

CITY COUNCIL AGENDA REPORT

Fire Prevention Fee Schedules

Follow-up from the May 5, 2009 Council Meeting

- The Fire Prevention Bureau was tasked with looking for potential ways to increase revenues through “cost recovery”.

- At the May 5, 2009 Council Meeting we provided information explaining our suggestions and were asked to provide some answers to questions expressed at that meeting. We were also asked to submit the proposals separately. We have separated them into four different categories; fire prevention fee schedule, apartment inspection fee, hazardous materials disclosure late fee, and business inspection fees.

FIRE PREVENTION FEE SCHEDULE

•The fee recommendations previously provided represented some areas where cost recovery could be achieved. We will begin by explaining the plan check and permit process:

PLAN CHECK:

Plans are submitted through the Building Department and the plan check fees are paid prior to review. Plans are routed from the building department and are reviewed by an Analyst for fire and life safety issues. The plans are then returned to the building department where the contractor will pick them up.

PERMIT ISSUANCE:

A permit is issued after the plans have been approved and the permit fee is paid. The permit fees pay for the required inspections.

The plan check and the permit fees are combined in the total fee amount on the proposed fee schedule. Also, all other agencies fees being presented represent a combined total of plan check and permit fees.

CURRENT FEE SCHEDULE:

Current fees collected for the fire plan review are taken from the 1997 Uniform Building Code fee schedule and are calculated on the stated valuation for the project.

INSPECTION:

This is an inspection created by a permit which is issued as a result of an approved plan review.

Depending on the type of inspection, a total of three inspections are allowed per permit; two inspections during construction and one to “final” the work. It includes a variety of inspections such as an inspection needing to be done during the construction phase for things such as water supply, sprinkler systems and exiting.

FINAL INSPECTION:

Once all construction is completed a “final” inspection must be completed. The permit card is signed as “final” only after making certain all work is completed.

PROPOSED FEE/ USER FEES AND CHARGES:

The proposed fee schedule was based on the time that it typically takes to complete the various projects utilizing the hourly rate of a Fire Prevention Analyst who conducts the plan reviews and inspections.

The proposed fee will be collected through the “Permits Plus” program which is currently being utilized with the current fee schedule.

A comparison has been completed showing the other cities fees and is included in the packet . A condensed version can be seen on the next slide.

Fees for Service Comparison Chart

	Overall Average	Costa Mesa Fire Department Current Fee	Costa Mesa Fire Department Proposed Fee
Fire Sprinkler System	\$447.97	\$160.46	\$464.00
Fire Alarm System	\$465.29	\$345.26	\$370.00
Commercial Hood System	\$302.48	\$183.56	\$335.00
Underground Fire Line	\$471.07	\$322.16	\$555.00
Special Extinguishing System	\$693.72	\$763.00	\$555.00
Compressed Gas System	\$366.50	\$114.26	\$400.00
Fire Pump	\$515.60	Not Available	Not Available
Standpipe System	\$558.97	\$530.06	\$555.00

Refer to page 5 of the **"Fire Prevention Fee Schedule"** for the complete chart

Fees charged by other agencies

This information has been provided in your packets and clearly shows what services are charged and the fee for those services.

With the addition of the fees requested, Costa Mesa will remain near the bottom for the number of fees charged, and will remain near average for the cost of those fees.

A summary breakdown of the number of fees currently charged by other agencies is provided below:

OCFA	76	(Representing 22 cities)
Huntington Beach	56	
Anaheim	45	
Newport Beach	37	
Fullerton	27	
Fountain Valley	26	
Santa Ana	16	
Orange	14	
Garden Grove	11	
Costa Mesa	5	
Brea	4	
Laguna Beach	4	

The “average” number of fees for service per agency is 29. Upon approval the number of Costa Mesa fees will increase from 5 to 10.

It should be noted that at least six agencies are currently in the process of raising and/or increasing their fee structure. They are Anaheim, Brea, Garden Grove, Newport Beach, Orange and Santa Ana.

The “Fee for Additional Required Inspections” listed on the fee schedule is a fee currently being charged by the Building Department, but not the Fire Department.

ADDITIONAL REQUIRED INSPECTION:

Additional required inspections are caused by one of the following reasons:

- The scheduled inspection did not pass because the contractor was not prepared
- System failure
- Occupant called for inspection prior to the occupancy being ready for a final.

