



Central York Fire Services

Cost Recovery Program (Expansion) Fire Services Report

Report Number: JCC-2020-03
To: Joint Council Committee
Origin: Central York Fire Services - Deputy Chief Rocco Volpe
Meeting Date: September 1, 2020

Recommendations

1. That Fire Services Report JCC-2020-03 Cost Recovery Program (Expansion) dated 2020-09-01 be received; and,
2. That the Joint Council Committee (JCC) approve this report and authorize staff to implement the updated Town of Newmarket User Fees – Schedule G (see attachment); and,
3. That JCC authorize a 12-month pilot of the expanded services within the cost recovery program; and,
4. That JCC approve an additional 7 hours for the Accounts Administrator permanent part time position which is an increase from 21 hours (FTE 0.6) to 28 hours (FTE 0.8) per week.

Comments

The purpose of this report is to provide JCC with additional information on expanding the cost recovery program which charges for services rendered by Central York Fire Services (CYFS) for the following:

- Natural Gas Leaks
- Hydro Incidents (down wires)
- Drug Labs / Grow Ops & Clandestine Labs
- Elevator Rescues (non-emergency)
- Post Fire Investigations
- Extraordinary Expenses
- Multi-purpose Smoke Alarm and Carbon Monoxide Alarms

Background

The Municipal Act (S391 (1) a) provides that a municipality may impose fees or charges “for services or activities provided or done by or on behalf of it”. The Municipal Act also provides that the “costs included in a fee or charge may include costs incurred by the municipality related to administration, enforcement, and the establishment, acquisition and replacement of capital assets”.

CYFS provides a variety of services to the residents of Aurora and Newmarket. The costs to provide these fire services are funded from municipal taxes.

Currently CYFS recovers cost for attending the following incidents/inspections:

- Motor Vehicle Collision (24-month pilot project)
- Outdoor Burns (not following outdoor guidelines)
- False Alarms (preventable cause)
- Hazardous Materials Response
- Industrial and Commercial Inspections
- Apartment / Office Inspections
- Property File / Fire Reports
- Fire Extinguisher Training
- Fire Works Permit (large displays)

CYFS completed an analysis of various fire departments located throughout York Region, Peel Region, Durham Region and Simcoe County. Within the analysis, CYFS collected information on what fire departments are cost recovering for their services. See tables below for the following data.

York Region Fire Service	Gas Leaks	Elevator	Drug Labs	Hydro Lines	Post Fire
Georgina	No	No	Yes	No	No
East Gwillimbury	No	No	No	No	No
Whitchurch/Stouffville	Yes	No	No	No	No
King	No	No	No	Yes	No
Vaughan	No	No	Yes	No	Yes
Markham	Yes	No	Yes	No	No
Richmond Hill	No	No	Yes	No	No
Central York Fire Services	No	No	No	No	No

Peel Region Fire Service	Gas Leaks	Elevator	Drug Labs	Hydro Lines	Post Fire
Brampton	Yes	Yes	Yes	No	No
Mississauga	Yes	Yes	Yes	No	No
Town of Caledon	Yes	No	Yes	Yes	No

Durham Region Fire Service	Gas Leaks	Elevator	Drug Labs	Hydro Lines	Post Fire
Uxbridge	Yes	No	Yes	Yes	Yes
Brock	No	No	Yes	Yes	No
Scugog	Yes	No	Yes	Yes	No
Whitby	Yes	No	Yes	No	No
Clarington	No	No	No	No	No
Ajax	Yes	Yes	No	No	No
Pickering	No	No	No	No	No
Oshawa	Yes	No	No	No	No

Simcoe County Fire Service	Gas Leaks	Elevator	Drug Labs	Hydro Lines	Post Fire
Springwater	n/r	n/r	n/r	n/r	n/r
Essa	No	No	Yes	No	No
Barrie	Yes	Yes	Yes	No	No
New Tecumseth	Yes	No	Yes	No	Yes
Bradford	Yes	Yes	Yes	No	No
Orillia	No	No	No	No	No
Innisfil	Yes	No	Yes	Yes	Yes

Throughout 2019, CYFS collected data on the following incidents. The analysis was undertaken in order to evaluate the number of incidents that could be cost recovered.

