

## STATEMENT OF NEED AND REASONABLENESS

Part 4717.0310 is a new part which establishes fees for plan reviews and inspections associated with the construction of new public swimming pools, and alterations to existing public swimming pools. The authority for establishing the fees is contained in Minnesota Laws, 1987, Chapter 403, Article 1, Section 8, Subd. 2, paragraph 3, which reads as follows: "The appropriation for preventive and protective health services reflects an increase . . . for swimming pool surveillance and monitoring. The increase is not available until the department has established a fee system that will allow the increased costs to be fully recovered."

Under the proposed rule, the swimming pool contractor would have to submit, for each pool construction project, a one-time fee which would cover the Department's expenses associated with both the review and approval of plans and an inspection of the completed project to verify compliance with the swimming pool rules. The existing rules include a requirement that plans be reviewed and approved by the Department for all pool construction projects, and also give the Department the authority to conduct inspections to determine compliance with the approved plans and with the rule requirements governing pool operation.

At present, plan review for all pool construction in the State is done by a single engineer, who also has responsibilities pertaining to water supply, plumbing, and sewage disposal. Clerical support is provided by a small group, which also provides clerical services for five other program areas. Inspections are done on a limited basis by Environmental Field Services (EFS) sanitarians whose main responsibilities are the inspection of licensed facilities and public

water supply surveillance. The limited effort and low priority given the swimming pool program because of lack of staff resulted in plan review turnaround times of up to six weeks which is not acceptable to the pool construction industry, especially with the short construction season for outdoor pools in Minnesota. Likewise, new pools are often not inspected until long after the pools have been in use. This could result in the users being subjected to health or safety hazards. During the past several years, spot checks by the engineering staff have noted that a very high percentage of new pools are constructed with serious deficiencies, including improper water depths, improper bottom slopes, improper sidewall slopes, improper deck areas, lack of stairs and rails, and improper filter size. The State's pool program must include staff for initial construction inspections in order to be effective.

The fees collected for new pools and pool alterations would be used to offset the cost of two new pool program positions which were approved in the Minnesota Department of Health FY88-89 budget, an engineer and a clerk-typist. The engineer would primarily conduct initial pool inspections, but would do plan review and other activities related to the pool program. The clerk-typist would type inspection and plan review reports as a priority task, thus greatly reducing turnaround times for reports. It is hoped that most plans could be reviewed and approved in approximately two weeks or less.

#### ESTIMATED COSTS

The estimated expenditure for the increased effort is shown below.

	<u>FY88</u>	<u>FY89</u>
Graduate Engineer 1 (salary + 2½% annual inflation + 18%)	\$28,183	\$30,043
Clerk-Typist 1 (salary + 2½% annual inflation + 18%)	19,774	21,079
Supplies, equipment and travel	<u>3,600</u>	<u>1,878</u>
	\$51,557	53,000
TOTAL COST (FY88 + FY89) = \$104,557		

The legislature appropriated funds for these two new positions in the amount of \$54,000 for FY88 and \$53,000 for FY89.

#### ESTIMATED REVENUE

Based on an average of the type and number of pool projects reviewed in the past three years, the estimated annual revenue from the proposed fee schedule is:

151 new pools x \$300 =	\$45,300
47 second or accessory pools x \$200 =	9,400
5 pool alterations x \$100 =	<u>500</u>
	\$55,200

TOTAL ESTIMATED REVENUE (FY88 + FY89) = \$110,400

The Department has examined the fee structure used in other states which provide swimming pool plan review and construction inspection to determine if the proposed fees are indeed reasonable. The following were noted:

Michigan:	Plan review	\$200
	Initial construction inspection	<u>200</u>
	TOTAL	\$400
Florida:	Plan review	\$190
	Initial construction inspection	<u>125</u>
	TOTAL	\$315

Minnesota's one-time fee of \$300 for plan review and initial construction inspection combined is comparable to the fees charged in these two states.

The concept of a plan review and inspection fee is supported by the pool construction industry if it will mean an acceptable turnaround time on plan review, and more uniformity of inspections for new pools. Both of these goals should be met with the newly expanded activity which the proposed fees will cover.

For all of the reasons stated above the proposed fees are reasonable, in that they meet the statutory criterion for covering estimated program costs.