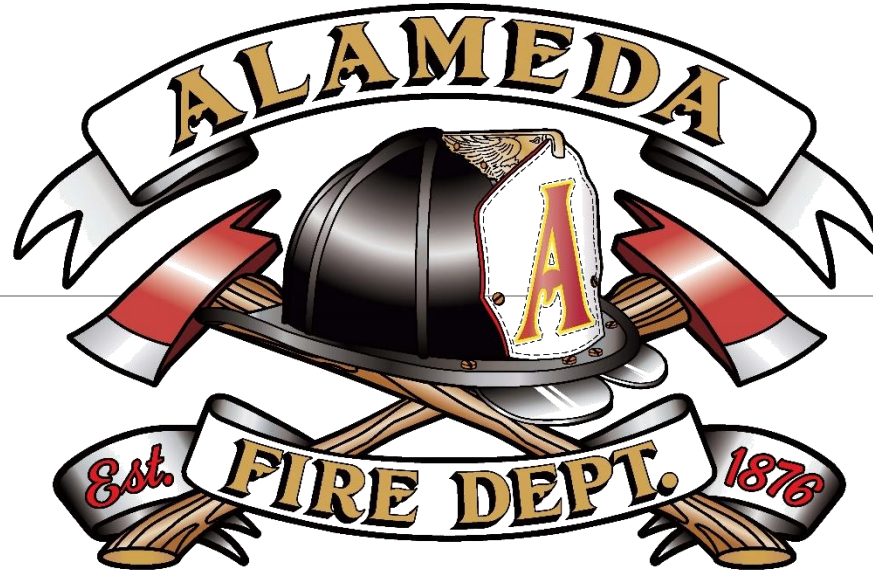


# FIRE PREVENTION BUREAU FEE STUDY IMPLEMENTATION



ALAMEDA CITY COUNCIL  
MARCH 5, 2019

# Fire Prevention Fee Changes

---

- ❖ Fees were last studied in 2013, costs to provide services has increased over time
- ❖ Utilized outside firm to study/evaluate: NBS with other City Depts.
- ❖ Includes current adopted 2016 CA Fire Code Fees and inspections- High Rise, Radio coverage, CO Systems, Fire Pumps, Special Permits on an annual basis
- ❖ Improves Fire False Alarm responses and fees - Annual basis, inspections to improve systems
- ❖ Fee changes cover the annual costs of a Fire Marshal position per Council direction (July 2018) with total Division cost recovery at 48% (Yr. 1) to 59% (Yr. 4)
- ❖ Authorize the Fire Chief to handle fee inquiries and Code changes/exceptions

# Staff Recommendations

---

1. Adopt the proposed Annual FPB Fees and implementation schedule
2. Add one FTE Division Chief to the FPB Staffing Adopt the proposed New Cost Recovery Fees: EMS and VAC
3. Authorize the Fire Chief/designee to administer fee inquiries, code exceptions
4. Modify the False Alarm Fee Schedule from 6 months to annual (Calendar)

# Fire Prevention Fee Changes

---

Adopt the proposed new hourly inspection rates:

Year	Rate	Collection Percentage
2019/20	\$150.00	48%
2020/21	\$180.00	57%
2021/22	\$180.00 (No change)	57%
2022/23	\$200.00	59%

**Cost of Fire Marshall**

**\$355,000**

\*At the new proposed rate of \$150 with 4,602 proposed billable hours for inspections will generate approximately \$847,541 with an additional \$30,000 in re-inspection fees to cover this position. The total recoverable expenses of the Fire Prevention Division annual budget is \$1,750,000 and these revenues will cover 48% of the budget in Year 1 and 59% of the budget by Year 4.

