

PUBLIC SAFETY COMMITTEE REPORT relative to the Los Angeles Fire Department (LAFD) Fiscal Year (FY) 2018-19 Annual Cost of Special Services Fee Adjustments.

Recommendation for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

CONCUR, with the action taken by the Board of Fire Commissioners at its meeting held on October 16, 2018, approving the LAFD FY 2018-19 Annual Cost of Special Services Fee Adjustments, contained in the LAFD report dated October 5, 2018 (attached to the Council file).

Fiscal Impact Statement: The LAFD reports that assuming the recommended fees become effective July 1, 2018, it is projected that the associated fee increases will generate \$38 million in revenues in FY 2018-19. This is an increase of \$476,000 over the projected FY 2017-18 revenue budget as of December 2017.

Community Impact Statement: None submitted.

### SUMMARY

At its regular meeting held on February 13, 2019, the Public Safety Committee considered a Board of Fire Commissioners transmittal, dated October 18, 2018, regarding a report from the LAFD, dated October 5, 2018, relative to the FY 2018-19 Annual Cost of Special Services Fee Adjustments. The LAFD reports that the Los Angeles Municipal Code authorizes the Board, with the concurrence of the City Administrative Officer (CAO), to modify fees based on the cost of services. The fees have been reviewed by the LAFD and concurred by the CAO, and involve changes to fees including the Inspector hourly rate, Brush Clearance Inspection and Brush Administrative Cost fees, High-Rise Building Annual Inspection and Evacuation fees, and storage tank and hazardous material fees, among others.

During discussion, the Deputy Chief of the LAFD Fire Prevention Bureau and staff addressed the Committee and responded to related questions. In particular, the Committee inquired when the fees were last raised, and why they were being raised again. The LAFD advised the Committee that the fees were last raised in FY 2017-18 (Council file No. 17-0528) and are being raised again in FY 2018-19 since the fees are based on the cost of services which includes salaries and the current CAP rate (Cost Allocation Plan rate for indirect costs). Additionally, the Chief of the LAFD Industrial and Commercial Section (which includes the Brush Clearance Unit) advised the Committee that the LAFD actively works to implement cost and productivity improvements to stave off as much of the fee increases as it can.

After consideration, and after providing an opportunity for public comment, the Committee concurred with the actions of the Board of Fire Commissioners, in approving the proposed fee adjustments as detailed in the LAFD report dated October 5, 2018. This matter is now submitted to the Council for consideration.

Respectfully Submitted,

PUBLIC SAFETY COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
RODRIGUEZ:	YES
O'FARRELL:	YES
BUSCAINO:	YES
RYU:	YES
SMITH:	YES

REW 2/15/19 FILE NO. 18-0984

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**