

Charles River Public Health District

Permit Fee Cost Analysis

Dover, Medfield, Needham, Sherborn

April 2024 - January 2025



BME STRATEGIES

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Introduction

The Charles River Public Health District (CRPHD) is an inter-municipal shared service arrangement that consists of Dover, Medfield, Needham, and Sherborn. This collaborative was created to improve local public health capacity by pooling resources, functions, and expertise¹. Permitting services and establishments is an important function of local public health in Massachusetts, but more information is necessary to understand the actual cost incurred by the local health department to provide the permitting services and how that compares to current permit fees. Furthermore, there are no existing fee comparisons between municipalities of the CRPHD. To address these gaps, the CRPHD Advisory Board, along with BME Strategies, initiated a comprehensive fee cost analysis project. This project was split into two phases with two distinct objectives: Phase 1 aimed to compare the fee schedules of all four CRPHD municipalities with comparable communities, and Phase 2 focused on assessing these fees in relation to the labor, time and other associated costs required to provide permit services. This analysis serves as a foundation for data-driven discussions on permit fee comparisons among the CRPHD and also equips all four municipalities with the necessary resources to accurately calculate and assess their own permit fees.

This report is organized by project phase, detailing the objective, methods, and key takeaways of each phase and includes a summary of key findings and next steps in the Conclusion section.

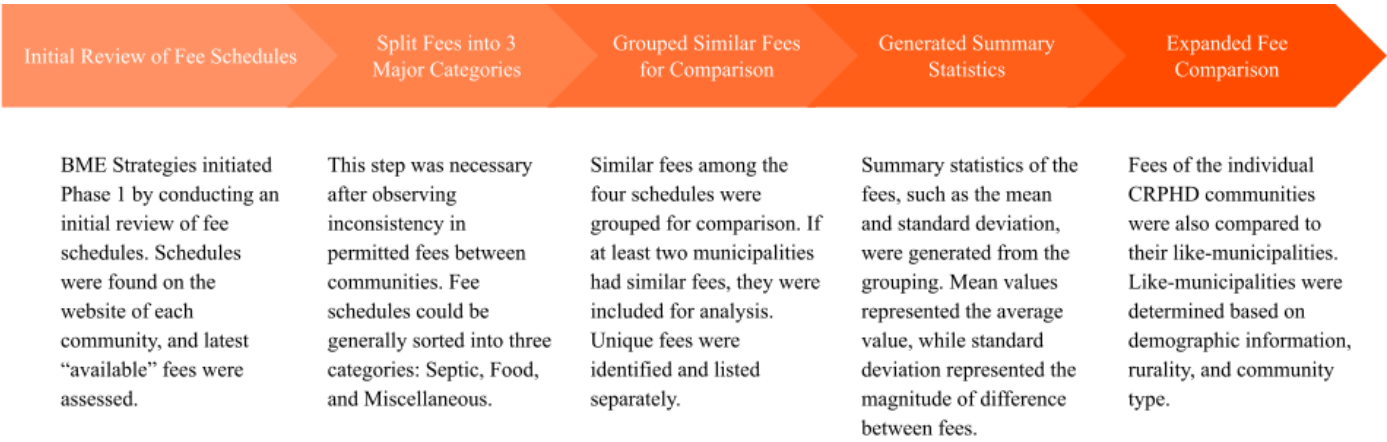
Phase 1: Analysis of CRPHD and Like-Municipality Fee Schedules

Objective

The objective of Phase 1 was to compare the fee schedules of all four municipalities of the Charles River Public Health District with like-municipalities, looking at similarity of permits issued as well as at fees charged.

Methods

Figure 1: Phase 1 Methodology



¹ Mass.Gov. (n.d.). Shared services. Retrieved September 13, 2024, from <https://www.mass.gov/info-details/shared-services>.

Results

Initial review of the fee schedules used for this analysis showed that there was a wide range of effective dates, spanning from 1995 to 2023.

Among CRPHD Communities Analysis

During project Phase 1, 24 fees across the municipal fee schedules were grouped for analysis. Many fees could not be compared, as there were no similar fees in other municipalities. The full results from the Phase 1 Analysis have been compiled in the [“Phase 1 Analysis Spreadsheet”](#) provided to CRPHD staff. This spreadsheet includes the fee groupings and analysis results as well as the analyses among CRPHD and like-municipalities.

Tables 1 and 2 demonstrate an example of a permit fee grouping and comparison. Septic Installer’s Permit fees identified for each municipality in the CRPHD ranged from \$150.00 to \$250.00, and the average Septic Installer’s Permit fee was \$193.75 with a standard deviation of \$51.54.

