



City Council Report

Date: June 17, 2013
To: City Council
Through: John Pombier, Deputy City Manager
From: Harry Beck, Fire Chief
Rich Kochanski, Deputy Chief/Fire Marshal
Subject: New Tent Inspection Fee
Citywide

Strategic Initiatives



Purpose and Recommendation

The intent of this report is to look for approval of a new fee for tent inspections from the Mesa Fire/Medical Department. The Mesa Fire/Medical Department recommends this fee to off-set labor and administrative costs when event coordinators or vendors need to apply for permits at the last minute. The Mesa Fire/Medical Department recommends a 100% increase to \$300 from \$150 when an applicant applies for a permit within 14 days of the event. Also, the Mesa Fire/Medical Department would like to charge \$40 per additional tent being raised at the same event.

Background

In 2011 the Arizona State Legislature passed a law allowing for the sale of fireworks in the State of Arizona. Since then the Mesa Fire/Medical Department has seen a sizable increase in tent applications during the New Years and Fourth of July holiday seasons. During this time fireworks manufactures are contracting with non-profit organizations to operate the tents during hours of operation and have no responsibility to the tent application. This responsibility lies with the fireworks manufacturer and/or a contracted individual. Often times these two entities are in a rush to get their tents in place and approved as close to the holiday as possible as to maximize the sales potential of the product but not to be open too early as the cost of the tent rental then cuts into profits. Unfortunately, these request come in on a Thursday late afternoon with multiple tent locations and they want to open on Saturday. For this reason, the Mesa Fire/Medical Departments Fire Prevention Division is put in a situation where in order to be business friendly and facilitate the request we must pay overtime to one of the Fire Inspectors to inspect the tent after hours or on the weekend. At this time there is no line item in the budget to facilitate these late requests.

Discussion

In order to continue with the high level of service the Mesa Fire/Medical Department currently provides in the Fire Prevention Division the business community, the implementation of the new fees should allow the better scheduling of inspection requirements and a cost neutral approach to after-hours tent inspection requests.

The fee increase is a mirror of the “expedited” fee schedule used in the Building and Sustainability Departments, where work to be done quicker due to compressed timeframes have a 100% increase in fees.

The new \$40 for each additional tent inspection for the same event was chosen from a benchmark survey of seven cities located here in the valley. This survey included Phoenix, Glendale, Tempe, Mesa, Chandler, Queen Creek, and Scottsdale. Since this is a new fee we have chosen the lowest fee currently being charged by the City of Chandler. This fee will also cover the costs incurred while having to inspect multiple large tents at any given special event.

Alternatives

Option 1 Move to implement fees that recover the labor and administrative costs to the City of Mesa to support the multiple late requests for tent permits and the labor costs incurred while making multiple tent inspections for the same event.

Option 2 Set management controls that implement drop dead dates for applications, thus, eliminating the possibility of late requests and requires appropriate time management practices for already overburdened inspection personnel to spend time inspecting non-billable inspections such as multiple tents at one event.

Option 3 Do nothing and continue to pay overtime for after hours and weekend inspections.

Fiscal Impact

Cost for implementation and maintenance of the new fees is estimated at \$ 0 annually. Charging for tent inspections is already part of the services we provide.

Estimated additional revenue generated annually would be \$5,970.00 bringing the forecasted annual revenue for the program to a total of \$11,250.00.

Coordinated With

Tent companies and Fireworks manufactures would be the agencies to be impacted the greatest from this fee increase. Clearly, anytime there is a fee increase those paying the fee are wary of the potential impacts to business. In this case it offers an opportunity to guarantee the vendors get their tents up and inspected in a timely fashion even if it is at the last minute. Additionally, most of these agencies are surprised that we do not offer this option currently for situations where an after-hours inspection is required.