

CITY OF SAINT PAUL Christopher B. Coleman, Mayor

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INTER-OFFCE MEMO

To: Ricardo X, Cervantes, Director

From: Phillip Owens, CFI, CFPS Assistant Fire Marshal

> Angie Wiese, CBO, PE Fire Protection Engineer

Subject: 2012 Proposed Increase in Fire Protection Permit Fees

Date: October 31, 2011

The purpose of this memo is to provide data in support, and justification for, a proposed increase in fire protection permit fees.

This proposed increase will provide additional, partial business cost recovery for both existing fee services and for those services provided, and not previously charged.

It has been more that ten years since the last increase in these service fees. Saint Paul fees for these services are presently below average in the metro area for other comparable cities.

Fire Suppression Systems:

Fire suppression systems, including fire sprinklers, standpipes, specialized suppression systems and kitchen hood systems are important and highly technical engineered fire protective systems, requiring specialized plan reviews, inspections and acceptance testing. Permit fees for this work have not been increased in over ten years. In an effort to recover partial business costs, it is proposed that an increase be made in fire suppression permit fees. Increase the flat rate from \$42 to \$65. Increase the fee per 10 sprinkler heads from \$15.50 to \$20 and add a plan review fee equal to 65% of permit fee for which there is currently no cost recovery.

Fire Alarm Systems:

Fire alarms are complicated protective systems, requiring specialized training and expertise for inspectors. There is presently no Fire Engineering permit, fee or business cost recovery for the plan review, inspection or acceptance testing of these highly technical protective systems. This is work which is done by the Fire Engineering staff. Electrical Inspections does charge an electrical permit for the AC electrical service wiring to the fire alarm panel and a per device fee. However, electrical inspections are only performed for the AC electrical connection to the fire alarm control panel. In 2010, there were 147 fire alarm permits, resulting in fees collected of approximately \$23,000. We propose a permit fee, with new cost recovery revenue for the plan review, installation, inspection and acceptance testing of fire alarm systems. The recommended fire alarm system permit fees are;

a minimum fee of \$65 per system, \$20 control unit, and per \$2.00 per alarm device for inspection and acceptance testing and add a plan review fee equal to 65% of permit fee for which there is currently no cost recovery.

Water Flow Tests:

Water flow tests are required to provide current, location specific water pressure and flow data to contractors for the proper design of fire suppression systems. Including fire sprinklers and stand pipes. We are not presently charging any fee for this important service. Because it would be difficult to manage the charging of fees to each of several contractors who may request the water flow data on a proposed project, it is suggested that an administrative flat fee be charged on all permits which require a plan review. It is recommended that a flat fee of \$65 be charged for each plan review requiring water flow data. These water flow tests require approximately two hours of staff time to conduct in the field.

Assuming 150 permits per year which require this information, the additional \$65 would generate \$9,750 per year.

Smoke Control Systems:

Smoke control systems are highly technical and complicated protective systems which require a high level of expertise to review, approve, and inspect. We do not currently charge a fee for this service. We propose a permit fee for the plan review and installation of smoke control systems, as well as an hourly fee for the inspection and acceptance test for these systems. An average plan review for these highly technical systems requires 5 hours. The recommended permit fee is then \$250, with a fee of \$60 per hour for the engineering staff to inspect and test.

It is expected that there are approximately three of these systems in a two year period.

Summary

Application	Estimate	Estimated Cost Recovery	
Fire Suppression	\$	140,315.00	
Fire Alarm	\$	33,200.00	
Smoke Control	\$	735.00	
Water Flow	\$	9,750.00	
Total		\$184,000	

 2010 Budget
 \$65,000

 2010 Revenues
 \$79,600

 2012 Proposed Revenue
 \$184,000

We do not anticipate this proposal to have any adverse impact on development or construction projects. These proposed fees are only a partial business cost recovery and are comparable with other metro communities. Our existing fees have not been increased at all in the past ten years, and some of our most important business services have had zero cost recovery previously.