



City Council Report

Date: March 22, 2018
To: Audit, Finance and Enterprise Committee
Through: John Pombier, Assistant City Manager
From: Mary Cameli, Fire Chief
Subject: Mesa Fire and Medical Department (MFMD) Fees and Charges

Purpose and Recommendation

The purpose of this report is to submit for review and consideration recommended new fees and charges for Low Risk Occupancy Fire Inspections and minor changes to Photos/CD requests provided by the Mesa Fire and Medical Department (MFMD).

Background/Discussion

Low Risk Occupancy Fire Inspections:

MFMD currently has an annual inspection program for High Risk commercial occupancies and a biennial inspection program for Medium Risk commercial occupancies. Low Risk commercial occupancies receive unofficial inspections/education using volunteers. During the recent accreditation process, it was recommended that Low Risk occupancies should be formally inspected by a Fire Inspector on a triennial basis. The City's current program does not meet the National Fire Protection Association (NFPA) standards and the program is voluntary for the businesses, resulting in some of the businesses refusing the service. MFMD personnel occasionally find low risk occupancies that have changed their usage and should be classified as a medium risk occupancy. In addition to the desire to meet NFPA standards, a low risk inspection program would ensure that businesses are properly classified and inspected in a timely manner to mitigate risk. Keeping citizens safe is of the highest importance to MFMD.

The City of Mesa has 4,052 Low Risk occupancies, resulting in the need to inspect 1,350 businesses annually. The existing inspectors cannot take on the additional workload and an additional inspector will be needed. Once the new inspector is on board, all inspectors will incorporate low risk occupancies into their workload to take advantage of geographic efficiencies.

As inspections will now be completed by trained inspectors, the fee needs to be modified for similarity to the other businesses in Mesa. Periodically, a low risk occupancy requests an official inspection for insurance purposes. The medium risk rate has been used to reimburse the City for expenses. Staff recommends continuing the use of this fee for the low risk occupancy inspection program. The impact to the low risk business is lower than the medium risk business, as low risk inspections will only be performed every three years. Definitions of the four categories are found in Attachment 1.

Inspection Types	Fee per Inspection	Annualized fee per Business	Notes
Low Risk (triennial)	\$ 153	\$ 51.00	NEW FEE
Medium Risk (biennial)	\$ 153	\$ 76.50	Current Fee
High Risk (annual)	\$ 255	\$ 255.00	Current Fee
High+ Risk (annual)	\$ 459	\$ 459.00	Current Fee

MFMD Photo/CD Requests:

MFMD currently charges for Hazardous Materials Site Surveys and Photos/CD-ROMs of Fire Investigations, Motor Vehicle Accidents (MVA), etc.

Staff recommends removing Photos & additional photos as an option and only offer CDs. Verbiage would be changed to remove ROM and to add PER HOUR to the unit of Hazardous Materials Site Survey to clarify how the fee is charged.

<i>Photos/CD-ROM</i>		
Fire Investigations, MVA, etc.	\$5.00	First two photos
	\$2.00	Each, add'l photos
	\$5.00	Per CD ROM
<i>Records</i>		
Site Surveys		
Hazardous Materials (1hour minimum, pro-rated on 15-minute intervals)	\$30.00	PER HOUR per request

Alternatives

1. Take No action. Maintain the fees and charges for services provided by the Department in the previously approved areas. No fiscal impact on current revenue projections based on the existing fee structure would result. Medium risk occupancy inspection rate would continue to be used for low risk occupancy inspections when requested by the business. Low risk proactive program would not be implemented.
2. Recommend alternative adjustments to the proposed fees and charges. The fiscal impact of this decision would depend on the changes proposed. If a low risk proactive program is implemented with a lower fee amount, the program would operate at partial cost recovery.

Fiscal Impact

If the annual portion of all low risk inspections are performed (1,350), the annual revenue would be \$206,550. Based on current inspector workload and the addition of one inspector, the annual estimate for completed low risk inspections is 888, which equates to \$135,864. This revenue covers the cost associated with the additional inspector needed to perform the low-risk inspections.

Coordinated With

The recommended fees and charges were coordinated with the Mesa Fire and Medical Department and the Office of Management and Budget.

Fee Recommendation Schedule

Exhibit A

Department: Mesa Fire and Medical Department

<i>Description of Services</i>	Current Fee/Charge	Proposed Fee/Charge	Unit	Fiscal Impact	Notes
<i>Photos/CD-ROM</i>					Modifying heading
Fire Investigations, MVA, etc.	\$5.00		First two photos	\$0	Removing fee unit type
	\$2.00		Each, add'l photos	\$0	Removing fee unit type
	\$5.00	\$5.00	Per CD ROM		Modifying fee unit type
<i>Records</i>					
<i>Site Surveys:</i>					
Hazardous Materials (1 hour minimum, pro-rated on 15 minute intervals)	\$30.00	\$30.00	PER HOUR Per request	\$0	Modifying fee unit
<i>Fire Inspections:</i>					
High Risk Occupancy >12,000 sq ft	\$459.00	\$459.00		\$0	No modification
High Risk Occupancy <12,000 sq ft	\$255.00	\$255.00		\$0	No modification
Medium Risk Occupancy	\$153.00	\$153.00		\$0	No modification
LOW RISK OCCUPANCY		\$153.00		\$135,864	Fiscal estimate is based on all annual portion of inspections completed

Total Estimated Annual Fiscal Impact: \$135,864