Central York Fire Services	2019 Incident Numbers	Cost per Fire Truck	Admin Fee	Total Estimated Revenue
Natural Gas Leaks	67	\$485.00	\$25.00	\$34,000
Hydro Incidents	13	\$485.00	\$25.00	\$6,500
Drug Labs / Grow Ops & Clandestine Labs	0	\$485.00	\$25.00	\$0
Elevator Rescues	15	\$485.00	\$25.00	\$7,500
Post Fire Investigations	9 104 hours	\$485.00	\$25.00	\$50,000
Total Estimated Revenue				\$98,000

Example of a Cost Recovery Incident

At a recent structure fire in spring 2020, CYFS required heavy equipment and consumables (foam) to be brought to the scene to assist with suppression and investigation activities.

Due to the fact that this by-law was not enacted, CYFS incurred the following expenses for this particular incident.

- Heavy Equipment: \$1,800.00
- Foam (additional): \$2,600.00
- Two Fire Prevention Inspectors (20hrs): \$1,500.00 to assist Fire Marshall's Office

CYFS total cost: \$5,900.00

If CYFS applied the proposed cost recovery model, then the following items would be eligible to be cost recovered, as follows:

- Post Fire Investigation: \$485.00 per truck/hr (10hours)
- Extraordinary Expenses: \$2,600.00 (foam) and \$1,800.00 (heavy equipment)

Total CYFS recovery invoice: \$9,250.00

Financial Impact

By expanding and implementing a fee for service, CYFS will have the ability to cost recover and offset a portion of current operational costs.

- Natural Gas Leaks
- Hydro Incidents (down wires)
- Drug Labs / Grow Ops & Clandestine Labs
- Elevator Rescues (non-emergency)
- Post Fire Investigations
- Extraordinary Expenses
- Multi-purpose Smoke Alarm and Carbon Monoxide Alarms

Currently, CYFS has hired a permanent part-time person (Accounts Administrator) to oversee and manage the Motor Vehicle Collision program. This individual has been trained and is familiar with all CYFS processes for invoicing.

By expanding the cost recovery program CYFS recommends increasing the Account Administrator from 21 hours to 28 hours per week to absorb the additional workload. In consultation with Human Resources and Financial Services, the estimated cost of this position would be \$11,412 per year.

Rate	\$ 25.990	\$ 25.990
Hours	21.00	28.00
Gross	\$ 545.79	\$ 727.72
Vac Pay	\$ 21.83	\$ 29.11
Total	\$ 567.62	\$ 756.83
Weeks	52.00	52.00
Total	\$29,516.32	\$39,355.10
Benefits	\$ 4,722.61	\$ 6,296.82
Cost	\$34,238.93	\$45,651.91
Increase		\$11,412.98

By expanding the cost recovery program, revenues that are generated throughout the year would be applied into the CYFS recovery account and utilized towards future projects, as directed and approved by JCC.

Conclusion

In an effort to meet industry standards and assist with future operating costs, CYFS recommends implementing and expanding the cost recovery program to include all services identified in this report for a one-year trial period with a start date sometime in quarter 4 of 2020, but no later than January 1, 2021.

Alternatively, if JCC would like to approach a phased-in option to the cost recovery program over multiple years, CYFS recommends for the first year trial the following:

- Natural Gas Leaks
- Drug Labs / Grow Ops & Clandestine Labs
- Post Fire Investigations
- Extraordinary Expenses
- Multi-purpose Smoke Alarm and Carbon Monoxide Alarms

The following two services could be discussed in future years to determine if it should be brought into the cost recovery program:

- Hydro Incidents (down wires)
- Elevator Rescues (non-emergency)

Consultation

The Senior Fire Management Team consulted with the Town of Newmarket Finance, Human Resources, as well as, fire departments within the regions of York, Peel, Durham and Simcoe County.

Impact On The Master Fire Plan

This report has no impact on the Master Fire Plan.

Contact

Rocco Volpe, Deputy Chief
Central York Fire Services