This fee can also be collected on the “Permits Plus” Program.

FIRE DEPARTMENT FEES FOR ADDITIONAL INSPECTIONS

ANAHEIM

\$55.00 per ¼ hour

ORANGE CITY

\$130

BREA

\$231.50

ORANGE COUNTY (22 Cities)

\$230

FOUNTAIN VALLEY

\$90.00 for additional inspections

COSTA MESA

\$90.00 Per hour (proposed)

GARDEN GROVE

\$25.00 for each subsequent inspection

HUNTINGTON BEACH

\$108.00

NEWPORT BEACH

\$130.00

APARTMENT INSPECTION FEE

APARTMENT INSPECTION FEE:

An apartment (R-2 occupancy) is defined in the California Building Code as residential occupancies with more than two dwelling units.

The fee is based on a ½ hour rate (\$60.00) of a Fire Prevention Analyst.

This service will be billed through the Fire Department and processed through Finance

APARTMENT INSPECTIONS:

Each apartment complex will be inspected annually. A sample of what the inspection involves includes:

ADDRESS (posted correctly)

EXTERIOR (such as weeds, fire escapes, exits, exit signs, corridors, holes in fire resistive construction, etc)

STORAGE (combustibles, dumpster placement, storage under stairs, hazardous materials, etc.)

UTILITIES (use of extension cords, electrical panel unblocked, laundry rooms)

EXTINGUISHERS (correct placement, fully charged, signs, properly maintained)

HAZARDOUS MATERIALS DISCLOSURE LATE FEE

HAZARDOUS MATERIAL DISCLOSURE LATE FEE:

Disclosure is required by the state for businesses that store or use a large amount of hazardous materials. These business are required to disclose their chemicals and pay an annual fee.

About 15% of businesses in Costa Mesa submit their forms late without penalty. Late submittal creates additional record keeping and communications between the county and the fire department.

The proposed late fee will impose a 25% fee for disclosures not submitted within 15 days of their billing date. This is consistent with the Orange County Health Care Agency, who does our billing.

AGENCIES CURRENTLY CHARGING HAZARDOUS MATERIALS DISCLOSURE LATE FEE

Anaheim Fire Department

Fountain Valley Fire Department

Fullerton Fire Department

Garden Grove Fire Department

Orange City Fire Department

Orange County Fire Authority (Representing 22 Cities)

Santa Ana Fire Department

BUSINESS INSPECTION FEES

COMPANY (BUSINESS) INSPECTIONS:

These are, for the most part, annual inspections done by the fire suppression crews of all the businesses in the city. When conducting these inspections the fire department looks for fire and electrical hazards such as fire extinguishers, proper exiting, flammable liquid storage, spray painting operations, and fire protection equipment such as extinguishing systems in restaurants etc.

With the assistance of our Finance Department, we have determined our “cost recovery” fee to be at \$60.00 per ½ hour with a \$60.00 minimum.

FIRE DEPARTMENT BUSINESS INSPECTION FEES

ANAHEIM FIRE DEPARTMENT

\$55.00 for ¼ hour

HUNTINGTON BEACH FIRE DEPARTMENT

\$40.00	0-2,500 sq. ft.
\$81.00	2,501-5,000 sq. ft.
\$172.00	5,001-25,000 sq. ft.
\$407.00	25,001-50,000 sq. ft.
\$709.00	Over 50,000 sq. ft.

SANTA ANA FIRE DEPARTMENT

\$46.50	0-2,500 sq. ft.
\$69.50	2,501-5,000 sq. ft.
\$118.50	5,001-10,000 sq. ft.
\$238.00	Over 10,000 sq. ft.

COSTA MESA FIRE DEPARTMENT

\$60.00 for ½ hour (Proposed)

“How do the other agencies determine their fees?”

Fees vary and are derived in three ways: valuation of project, hourly rate, or by a study completed by an outside firm.

After seeing such a wide range of fees from other agencies, the Costa Mesa Fire Department has chosen to seek cost recovery based upon pure costs for salary, benefits, and administrative overhead. The Finance department assisted us in determining our fee.

This concludes the PowerPoint presentation.

We are available to answer any questions you may have.