



# *CITY COUNCIL AGENDA REPORT*

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**MEETING DATE:** June 2, 2009

**ITEM NUMBER:**

**SUBJECT:** FIRE PREVENTION FEE SCHEDULE

**DATE:** MAY 21, 2009

**FROM:** FIRE DEPARTMENT/PREVENTION DIVISION

**PRESENTATION BY:** GREGG STEWARD, DEPUTY CHIEF/ FIRE MARSHAL AND  
SUSAN GUZZETTA, FIRE PREVENTION ANALYST

**FOR FURTHER INFORMATION CONTACT:** GREGG STEWARD, DEPUTY CHIEF / FIRE MARSHAL  
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## **RECOMMENDATION:**

Staff recommends that City Council adopt the Fiscal Year 2009-2010 Fire Prevention User Fees and Charges (Attachment 1.) This adoption will contribute toward Council's stated goal of complete cost recovery for providing services.

## **BACKGROUND:**

The Fire Prevention Fees schedule has been developed at the direction of Council following Council's vote adopting the Fire Prevention Plan Check & Inspection Fees Program.

Fire Prevention Fees are considered "beneficiary charges" which are defined as payments made by consumers in direct exchange for government services received.

The California Health & Safety Code allows municipalities to recover the costs reasonably borne for services provided to the community. The Fire Prevention Fees, as recommended, were calculated based on the current labor cost to provide the service, including materials and overhead costs. The proposed fees also consider similar fees charged in the municipal marketplace.

Current fees collected for fire plan review are taken from the 1997 Uniform Building Code fee schedule and are calculated on the stated valuation for the project. For example, a recently completed sprinkler plan review was billed at \$160.46 based on the 1997 Uniform Building Code. An equivalent sprinkler plan review under the new fee schedule would be billed at \$464.00. This fee represents full cost recovery for the services provided and equates to approximate county wide average for a similar project.

In addition the following new fee category is being implemented:

- Fee for Additional Required Inspections. This fee would allow the Fire Department to charge for additional required inspections beyond those typically required to complete a project. Circumstances requiring these inspections are projects outside minimum requirements for approval at time of inspection,

contractor calls for inspection but is unprepared to be inspected at time of arrival, and system fails inspection.

It is proposed these fees will take effect July 1, 2009.

**ANALYSIS:**

In evaluating and determining the proposed Fire Prevention Fees, staff considered the following:

- Services appropriate for the Fire Prevention Fee structure were identified.
- Fees data was collected using current salary/fringe benefit rates and overhead costs.

The proposed Fire Prevention Fees reflect fire protection analyst salaries, administrative overhead, and benefit rates as applicable.

The anticipated increase would provide cost recovery for the service provided.

**ALTERNATIVES CONSIDERED:**

Since Council has directed that a fee schedule be developed, alternatives included:

1. Developing a schedule based on the mean average fees charged by other Orange County agencies providing the same or similar services.
2. Developing a schedule based strictly on the hourly, fully loaded, cost of providing services.

During this process, it was found that using the hourly, fully loaded, cost of providing services based on current Fire Prevention Analyst hourly wage, provided a fees structure that nearly matched the mean average fees charged by other Orange County agencies. Because this method of fees development is fair, defensible, and meets the intent of the law, this is the format used to develop the fees schedule being presented for your approval.

**FISCAL REVIEW:**

The proposed fee schedule constitutes complete cost recovery for the specific services provided. The schedule as proposed is a modification of the previously proposed schedule in so much as it has been further refined to include the average of most all provider agencies within Orange County.

**CONCLUSION:**

The Fire department respectfully recommends that the City Council approve the adoption of the Fire Prevention User Fees and Charges per Attachment 1. This adoption will result in 100% cost recovery for the services provided.

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GREGG STEWARD  
Deputy Chief / Fire Marshal

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SUSAN GUZZETTA  
Fire Prevention Analyst

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MARC R. PUCKETT  
Director of Finance

- ATTACHMENT:
- 1 [Fire Prevention User Fees and Charges](#)
  - 2 [Multi-Agency Fee Schedule](#)
  - 3 [Fees For Service Comparison Chart](#)
  - 4 [Council Resolution](#)

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