

June 13, 2007

BOARD OF FIRE COMMISSIONERS FILE NO. BFC 07-052

TO:

Board of Fire Commissioners

FROM:

Douglas L. Barry, Interim Fire Chief

SUBJECT:

APPROVAL OF THE NEW BRUSH ADMINISTRATIVE COST FEE

FINAL ACTION: _____ Approved _____ Approved w/Corrections ____ Withdrawn ____ Other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	DALILA T. SOTELO, PRESIDENT

COMMISSION EXECUTIVE ASSISTANT

REVISED BRUSH ADMINISTRATIVE COST FEE FISCAL YEAR 2007-08

	SWORN STAFF			T	···-		 	T	Ι΄		 	T
		2007-08		a definge a la Central	e pepty Admin	SWORN		1	HOURLY	#	# of	Total Salary
CODE	0	Wages & Count	1	i Benefits Saviet	a experience	CAP 29	BONUS	1	RATE	of Pers.	Hours	(including
	CLASS TITLE	Salary	SUBTOTAL.	28/42/78/Jan 88/32/45V	212176	96.44%		TOTAL SALARY	(Salary /		Used	CAP 29)
		(Acct 1012)	1	CAP FOR SWO		(Salary X 96.44%)		1	2080 hrs/yr)			
2128-1	INSPECTOR I	\$101,539	\$101,539			\$97,924	\$737	\$200,200		13	680	\$ 850,850.90
2128-2	INSPECTOR II	\$107,771	\$107,771	1		\$103,934	\$737	\$212,442	\$102	1	680	\$ 69,452.31
2142-1	FIRE CAPTAIN I (SD)	\$114,282	\$114,282	1		\$110,214	\$737	\$225,233	\$108	1	680	\$ 73,633.72
2142-2	FIRE CAPTAIN II (SD)	\$119,641	\$119,641	1		\$115,382	\$737	\$235,760	\$113	1	680	\$ 77,075.31
					1							\$ 1,071,012.24
	CIVILIAN STAFF											
		2007-08		La Jaine Cantiel	Papis Admin. S Supposit 437/30/	CIVILIAN		1	HOURLY	#	# of	Total Salary
CODE	CLASSIFICATION	Wages & Count	SUBTOTAL	Benetic Sawies	S. E. Support	CAP 29	BONUS	TOTAL SALARY	RATE	of Pers.	Hours	(including
	CLASSIFICATION	Salary	SUBTUTAL	39/43/2	圖 373%	66.29%		TOTAL SALAKT	(Salary /		Used	CAP 29)
	*			CAP FOR CIVIL	AN 66.29%	(Salary X 66.29%)			2080 hrs/yr)			
1358	CLERK TYPIST	\$37,418				\$24,804.39	\$0.00	\$62,222.39		1		
9184-1	MANAGEMENT ANALYST I	\$64,013	\$64,013			\$42,434.22	\$0.00	\$106,447.22	\$51.18	1		
1368	SR CLERK TYPIST	\$50,366	\$50,366	<u></u>		\$33,387.62	\$0.00	\$83,753.62	\$40.27	1	680	
					<u> </u>							\$ 82,478.90
											<u> </u>	
	HEARING OFFICERS									ļ		
CODE	CLASSIFICATION			NO CAPS FOR HEAF	RING OFFICERS				HOURLY			
									RATE			
	HEARING OFFICER	<u></u>	·						\$28.76	1		
	HEARING OFFICER								\$28.76	1	160	
							ļ <u></u>					\$ 9,203.20
	<u> </u>										<u>i</u>	
									ļ	Sworn Salaries		\$ 1,071,012.24
			<u> </u>							Civilian Salaries Hearing Officer		\$ 82,478.90 \$ 9,203.20
	ļ									Hearing Offi	Total	\$ 9,203.20 \$ 1,162,694.34
	 	 					 				IUlai	\$ 1,102,034.34
	!						Divided by av	erage number of	nre-nackage	inenactions		1,185
•							Divided by av	crage namber or	pro puckage	mapeonona		1,100
							Brush Admin	istrative Cost Fee			<u> </u>	\$ 982
											1	· · · · · · · · · · · · · · · · · · ·
	Note: The pre-package inspection is the third inspection visit to the property of non-compliance and prior to the property being bid out for clearance by a contractor. A notice of non-compliance is posted on the property at this time. Parcels that are cleared up by the property owner prior to a contractor performing clean up on a parcel are not charged the Brush Administrative Cost Fee. In those instances, the Brush Administrative Cost Fee is absorbed by the General Fund.											
	Staffing costs do not include Compensated Time Off (CTO).											
	The Brush Administrative Cos	Fee Invoiced Amou	nts							-		
		!			Total Estimated	% Realized in the	Realized					-
		Actual number of parcels cleared by		Invoice Amount Brush Administrative Fee		1st year	Amount					
	Fiscal Year	outside contractor in FY 2005-06					1st year					
• ••	2006-07		804	\$314	\$252,456	18%	\$45,442					
	2007-08		804	\$982	\$789,528	18%	\$142,115					
	Net Increase in FY 07-08				\$537,072		\$96,673					`
	Year Billed	Estimated Revenue		Amount Realized								
	1st year		18% realized	\$142,1								
	2nd year		2% realized	\$12,9								
	3rd year	\$624 AGE	50% realized	\$317,2	201			1				
	After 3rd year	\$317,232	30 % realized	φο17,2-	34							

File: Brush Admin Cost Fee 0708 rev060407 Revised: June 4, 2007