

Wed, Dec 21, 2022 7:00PM

Item 22-1553: Environmental Health Fee Schedule Proposal

Common Council

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Mayor Jake Woodford 1:05:10

We'll move on now to Board of Health, the item for Board of Health. This is item 22-1553 Environmental Health Fee Schedule proposal. We have a motion and a second to approve. Alder Siebers?

Aldersperson William Siebers (District 1) 1:05:34

Thank you, Your Honor. I understand the justification for the fee increases. What I'm struggling with is the percent of increase for some of the items. I guess I would like to have some comments from our Health Director in regards to some of those percentages that are extremely high.

Mayor Jake Woodford 1:06:02

Do you have specific concerns Alder Siebers? Just I want to make sure we direct...

Aldersperson William Siebers (District 1) 1:06:08

One of the examples—I don't know if this, on the second page, you know, hotel, you go from \$343 to \$650. You know, that's just—there's not a whole bunch, but there's some. And I guess my question is, is also my wanting to make a point to all departments that that this aldersperson is more supportive of gradual increases rather than wait nine years and then all of a sudden try to catch up.

Mayor Jake Woodford 1:06:45

Thank you. So Health Officer Sepers, could you speak to rates of increase and the analysis that your department did?

Health Officer Charles Sepers 1:06:53

Yeah, so and just giving an overall strategy, we did include the sort of the market average, right? So taking into account the all the health districts that that you see, listed here, you see that that's sort of market average. The propose fees are generally over market average, but if you look at the range—right?—so in nearly every single example, the current fee is was Appleton at the at the low end and typically Brown County on the on the high range. The proposed fees all land within that, that range. And this was due to a lot of consulting with DATCP, **[Note: the Department of Agriculture, Trade, and Consumer Protection]** which is the largest sort of lion's share of these categories. So if you think of the your retail food establishments, that's the primary categories.

Health Officer Charles Sepers 1:08:11

We consulted with DATCP to understand, you know, what those strategies might be for fee increases. What has happened in the past—and I, I think that the point of catching up is sort of the theme here, if you will—if we're looking at what we're currently using general fund dollars for which is really supplement [indecipherable] program and what we're allowed to charge for—that is the amount it would take to service that program. That was the strategy that was used to bring to bear to come up with this this fee schedule.

Health Officer Charles Sepers 1:08:53

So we did a detailed analysis to look at how many, how many hours does it take. And this does include four full time equivalents. So if we look at our current staffing, now we have three through the through the budgetary process. We did add another FTE that—again, that was in that was a recommendation by the state of Wisconsin,

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DATCP—an on-site visit in 2021. We're about one FTE short of being able to service our current contract. So it's a matter of a compliance issue of adding that FTE which was then added in the in the budget process.

Health Officer Charles Sepers 1:09:39

This fee schedule increase makes that change a sustainable one. So that was the overall strategy and in looking at what this is, it's right sizing the fee schedule for the amount of hours it takes to service this this program, where in the past most of the activity was actually funded through tax levy dollars.

Mayor Jake Woodford 1:10:07

Thank you. Alder Schultz.

Aldersperson Alex Schultz (District 9) 1:10:15

Sorry, I didn't take time to digest this as much as my colleague. But I would agree with Alder Siebers, some of these increases are in the 300-400% increase, and I wonder about the wisdom of changing them with such a dramatic increase. As in—is there a limit to like, "Okay, we're gonna max this out as a 200% increase, what does that number look like?" but I would be inclined to refer this back and do a little bit more analysis of the suggested increases. A 100% or 200% increase to create some balance is acceptable, but when you get to 300 or 400% increase on a fee, that feels somewhat onerous to me. I guess I'd be open to some additional conversation unless there's, unless there's a time constraint on approval of these fees.

Mayor Jake Woodford 1:11:16

Alder Alfheim.

Aldersperson Kristin Alfheim (District 11) 1:11:19

Thank you, chair. Obviously, if looking at the spreadsheet, you know, a tremendous amount of work has already gone into this process. And I, as a business person, anytime an increased comes that high would get my attention. However, if I was aware that I was under paying what all of the other surrounding communities was paying for the last number of years, I would take it as I was lucky, so far. What he's doing is moving it up where the—what they're doing is putting the rate properly where it should have been for a number of years. We are smack dab in the middle of the average. That's where we belong. And up until this point, anybody that has had a low fee, congratulations. But now we're up to normal. And so I think we need to approve this as is. The time has been invested. They are rational changes, not just raises for raises sake.

Mayor Jake Woodford 1:12:06

Alder Doran.

Aldersperson Chad Doran (District 15) 1:12:08

Thank you. I would agree that I appreciate the work that's gone into this—the rationale that's been presented for the fee increases. I'd caution us just looking too much at a large percentage increase, given the other information that's available about this. And personally, I always am more supportive of fee increases, because they directly target the user versus blanket tax that increases cost for someone who doesn't use a service. So where we can make changes to fees to cover our costs, I feel is a much better use of an available increase than then raising taxes. I encourage us to support this.

Aldersperson Denise Fenton (District 6) 1:12:54

Thank you, Your Honor. I'd just like to, with permission, ask Dr. Sepers to talk about the difference in the shortfall of funding the environmental position under the fees that we had previously and where we would stand if we adopting this new schedule of fees.

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Mayor Jake Woodford 1:12:54

Alder Fenton.

Mayor Jake Woodford 1:13:27

Could you restate that just so that I—I want to make sure we understand.