Table 1: CRPHD Septic Installer’s Permit Fees

Septic Installer's Permit			
Municipality	Latest Date on Septic Fee Schedules	Municipality-Specific Permit Name	Municipality-Specific Fee
Dover	Fees Revised 11/30/2023	Septic System Company – Installer Permit	\$225.00
Medfield	Fees Revised 11/6/2012	Installer’s Permit	\$150.00
Needham	Fees Effective 7/1/2023	Installer’s Annual Permit (new - including exam)	\$250.00
Sherborn	Fees Amended 4/11/2012	Disposal Works Installer Permit	\$150.00

Table 2: CRPHD Septic Installer’s Permit Fees Summary Statistics

Summary Statistics	
Minimum Fee	\$150.00
Maximum Fee	\$250.00
Average CRPHD Fee	\$193.75
Standard Deviation	\$51.54

Of the fees that could be compared, the tobacco license fee and the body art practitioner permits had the largest standard deviation, i.e. the biggest differences in fees among CRPHD communities. The tobacco license fee analysis showed a standard deviation of \$264.58 (Tables 3 and 4). Medfield's fee schedule did not include a tobacco license fee.

Table 3: CRPHD Tobacco Permit Fees

Tobacco Permit			
Municipality	Latest Date on Septic Fee Schedules	Municipality-Specific Permit Name	Municipality-Specific Fee
Dover	Fees Revised 11/30/2023	Tobacco Sales	\$300.00
Medfield	Current Fee Schedule Replaces Previous from 1/6/1998	N/A	N/A
Needham	Fees Effective 7/1/2023	Tobacco Permit	\$700.00
Sherborn	Fees Amended 4/11/2012	Tobacco Sales Permit	\$200.00

Table 4: Summary Statistics of CRPHD Tobacco Permit Fees

Summary Statistics	
Minimum Fee	\$200.00
Maximum Fee	\$700.00
Average CRPHD Fee	\$400.00
Standard Deviation	\$264.58

Only Needham and Sherborn had body art practitioner permits on their fee schedules, and the standard deviation between both of these permits was \$229.81. Both Needham and Sherborn have the same initial permit fee of \$500.00 for tanning establishments. Select results have also been provided in Appendix A, B, and C for summary analyses for septic, food, and miscellaneous permit fees.

Like-Municipality Analysis

Each CRPHD municipality was also compared to like-municipalities outside of CRPHD as part of the Phase 1 analysis. After reviewing demographic information, rurality level, and Metropolitan Area Planning Council (MAPC) Community Types, each community within the CRPHD was matched to another municipality for

further comparison of fees^{2,3}. Dover and Sherborn were compared to Stow and Walpole; Needham was compared to Wellesley; and Medfield was compared to Sharon. Twelve fees were included in this supplementary analysis, and these summary statistics (mean and standard deviation) were also compared to those of the CRPHD. Fees for the like-municipality analysis were only included if CRPHD communities and like-municipalities had similar fees.

The results of the like-municipality analysis showed that fees schedules also differed among similar municipalities. Some notable differences in standard deviation can be seen in Tables 5 and 6, where summary statistics can be found on the Septic Installer's Permit.

Of note, Dover, Sherborn, and Walpole had the same fees for both Catering and Septic Hauler permits (Standard Deviation = \$0). This standard deviation was not observed for any other like-municipality analysis. Please see Tables 5 and 6 for examples of the like-municipality analysis.

Table 5: CRPHD and Like-Municipality Septic Installer's Permit Fees

Septic Installer's Permit			
Municipality	Latest Date on Septic Fee Schedules	Municipality-Specific Permit Names	Municipality-Specific Fee
Dover	Fees Revised 11/30/2023	Septic System Company - Installer Permit	\$225.00
Medfield	Fees Revised 11/6/2012	Installer's Permit	\$150.00
Needham	Fees Effective 7/1/2023	Installer's Annual Permit (new- including exam)	\$250.00
Sherborn	Fees Amended 4/11/2012	Disposal Works Installer Permit	\$150.00
Sharon	Fees Voted 2/17/2018	Disposal System Installer's Permit	\$350.00
Stow (Nashoba)	Fees Set on 1/16/2020	Disposal Works Installer's Permit	\$275.00
Walpole	Fees Effective 3/6/2018	Disposal Works Installers Permit	\$200.00
Wellesley	Fees Effective 12/1/2012	Septic System - Installer	\$200.00

² Mass.Gov. (n.d.). State Office of Rural Health rural definition. Retrieved September 16, 2024, from <https://www.mass.gov/info-details/state-office-of-rural-health-rural-definition>.