# FPB Fee Cost Comparison

---

	Alameda	Hayward	San Leandro	Oakland	Berkeley	Walnut Creek	Newark	Fremont	Average (excluding Alameda)
Inspections Per Hour	<b>\$150.00</b>	\$885.00	\$120.00	\$369.51	\$374.00	\$837.00	\$305.00	\$192.00	<b>\$440.36</b>
Plan Review Per Hour	<b>\$150.00</b>	\$221.00	\$241.00	\$174.00	\$374.00	\$279.00	\$131.00	\$95.00	<b>\$216.43</b>

*\*Berkeley pro-rates by the quarter hour*

# Proposed EMS Cost Recovery Fee

---

3 and 5 Year Time and Response Study - Total time for response, mitigation, clean-up, return, restock and reporting averaged one (1) hour

Proposed Fee Components:	
3 – Person Crew	\$223
Dispatch Costs	\$42 (Per call from ACRECC)
Supplies	\$20 (Boundtree Vendor estimate)
Vehicle Expenses	\$45 (1/2 Hour OES reimbursement rate)
City Admin Rate (.19279)	\$58
Total	\$388 per Incident

*\*Includes applicable OPEB and PERS unfunded liabilities\**

# Proposed EMS Cost Recovery Fee

---

## Process

- ❖ Include with each Ambulance Transport Invoice (Bundled)
- ❖ Coverage provided through Private Health Insurers (Kaiser, Blue Shield)
- ❖ Medicare and Medi-Cal patients exempt from fee (Changes in 2021)
- ❖ Over 5,000 billable EMS responses per year
- ❖ Estimated Annual Cost Recovery: **\$332,000**

# Proposed Vehicle Accident Collision (VAC) Cost Recovery Fee

---

- ❖ CA Auto Insurance Policies covers emergency responses to vehicle accidents
- ❖ Cost analysis and methodology are identical to the proposed EMS Fees
- ❖ Over 200 billable responses per year
- ❖ Estimated Annual Cost Recovery: **\$70,000**



# Cost Recovery Comparison

---

Other East Bay area communities have adopted similar EMS Cost Recovery Fees. A sample comparison is as follows:

<b>City of Berkeley:</b>	<b>425.00</b>
<b>City of Oakland:</b>	<b>450.00</b>
<b>Moraga/Orinda Fire District:</b>	<b>380.00</b>
<b>San Ramon Valley Fire District:</b>	<b>495.00</b>
<b>Alameda County FD:</b>	<b>200.00</b>
<b>City of Albany:</b>	<b>350.00</b>
<b><i>City of Alameda:</i></b>	<b><i>388.00 (Proposed)</i></b>
<b><i>Average (excluding Alameda)</i></b>	<b><i>383.33</i></b>

# Future EMS Cost Recovery Changes

---

Medicare developing first responder cost allocation for the delivery of healthcare - 2020 rollout (est.)

Proposed fee structure delayed by the IAFC/IAFF in 2018 - Provider vs. Supplier of healthcare

Fee structure will include first responder at BLS and ALS for delivery of healthcare for those on Medicare first, then become adopted by Medi-Cal.

Proposed Fee example:

AFD EMS Fee -  $388 \times (5,050 \times 50\% \text{ of responses} = 2,025)$   $2,025 = \text{\$785,000 potential revenue}$

IGT changes - (Intergovernmental transfer)= Formula and methodology used by hospitals

Proposed CA legislation - Remove the current GEMT and QAF for public entities, move into an IGT

Revenue potential: Current Medicare Rate: 357/transport- Cost of 2,000/transport = \$1,643 loss

IGT coverage of this loss = (2,025 patients) **\$3,327,075**

# Final Recommendations

---

- ❖ Implement the proposed Annual FPB Fees incrementally over the next four (4) years
- ❖ Add one (1) FTE Division Chief Fire Marshal position to the FPB
- ❖ Implement the proposed two (2) New Cost Recovery Fees: EMS and VAC
- ❖ Authorize the Fire Chief or designee to administer fee inquiries and code exceptions
- ❖ Modify the False Alarm Fee Schedule from 6 months to annual (Calendar)