Aldersperson Denise Fenton (District 6) 1:13:30

What I'm trying to do is part of part of the reason for when we talked the memo with the agenda item and what we discussed in the Board of Health is one of the reasons for increasing these fees is to make that position more self-supporting. Because we're really—we were not covering our costs for these inspections. And that was—I'd like to give Dr. Sepers an opportunity to kind of expound on what was written in the memo that came with this item.

Mayor Jake Woodford 1:14:01

Health Officer Sepers.

Health Officer Charles Sepers 1:14:04

Sure. So as stated, we are adding—we have added a 1.0 FTE using grant funding. It's sort of a chicken or the egg you know process here right? Either we approve the fees and then go back and quickly hire that person or we get the external funding to ensure that the work be done. This was a—the sort of the number of annual inspections that were, that we are doing, there is a shortfall. So we are we are out of compliance. In terms of the number of annual inspections we're able to do. So adding a 1.0 FTE was vitally important to ensuring that we are meeting our minimum compliance standards for serving for servicing the state contract. So that being said, we did use external funds and external funds were approved for the add of that 1.0 FTE. We were going to require that staff moving forward. Raising fees allows for the long term funding of that staff member.

Mayor Jake Woodford 1:15:29

Did you have more, Alder Fenton?

Aldersperson Denise Fenton (District 6) 1:15:31

That's exactly what I was trying to get out there.

Mayor Jake Woodford 1:15:35

Okay. Any further discussion? Alder, Schultz.

Aldersperson Alex Schultz (District 9) 1:15:44

Thank you. Yeah, maybe I direct this to staff, but I'm looking at lines 332 and 333, which is retail food serving meals, moderate and complex. And we're jumping from, in the case of retail serving meals, moderate from \$272 to \$600 with 152 that fit in that category, roughly \$50,000 increase on those fees. And then 333 retail stores serving meals complex from \$311 to \$750 with 120 that fall into that corner, another \$50,000 increase on those fees.

Aldersperson Alex Schultz (District 9) 1:16:24

I don't disagree that we need to bring ourselves to the level of the other communities around us. But those it feels like we can do that in stages and steps. And this feels like an incredibly large jump in at least in these couple of examples from, you know, \$311 to \$750 is almost a 200% increase in that fee as well as the other \$272 to \$600. Those are some relatively significant increases in fees. Is there any reason we can't move there

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incrementally? Or does it all has to happen at once to get us commensurate and make those numbers? I would, I prefer to see some sort of incremental increases to get us there instead of this. We're making these few changes to get us in line with the rest of the community. So maybe I would leave it to Director to give me a little bit of input on why those significant increases are warranted. And is there an opportunity to do it slightly more gradually, in the case of some of these incredibly large increases?

Mayor Jake Woodford 1:17:30

Health Officer Sepers, could you speak to the DATCP requirements for capturing the costs of environmental health activity? Because that's, that's been one of the key drivers of these increases—that requirement. DATCP, if we haven't seen it already, is the Department of Agriculture, Trade and Consumer Protection. It's a state agency. So health officer Sepers?

Health Officer Charles Sepers 1:17:51

Sure. First, and I might just call out those two categories. The two categories that were raised, those are those are the primary bulk of where all licensure happens, right? So small movements there provide the largest bang for your buck, if you will. So that's why you're seeing most of that cost being recouped in those in those two strategies there.

Health Officer Charles Sepers 1:18:20

With to the—speaking to what the statute is in regard to recouping these costs, we're allowed to, to recoup all costs, actual costs, based on the amount of time it takes to implement that particular fee schedule. I would, I would share, anecdotally, as we were consulting with DATCP, was we're talking about you know, various strategies for doing time studies looking at these data to develop this fee, this fee schedule strategy. And what was shared was, you know, DATCP looks very closely to understand are—is the is the time study accurate? Is the are the numbers based on what the actual time it takes? And the comment made to me by the DATCP site visitor was "We never even have to consider if Appleton is doing sort of accurate representation because the fee schedule is so low we know that there's no danger in in overcharging" is what the comment was. So that's sort of speaks to the dramatic underfunding of the program over time.

Health Officer Charles Sepers 1:19:49

In terms of strategies thinking through would an incremental process be better. This was in in consultation with our close colleagues. So specifically Winnebago County, we talked through and as they've done some fee schedule increases, they had talked about some of the strategies, the benefits of a large increase over those smaller incremental increases. And the advice given to us by our colleagues, our surrounding health districts, was that if you're going to do a fee increase, what we found is there's less, there's less disruption with a single fee increase rather than incremental fee increases over time. Not only are you you're hitting that statute right away, but you're also—so you're recouping those costs—but you're also reducing the amount of opportunity for conversation around each fee er each increment of the fee schedule increase if you're doing it over time. So that was in consultation both with DATCP and our and our surrounding health districts.

Mayor Jake Woodford 1:21:12

Any further discussion? Hearing none, we have a motion and a second to approve. Please cast your votes. Alder Schultz. Did you? Did you need to speak again?

Aldersperson Alex Schultz (District 9) 1:21:25

Mic is plaguing me this evening. No. I just I wanted to have a quick follow up. In that do you anticipate a negative feedback from those who have these fees assessed to them? Given that significant increased? Do we have a sense of what the response will be from the community and the business owners of Appleton?

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Mayor Jake Woodford 1:21:44

I can speak to this. We expect to receive negative feedback. We just we just do. We we—yes.

Aldersperson Alex Schultz (District 9) 1:21:54

Great.

Mayor Jake Woodford 1:21:56

All right. There being no further discussion we have a motion and a second to approve. Please cast your votes.

Motion passes 11 to 3 with Alders Siebers, Schultz, and Wolff opposed.