³ MAPC. (n.d.). Data. Retrieved September 13, 2024, from <https://www.mapc.org/learn/data/>.

Table 6: Summary Statistics for Like-Municipality Analysis

Septic Installer's Permit Summary Statistics						
	CRPHD Summary Statistics	CRPHD vs. Wellesley	Dover + Sherborn vs. Stow	Dover + Sherborn vs. Walpole	Medfield vs. Sharon	Needham vs. Wellesley
Minimum Fee	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$200.00
Maximum Fee	\$250.00	\$250.00	\$275.00	\$225.00	\$350.00	\$250.00
Average Fee	\$193.75	\$195.00	\$216.67	\$191.67	\$250.00	\$225.00
Standard Deviation	\$51.54	\$44.72	\$62.92	\$38.19	\$141.42	\$35.36

Phase 1 Key Takeaways

- There are differences in the fees between CRPHD municipalities and their like-municipalities, suggesting that more information is needed to understand the costs behind providing permit services and how permit service fees are established.
- Permitting costs can be driven by varying needs and resources among municipalities, or may be influenced by other factors outside of costs to provide the service such as political will.
- The fee analysis was best conducted at the municipality-level, rather than the shared service arrangement level, because of the need to understand the cost drivers in each of the CRPHD municipalities.

The next part of this project, Phase 2 of the CRPHD Fee Cost Analysis Project: MHOA Permit Fee Calculator Customization, was designed to address these findings.

Phase 2: MHOA Permit Fee Calculator Customization

Objective

The objective of Phase 2 was to assess fees against the labor time and other associated costs required to provide permit services.

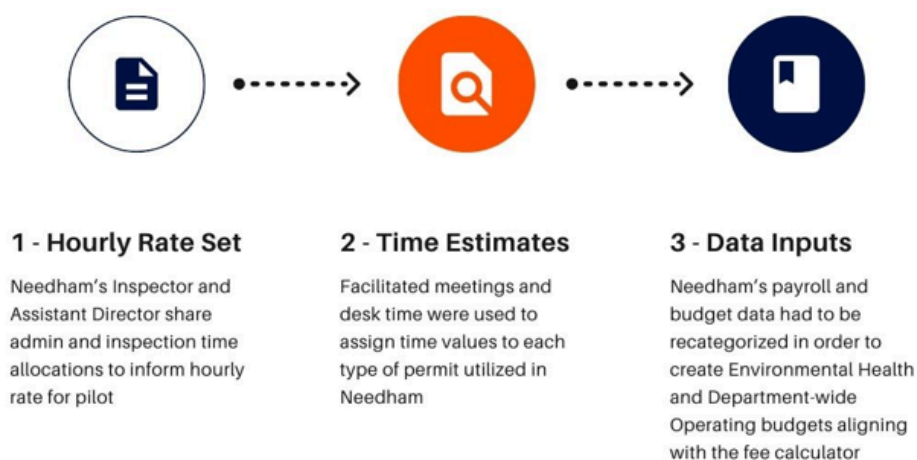
Methods

MHOA Permit Fee Calculator

Costs to provide permitting services were assessed by customizing an existing tool, the Massachusetts Health Officers Association (MHOA) Permit Fee Calculator⁴, and utilizing the permit fees of each CRPHD municipality. The MHOA permit fee calculator is a downloadable Excel tool that is specific to public health activities requiring a permit, and found within MHOA's Public Health Local guide.

The CRPHD Advisory Board expressed concerns about the amount of time staff would need to dedicate to complete the MHOA calculator. The group decided that Needham would pilot the process and determine the estimated time needed to complete calculator customization.

Needham Pilot



Time Considerations

The estimated time for the Needham Pilot was approximately 11 hours. This is an estimation of hours needed for each community to understand how the calculator works and to customize the calculator. This time will vary depending on the availability of municipal financial data and comfort with administrative and inspection time allocation.

⁴ Massachusetts Health Officers Association. (n.d.). *Environmental health: Orientation and resource guide for local public health officials*. Retrieved September 16, 2024, from <https://lphguide.mhoa.com/environmental-health/>.

Calculator Customization Workflow

BME Strategies created four template calculators, each with the specific fees of the CRPHD-member municipality and guidance to further customize the tool. Each template calculator includes a MHOA-provided use example for additional guidance. Based on the Needham pilot, the following tips are provided for future calculator customization.



Identify individuals within the health department that are needed to customize the calculator.

Considerations

- Individuals must have access to all the data inputs in Appendix D and be able to populate that information in the calculator.
- Data inputs may be required from multiple sources within health departments, and it may take time to collect all of the required information.
- The Needham pilot showed that this step of gathering sources can be a bottleneck in the calculator customization process.
- Individuals must be able to determine the administrative and inspection time required for each permit fee in their municipality.



