inspection is required along with an appeals process.

The city council for Stillwater, Minnesota imposed fire inspection fees and after a period of 18 months realized they may not have the authority to collect those fees (Cox, 2009). This problem should not be the case in Sandusky, Ohio, because the Ohio Fire Code allows the authority having jurisdiction to have a permit process with fees attached.

Ruckriegel (2010) states the fire chief should know the opinion of the community and its elected officials on the subject of implementing fire prevention fees, this step in the process is extremely vital to obtain support of those that are affected by the fees. Hillsboro City, Ohio Auditor Gary Lewis stated the way fees were implemented need to be proposed in a way that was not threatening to the owner (Gilliland, 2010). The initial questionnaire from this research provides a sense of acceptance from the business owners already. Research conducted by Meek (2005) found that there may be legal limitations for what and how much a department can charge. This can quickly be construed as a tax increase which would immediately raise opposition. If the fees are based on re-inspections that could or should have been avoided then the penalties are much more tolerable. If fire prevention fees are implemented, any incoming revenue can be severely impacted when budget reductions result in staff reductions (The impact of budget reductions on fire inspection fee revenue, 2011). This issue should be addressed in the cost/benefit analysis when considering staff reductions which may have an impact on which department area to reduce.

To address the question *Would the current Sandusky City Commissioners support a fire prevention fee program?* Although the opinions were not provided from all of the city commissioners it does appear the Commissioners would prefer to see all of the data in order to make an well-informed decision to support or prevent a fire prevention fee program.

Finally, to what extent would the business community support a fire prevention fee? It appears the majority of the business community who responded does not support a fire prevention fee program for initial annual inspections they do however support a fee structure based on re-inspections. This support only comes with the fact that advanced notice of the inspection is provided and owners are aware of the violations that will be cited.

#### Recommendations

Based on the study of this applied research project, it is recommended that there should be no fees attached to any initial inspections or educational components of the prevention bureau. The results of this research indicate that this form of fee implementation can be misinterpreted as an additional tax and therefore have negative implications. Fees for day care, foster care, and multi-family residential facilities should also be avoided due to the financial impact of those being billed. The thought of simply moving out of the city and into a surrounding township can have a lasting negative effect to the economic base of Sandusky, Ohio. It is however recommended to implement a fee for all re-inspections that are conducted. Businesses being inspected should be notified ahead of time before the initial inspection, this is so that the owner of the property has sufficient time to prepare for the inspection. Any violations found during the inspection subject the occupancy to a re-inspection. Allowing sufficient time to comply with the current code, the re-inspection shall be accompanied with a fee which is based on the current Certified Fire Inspector salary, and average time spent to conduct the re-inspection

regardless of the occupancy or use group. A draft re-inspection fee standard operating guideline is included in this applied research project (see Appendix D). The owner of the building would be billed accordingly, if a second re-inspection is necessary then a second fee will be imposed along with any fines allowed by the city ordinances currently in place. The occupant does have the option to appeal the fines imposed, this can be done by following the procedures provided within the current ordinances of the City of Sandusky, Ohio.

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## Appendix A

*List of comparable fire departments in Ohio*

<u>Department</u>	<u>Staffing</u>	<u>Population</u>	<u>Fees</u>
Delphos	9	8000	no
Ashland	37	26000	no
Middletown	90	58000	no
Urbana	23	12000	no
Springfield	136	65000	no
East Liverpool	27	12000	yes
Salem	16	13000	no
Coshocton	18	15000	no
Galion	23	12000	yes
Pepper Pike	12	6300	no
Shaker Heights	68	29000	yes
South Euclid	32	25000	yes
Solon	61	25000	no
Lima	69	40000	no
Highland Heights	18	8500	yes
Strongsville	58	50000	yes
Valley View	12	2500	no
Deleware City	38	25600	no
Lancaster	81	37000	yes
Franklin Twp.	35	16000	no
Grandview Heights	18	7000	yes
Upper Arlington	65	35000	yes
Fairborn	52	31000	yes
Xenia	44	24000	yes
Cambridge	20	13000	no
Bay Village	26	16000	no
Bedford	29	15000	yes
Brookpar	47	22000	yes
Cleveland Heights	80	51000	no
Cuyahoga Heights	60	30000	no
East Cleveland	53	27000	yes
Euclid	86	55000	no
Garfield Heights	47	31000	no

*Appendix B*

Fire inspection fee questionnaire

1. According to the annual report of 2010 the fire prevention bureau spent 31% of their time conducting fire inspections and re-inspections of local businesses, schools, and health care facilities. Is it time to implement a fee for these inspections?

