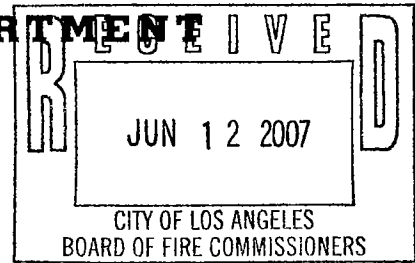


JUN 19 2007

LOS ANGELES FIRE DEPARTMENT



DOUGLAS L. BARRY
INTERIM FIRE CHIEF



June 13, 2007

BOARD OF FIRE COMMISSIONERS
FILE NO. BFC 07-052

TO: Board of Fire Commissioners

FROM: Douglas L. Barry, Interim Fire Chief *DLB*

SUBJECT: APPROVAL OF THE NEW BRUSH ADMINISTRATIVE COST FEE

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

Recommendations:

The following recommendations are submitted to your Honorable Board for consideration and public hearing. In accordance with Section 57.04.12, Subsection C of the Los Angeles Municipal Code (L.A.M.C.), which authorizes the Fire Commission to modify fees based on the cost of services, the new Brush Administrative Cost Fee has been reviewed and concurred by the Office of the City Administrative Officer. Pursuant to the requirements of the Fiscal Year 2007-08 Adopted Budget, the Office of the City Attorney has prepared a draft ordinance amending Section 57.04.12, Subsection C of the L.A.M.C., to allow the Board to modify verifiable costs at anytime through the fiscal year. The draft ordinance is subject to the approval of the Mayor and City Council. It is recommended that the Board:

- 1) Approve the proposed Brush Administrative Cost Fee increase from \$314 to \$982 (+213 percent).
- 2) Direct the Board's Executive Assistant to publish the required notice of a public hearing on the proposed fee increase at a regularly scheduled meeting of the Fire Commission.
- 3) Adopt the attached Resolution (Attachment I) adjusting the Brush Administrative Cost Fee after the required public hearing, and notice of this action be

transmitted to the Mayor and Council at the conclusion of the public hearing. If the Mayor and Council do not take action within the 60-day review period, the Resolution adopted by the Board will be published through the Office of the Board of Fire Commissioners and the new fee will become effective upon publication.

Summary:

Section 57.21.07 of the L.A.M.C. sets forth the minimum requirements for maintaining and clearing of hazardous vegetation on parcels of land, which increase the danger of fire and constitute a public nuisance. Over 130,000 parcels in the City are subject to the hazardous vegetation regulations. The staff of the brush clearance program perform inspections on these parcels for compliance to the Fire Code. Owners of land parcels in violation of the code are given notice to abate the nuisance. If after a minimum of three inspections, the owner has not taken action to remove the nuisance, a notice is posted on the property informing the owner of non-compliance and that the City or its contractor may enter to remove the nuisance. These properties are called the "pre-packaged inspection" properties. Approximately 1,000 – 1,500 parcels require the pre-packaged inspection yearly. The pre-packaged inspection properties are bid out and awarded to an outside contractor for brush clearance. The properties that have been cleared by an outside contractor are then charged the Brush Administrative Cost Fee.

The Brush Administrative Cost Fee provides for the cost of the staff to perform the brush inspections and processing the bid packages/contracts for award to a contractor. The Brush Administrative Cost Fee is determined by taking the time required by the sworn and civilian staff to perform inspections and contract processing, divided by the average number of pre-packaged inspections performed during the past three years. Direct and overhead costs are included in the cost calculation for full cost recovery.

A Brush Administrative Cost Fee of \$982 was determined for the cost of staff to perform the specialized services. Increasing the Brush Administrative Cost Fee to \$982 would be consistent with the City's financial policy of full cost recovery for specialized services. The last increase in the Brush Administrative Cost Fee occurred in 1999.

Historically, approximately 18 percent of the invoiced Brush Administrative Cost Fee is realized in the first year billed and approximately 2 percent is realized in the second year. Of the remaining properties that have not paid in full, a lien is placed on the properties through the County Assessor's Office, and approximately 50 percent of the balance of remaining invoiced amount is realized in the third year. The lien remains on the property until the balance is paid in full.

Conclusion:

An invoiced amount of \$789,528 is estimated in Fiscal Year 2007-08 based on the actual number of parcels (804 parcels) cleared by an outside contractor in Fiscal Year 2005-06. Relative to the Fiscal Year 2006-07 invoiced amount of \$252,456, an increase in the Brush Administrative Cost Fee would increase the Fiscal Year 2007-08 invoice amount to \$789,528, an increase of \$537,072.

Approximately 18 percent (\$142,115) of the invoiced amount is realized in the first year and an additional 2 percent (\$12,948) is realized in the second year and paid directly to the Fire Department. Of the remaining 80 percent of the invoiced amount, approximately 50 percent (\$317,232) is to be realized through the County Assessor's Office property tax bill in the third year.

Revenues generated from the new Brush Administrative Fee will increase from \$45,442 in Fiscal Year 2006-07 to \$142,115 in Fiscal Year 2007-08, an increase of \$96,673.

Board report prepared by Rosemarie Barraza, Senior Management Analyst I, Bureau of Fire Prevention and Public Safety and Muriel Gee, Senior Management Analyst I, Administrative Services Bureau.

Attachments

ATTACHMENT I

RESOLUTION NO.

WHEREAS, Section 57.04.12 Permit Fees, Subsection C. of the Los Angeles Municipal Code authorizes the Board of Fire Commissioners to determine on a regular basis, with the concurrence of the City Administrative Officer, the schedule of applicable charges necessary to recover City costs for issuing numerous permits; and

WHEREAS, these permits include Brush Administrative Cost Fee as identified in the Los Angeles Municipal Code Sections 57.21.07C; and

WHEREAS, the Board of Fire Commissioners, at its meeting of Date, adopted a recommended fee for which it has been given authority to establish fees; and

WHEREAS, in accordance with Section 57.04.12, Subsection C, of the Los Angeles Municipal Code, the City Administrative Officer has reviewed and concurred with the recommended fees;

WHEREAS, if the Mayor and Council do not take action within the 60-day review period, the Resolution adopted by the Board will be published through the Office of the Board of Fire Commissioners and the new fee will become effective 30 days thereafter.

NOW, THEREFORE, BE IT RESOLVED, that the BOARD OF FIRE COMMISSIONERS adopts the Brush Administrative Cost Fee of \$982. (See L.A.M.C. for complete text.)

Adopted this Date, 2007

BOARD OF FIRE COMMISSIONERS

Attest:

BLANCA GOMEZ-REVELLES
COMMISSION EXECUTIVE ASSISTANT

DALILA T. SOTELO, PRESIDENT

**REVISED BRUSH ADMINISTRATIVE COST FEE
FISCAL YEAR 2007-08**

[illegible]