Collect Data Inputs, as detailed in Appendix D and the Calculator Instructions sheet.

Considerations

- The calculator includes **all** personnel within the department. Please include all positions in your health department as indicated in Table 1 of the 'Introduction' sheet.
- The calculator requires two budget numbers: an Environmental Health (EH) budget (specific to permitting) and a Department-wide budget (overall budget not including EH activities). Health department budgets may not be itemized by these specific categories. For the pilot, the Environmental Health Full-time Equivalent (FTE) was used to calculate the estimated EH portion of such costs. Similarly, it may be necessary to organize the health department budget by EH vs. Department categories and take proportions of budget line items as necessary.
- For more clarifications on the data inputs, refer to the 'Introduction', 'Instructions', 'Inputs', and 'EH Hourly Rate Calculation' tabs of the calculator.
- In the last tab of each calculator ('Impacts to Revenue'), most fields will be automatically populated from previous tabs. For most accurate comparisons, enter the number of permits that have been issued to calculate the difference in revenue with the new calculated permit fee costs.



Allocate Inspection and Administrative Time, in minutes, for both the administrative and the inspection portions of each of the permit fees. The calculator utilizes the sum of both times (Total Time) to calculate the permit fee, so it is possible to just input the sum of both times.

Considerations

- Allocating administrative and inspection time to permits can be a challenging exercise, especially when administrative and inspection time vary. It is critical to define the bounds of administrative and inspection time and consistently operate within the definitions throughout the exercise of time allocation across all permits. Framing questions can be helpful in defining boundaries, such as:

- (1) What does administrative and inspection time mean in your municipality?
 - (2) In what scenarios does permitting take more time?
 - (3) Is this time generally representative of the permitting cases in your municipality?
- The calculator separates out permits and plan reviews for time allocation. Parsing out the time for each permit and its plan review is time intensive. As an alternative, municipalities may choose to focus on only the time allocation in the 'Permits' sheet of the tab.
 - The calculator is limited to environmental health activities that require a permit. Even though public health activities are intersectional and cannot always be isolated, do your best to isolate the time around each specific permit, as that will result in the most accurate cost.

General Calculator Utilization Recommendations

1) Revisit fee calculations every 5 years

The MHOA calculator projects costs on a five year basis, and we recommend this schedule as well. Special circumstances where fees should be re-evaluated before 5 years include but are not limited to:

- i) Unexpected staff reduction/addition as fees are expected to significantly change with changes in dedicated staff time
- ii) Large changes to budgets
- iii) Necessity for new permit types
- iv) Unexpected Cost of Living Adjustments (COLA) changes
- v) Technological advancements: If permit/inspection software significantly changes administrative or inspectional time, fees should also be reevaluated to reflect that change.
- vi) Public Health Emergencies (more details below)

2) Future Calculator Adjustments

When fee calculators are adjusted, make a copy of the original calculator and then make any future changes on the copy to preserve the calculator function and previous data. This action is recommended for record-keeping purposes and future reference.

3) Community-Specific Needs

Although the calculator is customized to each municipality, the calculator does not include all considerations within each community, such as time for Board of Health approval and other unique instances. Therefore, the calculator could be used as a planning resource for fee assessment in conjunction with other tools and information within the municipality. There may be instances where fees resulting from the calculator do not make sense for a community, and individual communities should make that determination. In these instances, we recommend documenting justifications for why the calculated fee is not appropriate, so these justifications can be referenced in the future.

4) Emergency Preparedness

Public health emergencies, such as COVID-19, will affect every aspect of the health department⁵

⁵ DeSalvo, K., et al. (2021). Public health COVID-19 impact assessment: Lessons learned and compelling needs. *NAM Perspectives*. <https://doi.org/10.31478/202104c>.

(DeSalvo et al.). The calculator does not generate permit fees for emergencies, as they do not represent the yearly financial changes within health departments. Instead, municipalities should have emergency preparedness plans, with permit fee considerations built into the plans. Such considerations include whether a municipality will pause permit fees altogether and what permit-associated inspections might look like during public health emergencies.

Conclusion

The CRPHD Fee Cost Analysis Project sought to understand the permit fee structures in its four municipalities - Dover, Medfield, Needham, and Sherborn - and the associated cost drivers. By conducting a two-phase analysis, the project has resulted in transparent and data-driven insights into the fee schedules of these municipalities, revealing significant variations in permit fees and identifying the need for cost assessment at the municipality level.

