

Environmental Health Fee Discussion

January 28, 2020

The logo for Addison, featuring the word "ADDISON" in a bold, blue, sans-serif font. The text is centered within a white circle, which is set against a blue background. The blue background is part of a larger graphic element on the right side of the slide, consisting of a blue triangle pointing downwards, with a white circle in the center. The top and bottom corners of the blue triangle are cut off by a diagonal line, revealing a dark grey background.

Background

- Environmental Health Division charges fees related to:
 - Food Service Licensing and Inspections
 - Mobile Food Units Licensing and Inspections (Food Trucks)
 - Temporary/Special Event Permitting and Inspections
 - Food Manager Registration
 - Public and Semi-Public Pool Inspections
 - Liquid Waste Hauler Inspections
- Fees last reviewed and increased in 2010
- Prior to the Senior Environmental Health Inspector approved in FY2020 budget, Environmental Health Division included the same number of employees for 35 years despite the Town's growth during that time

Program Cost Recovery

- Environmental Health functions cost:
 - \$357,369 (FY2020)
- Environmental Health related revenue:
 - \$74,275 (current)
 - \$136,000 (proposed)
- Cost recovery percentage:
 - 20.78% (current)
 - 38.06% (proposed)

Food Service Licenses and Inspection Fees

Square Footage

Pro: Scalable fee that accounts for the size of the facility.

Con: Physical size does not determine the complexity of the food preparation process and can be inversely related.

Number of Employees

Pro: Scalable fee based on number of employees, which may be reflective of the size of the business.

Con: Requires accurate reporting by business. Does not account for a business' staffing model. Number of employees does not determine complexity of the food preparation processes.

Restaurant Type/Processes

Pro: Scalable fee based on the likely food preparation processes, with the more complex businesses charged more. Likely to be most reflective of the time and effort spent in each establishment.

Con: May result in higher fees for some smaller establishments with complex processes.

Fiscal Year 2020 Proposed Fees

- Food Service Licenses and Inspection Fees
 - Currently, Addison assesses fees based on the number of employees
 - Staff is proposing to charge fees based on restaurant type/processes present in the restaurant
- Staff is proposing to increase all Environmental Health fees to roughly 90% of the average of the Town's comparator cities.

Proposed Fees – Food Service

Category	Current Fee	Average Fee	Proposed Fee
Grocery Store	\$90 - Prepackaged only \$115 - 1-10 employees \$190 - 11-30 employees \$450 - 31+ employees	\$528	\$475
Full Service (Restaurant, Hotel, Schools, Hospitals)		\$417	\$375
Limited Service (Fast Food, Deli, Day Care)		\$341	\$300
Convenience and Retail		\$236	\$200
Mobile Food Unit (Full)	\$75	\$306	\$275
Mobile Food Unit (Pre-packaged)	\$75	\$247	\$175
Temporary Food Events	\$75	\$64.38	\$100
Special Temporary Events	\$75	N/A	\$100
Food Manager Registration	\$10	N/A	\$25

Proposed Fees – Other

Category	Current Fee	Average Fee	Proposed Fee
Pool Permit - First	\$120	\$192	\$175
Fee Per Additional Pool	\$60	\$175	\$150
Liquid Waste Hauler - First	\$80	\$150	\$135
Fee Per Additional Truck	\$40	\$100	\$90

Proposed Fee Totals

Program Totals	Current	Proposed
Food Service	\$56,100	\$96,225
Mobiles	\$2,625	\$11,700
CFM Registration	\$2,670	\$6,675
Pool Permit – First	\$8,400	\$12,250
Additional Pool/Spa	\$960	\$2,400
Liquid Waste Hauler – First	\$1,840	\$2,970
Additional Truck	\$1,680	\$3,780
GRAND TOTAL	\$74,275	\$136,000

- Proposed Fees increase revenue by \$61,725
- Note: Does not include Temporary and Special Event Fees

Next Steps

- Address any Council comments
- Bring fees for adoption at February 13, 2020 Council Meeting
- Communicate with current license/permit holders
- Effective Date of May 1, 2020

Questions?

A blue circular logo with the word "ADDISON" in white, uppercase letters.