YES it would be a great revenue generator for the department 100.0% 3

NO, the city is responsible for conducting the inspections 0.0% 0

Other (please specify) 0.0% 0

2. If YES, what should those fees be based upon?

Average hours spent on inspecting the property 0.0% 0

Type of use group (business, school, health care, etc.) 0.0% 0

Level of risk (barber shop vs. chemical plant) 33.3% 1

Based on the average of other comparable cities who impose a fee 33.3% 1

Other (please specify) A combination of the above 33.3% 1

3. Would a fee on “re-inspections only” be acceptable? (re-inspections are conducted when violations are found).

YES, the first inspection is provided at no charge, all others are charged a fee. 100.0% 3

NO, the city is responsible for all inspections regardless of the number of times the inspectors go there. 0.0% 0

Other (please specify) 0.0% 0

4. If the local businesses are provided with a reminder of their fire safety requirements before the initial inspection would you be OPPOSED to a re-inspection fee if there are still violations found?

YES, the city is responsible for conducting all inspections 0.0% 0

NO, they were given a chance to avoid the fee 100.0% 3

Other (please specify) 0.0% 0

5. This questionnaire is specifically referencing initial fire inspections and re-inspections of local businesses. Should this study look into implementing fees in other areas of prevention activities such as?

Multi-family residential properties (3 units or more) 33.3% 1

Foster care facilities 0.0% 0

Day care facilities 0.0% 0

No, additional financial impact on these properties should be avoided 33.3% 1

Other (please specify) All businesses especially those involving child care! 33% 1

Appendix C

Sandusky area businesses questionnaire



Sandusky  
Fire Department

Rudy Ruiz,  
Fire Marshal

Fire Prevention Bureau

600 W. Market Street

419-627-5823 Fax: 419-627-5820

Sandusky, Ohio 44870

Greetings Sandusky Business Owners and Managers:

Recently, I completed the fourth and final Executive Leadership course of the Executive Fire Officer Program from the National Fire Academy. Part of the requirements of the program is to complete an applied research project after each course. At the same time, the ICMA study conducted for the Sandusky recommended the Fire Department impose impact fees for fire related capital expenditures.

In order to address the ICMA recommendation and complete my required assignment I thought conducting research on this issue would be appropriate. I have developed a brief questionnaire on some specifics that would help with this research. This questionnaire should not take longer than 10 minutes and will give you an opportunity to write in your opinion. If you received this questionnaire via fax you may fax the completed copy to: 419-627-5820. I thank you all for your precious time.

According to the Sandusky Fire Department annual report of 2010 the fire prevention bureau spent 31% of their time conducting fire inspections and re-inspections of local businesses, schools, and health care facilities. Is it time to implement a fee for these inspections?

- YES it would be a great revenue generator for the department
- NO, the city is responsible for conducting the inspections

If YES, what should those fees be based upon?

- Average hours spent on inspecting the property
- Type of use group (business, school, health care, etc.)
- Level of risk (barber shop vs. chemical plant)
- Based on the average of other comparable cities who impose a fee

Would a fee on “re-inspections only” be acceptable? (re-inspections are conducted when violations are found).

- YES, the first inspection is provided at no charge, all others are charged a fee
- NO, the city is responsible for all inspections regardless of the number of times the inspectors go there.

If the local businesses are provided with a reminder of their fire safety requirements before the initial inspection would you be **OPPOSED** to a re-inspection fee if there are still violations found?

- YES, the city is responsible for conducting all inspections
- NO, they were given a fair chance to avoid the fee

This questionnaire is specifically referencing initial fire inspections and re-inspections of local businesses. Should this study look into implementing fees in other areas of prevention activities such as?

