



City of Richmond
Fire-Rescue Department

Memorandum

To: Mayor and Councillors **Date:** November 8, 2011
From: Kim Howell **File:**
Deputy Chief - Administration
Re: #170-2840 Olafsen Avenue, Richmond BC Special Inspection Fee Appeal

On November 2, 2011 a written submission was received from Mr. Leslie Ames with Leslie J. Ames Law Corporation regarding the #170-2840 Olafsen Avenue, Richmond BC Special Inspection Fee Appeal. The appeal is scheduled to be heard by Council on Monday, November 14, 2011.

In the submission the appellant is disputing that the Special Inspection fee is a penalty and not a fee based on cost recovery. This memo provides historical information regarding the calculation of the fee and current average costs for the inspection program.

In 2007 a pilot Electrical and Fire Safety Inspection program was launched in Richmond. Through an amendment to the Property Maintenance and Repair Bylaw No. 7897, the Special Inspection fee of \$3,500 was established. The fee was to ensure cost recovery of the total program delivery costs and all costs such as salaries, vehicles, contracted services and administration costs were used to determine the fee. Also considered in validating the fee was a comparison of other municipalities who were operating similar programs.

In 2009 Council approved the program as an established program, the Bylaw was amended and the fee was adjusted to reflect current costs to deliver the program. Again a survey of other communities was conducted to validate that the \$4,200 fee was reasonable.

The table below illustrates 2010 costs, the most recent full year of program delivery and provides an average cost to ensure program delivery cost recovery. Based on 36 inspections* conducted in 2010 the costs appear to be exceeding the fee.

GENERAL PROGRAM COSTS	TOTAL
Fire Inspection Officer	\$ 60,679.00
Vehicle	\$ 16,380.00
Clerical costs	\$ 15,483.75
RCMP support	\$ 35,412.50
Subtotal	\$ 127,955.25
Subtotal average cost	\$ 3,554.31
INSPECTION SPECIFIC COSTS	
Property Inspection Information from BC Online	\$ 9.10
Courier Costs	\$ 15.00
Electrical Inspector	\$ 425.60
Admin costs (15%)	\$ 600.60
AVERAGE COST PER INSPECTION*	\$ 4,604.61
* based on 36 inspections conducted	



Kim Howell
Deputy Chief - Administration

KH:js

cc : George Duncan, CAO