Phase 1 highlighted differences in fees across the CRPHD communities and identified a need for deeper analysis of the actual costs involved in delivering public health services. This analysis set the stage for Phase 2, which involved customizing the MHOA Permit Fee Calculator to each municipality's specific fee schedules. The customization of this tool, piloted initially by Needham, allows municipalities to assess labor time, administrative effort, and other cost drivers in setting defensible, accurate fees.

The project underscores the importance of revisiting fee schedules every five years or when significant changes in staff, budgets, or public health circumstances occur. It also encourages municipalities to adopt a forward-looking approach, preparing for public health emergencies and other unforeseen challenges that may impact the cost and delivery of services. By providing a structured framework for fee assessment, CRPHD municipalities have the tools needed to ensure sustainable and justifiable permit fee costs for the future.

Appendix

Appendix A: Summary Analysis of Septic Fees

Septic Fees				
	Dover (Fees Revised 11/30/2023)	Medfield (Fees Revised 11/6/2012)	Needham (Fees Effective 7/1/2023)	Sherborn (Fees Amended 4/11/2012)
Least Expensive Septic Fee	Septic Hauler Permit - Per Truck (\$100)	Application for transfer or renewal septic (\$25)	Septic System Variance Request (\$150)	Transfer of Septic Permit (\$50)
Most Expensive Septic Fee	Soil Testing-Observe Test Pits, Per Lot, Per One Visit. Up To 8 Test Pits (\$550)	1st Septic Permit Application & Plan Review (\$330)	Soil Application Inspection (less than 2 hours) (\$425)	Soil Testing: Each Site – Each Visit (\$300)

Appendix B: Summary Analysis of Food Fees

Food Fees				
	Dover (Fees Revised 11/30/2023)	Medfield (Current Fee Schedule Replaces Previous from 1/6/1998)	Needham (Fees Effective 7/1/2023)	Sherborn (Fees Amended 4/11/2012)
Least Expensive Food Fee	Temporary Food Service Permit (\$25)	Temporary Food Event (1-4 Days) (\$50)	Mobile Food Service Vendors (\$0)	Temporary establishment (\$50) Residential Kitchen – Retail Sale (\$50)
Most Expensive Food Fee	Food Establishment Permit (\$200)	Food Establishment 8,001 sqft – greater (\$700)	Retail Food Establishment more than 10,000 square feet (\$750)	Restaurant – 100 seats or more (\$700)

Appendix C: Summary Analysis of Miscellaneous Fees

Miscellaneous Fees				
	Dover (Fees Revised 11/30/2023)	Medfield (Current Fee Schedule Replaces Previous from 1/6/1998)	Needham (Fees Effective 7/1/2023)	Sherborn (Fees Amended 4/11/2012)
Least Expensive Misc Fee	Day Camp (\$50)	Well Application (\$150)	Bodyworks Practitioner Permit (\$50)	Recreational Camp for Children (\$50) 10-Day Emergency Beaver or Muskrat Permit (\$50)
Most Expensive Misc Fee	Well Application – Geothermal, Irrigation (Not Subject To Late Renewal) Surcharges) (\$575)	Well Application (\$150)	Tobacco Permit (\$700) Body Art Establishment (\$700)	Body Art Establishment Permit (\$750)

Appendix D: Required Data Inputs for Permit Fee Calculator

Data Inputs	Sheet Reference in MHOA Permit Fee Calculator
☐ All Health Department Positions	'Introduction' Sheet
☐ FTE of Above Positions	'Introduction' Sheet
☐ Annual Salaries for Above Positions	'Introduction' Sheet
☐ % FTE to Permitting	'Introduction' Sheet
☐ Annual Vacation Hours	'Introduction' Sheet
☐ Operating Budgets (General and Permitting Operating Budget)	'Inputs' Sheet
☐ Fringe Benefit Rate	'Inputs' Sheet
☐ COLA: Cost of Living Adjustment [Calculator currently projects 3% COLA]	'EH Hourly Rate Calculation' Sheet
☐ Anticipated % Increases in Operating Budgets (Calculator currently projects 1% annual increase)	'EH Hourly Rate Calculation' Sheet
☐ Anticipated increase/decrease in EH Staff	'EH Hourly Rate Calculation' Sheet
☐ Annual Personal Hours	'EH Hourly Rate Calculation' Sheet
☐ Projected Annual Sick Hours	'EH Hourly Rate Calculation' Sheet
☐ Projected Annual Other Paid Leave	'EH Hourly Rate Calculation' Sheet
☐ Time Loss to Traffic Each Day	'EH Hourly Rate Calculation' Sheet
☐ Standard Weekly Working Hours	'EH Hourly Rate Calculation' Sheet