- Multi-family residential properties (3 units or more)
- Foster care facilities
- Day care facilities
- No, additional financial impact on these properties should be avoided

Please provide any additional comments

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time spent on an inspection, the total number of inspections completed the year before, and the total cost to the fire department to complete these tasks.

*Appendix D*  
*Draft operational guideline*

**Sandusky Fire  
Department**

**Operational  
Guidelines**

**To: Paul Ricci, Fire Chief**

**From: Rudy Ruiz, CFI**

**Date: June 23, 2011**

**Re: Fire Safety Inspections**

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*Purpose*

The purpose of this operating guideline is to establish a procedure for fire inspectors assigned to conduct fire prevention inspections.

*Scope*

It is the goal of the department to prevent fires and to save lives and property. In pursuit of this goal, it shall be department policy to inspect all commercial and multi-residential (more than 3 unit) properties on an annual basis. A secondary goal of the inspection process is to allow all suppression members to become familiar with the buildings within their first-due response areas.

*Definition*

BFPRR – Bureau of Fire Prevention and Risk Reduction

### *General*

The BFPRR shall manage the company inspection program. A permanent inspection file will be maintained for each building, occupancy, and/or business. A copy of each inspection report will be placed in the file each time the occupancy is inspected. A monthly report that lists the number of inspections conducted during the prior month by each shift will be prepared by the BFPRR and provided to the Fire Chief at each monthly staff meeting. Instruction in the proper techniques for conducting fire inspections shall be provided to each inspector by the BFPRR office. The Fire Marshal shall meet with members periodically to review problems and to answer questions that may arise.

### **Initial inspections**

- Fire Inspectors shall be responsible for inspecting all of the buildings and occupancies assigned to their company by the BFPRR.
- A total of three re-inspections will be conducted before a citation is issued. Citations may only be issued by the BFPRR office and must be acknowledged by the Fire Chief.
- The success of the company inspection program depends on the goodwill and voluntary compliance of the owner or manager of each business. A member's politeness and professionalism will go a long way toward making the inspection program a success.
- On entering the occupancy, the company Fire Inspector shall ask to speak to the manager or owner. The Fire Inspector shall introduce and identify them self to the responsible party and explain the purpose of the visit. The Inspector should ask the responsible party to accompany the inspection team. This will allow the team to explain the principles of fire prevention as well as point out and correct hazards.

- The exterior of the building or occupancy should also be surveyed to determine the location of doors, windows, utility meters and shutoffs, construction features, etc. Note also the two closest fire hydrants or water sources.
- Many hazards can be corrected immediately on discovery. Note minor violations on the Inspection Report Form. No re-inspection will be required if all of the violations can be corrected during the inspection.
- All areas of the building or occupancy shall be inspected in an orderly and systematic manner.
- The results of each inspection or re-inspection shall be accurately recorded on the Inspection Report Form.
- Some violations are serious enough to require that a citation be issued immediately. Such violations includes any violation that constitutes an immediate threat to health or safety.
- After completion of the inspection, the Inspection Report Form should be signed by the owner or other responsible party. If a reinspection is required it shall be scheduled when the Inspection Report is filed.
- If no hazards are found, the Inspection Report Form should indicate cleared for file, this states that the premises were found to be reasonably fire safe at the time of the inspection.
- Thank the responsible party for his assistance prior to leaving.

### **Re-inspections**

- When violations are found during a routine inspection, it will be necessary to conduct a re-inspection after the owner or manager has had a reasonable period of time to correct the violations.

- The first re-inspection will normally be scheduled 30 days after the original inspection. The owner of the building will be billed for the re-inspection based on the following fee structure:

<u>TIME SPENT ON RE-INSPECTION</u>	<u>FEE</u>
0-60 minutes	\$25.00
60-120 minutes	\$50.00
120-180 minutes	\$75.00
Over 180 minutes	\$100.00

- Serious violations discovered during a re-inspection that were not discovered or that did not exist at the time of the routine inspection should be recorded, and the occupant shall be asked to correct those deficiencies as well.
- Deficiencies that remain uncorrected from the initial re-inspection may be cited under section **1501.99 Penalty** of the Codified Ordinances of Sandusky, Ohio.