

Olivehurst Public Utility District



Committee Staff Report

Meeting Date: November 16, 2023

Item description/summary:

FR Fire Recovery: I have attached the cost analysis report from FR Fire Recovery USA Fire Billing Solutions for your review. FR would need the Board to pass a Resolution for FR to bill on behalf of OPUD. The report I have attached is our calls from the past year and show what we could possibly recover. I would like to try FR Fire Recovery USA out for two years to see if we are able to recover some of our cost of running calls.

Fiscal Analysis:

No cost to the Department

Employee Feedback

Sample Motion:

Move to approve Resolution No. 2428 establishing and implementing a program to charge mitigation rates for the deployment of emergency and non-emergency services by the fire department for services provided/rendered by/for the Olivehurst Fire Department.

Prepared by:

Randy York, Fire Chief

RESOLUTION NO. 2428

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE OLIVEHURST PUBLIC UTILITY DISTRICT ESTABLISHING AND IMPLEMENTING A PROGRAM TO CHARGE MITIGATION RATES FOR THE DEPLOYMENT OF EMERGENCY AND NON-EMERGENCY SERVICES BY THE FIRE DEPARTMENT FOR SERVICES PROVIDED/RENDERED BY/FOR THE OLIVEHURST FIRE DEPARTMENT

WHEREAS, the emergency services response activity to incidents continues to increase each year; Environmental Protection requirements involving equipment and training, and Homeland Security regulations involving equipment and training, creating additional demands on all operational aspects of the fire department services; and

WHEREAS, the fire department has investigated different methods to maintain a high level of quality of emergency and non-emergency service capability throughout times of constantly increasing service demands, where maintaining an effective response by the fire department decreases the costs of incidents to insurance carriers, businesses, and individuals through timely and effective management of emergency situations, saving lives and reducing property and environmental damage; and

WHEREAS, raising real property tax to meet the increase in service demands would not be fair when the responsible party(s) should be held accountable for their actions; and

WHEREAS, the Board of the Olivehurst Fire Department desires to implement a fair and equitable procedure by which to collect said mitigation rates and shall establish a billing system in accordance with applicable laws, regulations and guidelines; Now, Therefore

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE OLIVEHURST PUBLIC UTILITY DISTRICT AND THE OLIVEHURST FIRE DEPARTMENT:

SECTION 1: The Olivehurst Fire Department shall initiate mitigation rates for the delivery of emergency and non-emergency services by the fire department for personnel, supplies and equipment to the scene of emergency and non-emergency incidents as listed in "EXHIBIT A". The mitigation rates shall be based on actual costs of the services and that which is usual, customary and reasonable (UCR) as shown in "EXHIBIT A", which may include any services, personnel, supplies, and equipment and with baselines established by addendum to this document.

SECTION 2: A claim shall be filed to the responsible party(s) through their insurance carrier. In some circumstances, the responsible party(s) will be billed directly.

SECTION 3: The fire department's Board may make rules or regulations and from time to time may amend, revoke, or add rules and regulations, not consistent with this Section, as they may deem necessary or expedient in respect to billing for these mitigation rates or the collection thereof.

SECTION 4: It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in open meetings of this Board, and

that all deliberations of this Board and any of its committees that resulted in such formal actions were in accordance with all legal requirements, and the Codified Resolutions of the Board.

SECTION 5: This resolution shall take effect at the date of adoption.

SECTION 6: The Mitigation Rates lists in Exhibit A will increase by 7.1% annually or based on the annual percentage increase in the Consumer Price Index (CPI), as developed by the Bureau of Labor Statistics of the U.S. Department of Labor, whichever is more. Rate adjustments will occur on the anniversary date of this ordinance/resolution to keep the fire department's cost recovery program in conformity with increasing operating expenses.

PASSED AND ADOPTED by the Board of Directors of the Olivehurst Public Utility District this 16th day of November 2023.

OLIVEHURST PUBLIC UTILITY DISTRICT

President, Board of Directors
Olivehurst Public Utility District

ATTEST:

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

District Clerk and Ex-Officio Secretary

Deirdre Joan Cox, Legal Counsel

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I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 16th day of November 2023, by the following vote:

AYES, AND IN FAVOR THEREOF:

NOES:

ABSTAIN:

ABSENT:

District Clerk and ex-officio Secretary

EXHIBIT A

MITIGATION RATES BASED ON PER HOUR

The mitigation rates below are average “billing levels”, and are typical for the incident responses listed, however, when a claim is submitted, it may be itemized and based on the actual services provided.

These rates are based on actual costs using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance). Labor rates include an average department’s actual burdened labor costs and not just a firefighter’s wage. These include wages, retirement, benefits, workers comp, etc.

MOTOR VEHICLE INCIDENTS

Level 1 - \$584.00

Provide hazardous materials assessment and scene stabilization. This will be the most common “billing level”. This occurs almost every time the fire department responds to an accident/incident.

Level 2 - \$667.00

Includes Level 1 services as well as clean up and material used (sorbents) for hazardous fluid clean up and disposal. We will bill at this level if the fire department has to clean up any gasoline or other automotive fluids that are spilled as a result of the accident/incident.

Level 3 – CAR FIRE - \$813.00

Provide scene safety, fire suppression, breathing air, rescue tools, hand tools, hose, tip use, foam, structure protection, and clean up gasoline or other automotive fluids that are spilled as a result of the accident/incident.

ADD-ON SERVICES:

Extrication - \$1,757.00

Includes heavy rescue tools, ropes, airbags, cribbing etc. This charge will be added if the fire department has to free/remove anyone from the vehicle(s) using any equipment. We will not bill at this level if the patient is simply unconscious and fire department is able to open the door to access the patient. This level is to be billed only if equipment is deployed.

Creating a Landing Zone - \$537.00

Includes Air Care (multi-engine company response, mutual aid, helicopter). We will bill at this level any time a helicopter landing zone is created and/or is utilized to transport the patient(s).

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates, for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus, per personnel, plus products and equipment used.

HAZMAT

Level 1 - \$943.00

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, set-up, and command.

Level 2 - \$3,369.00

Intermediate Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, set-up and command, Level A or B suit donning, breathing air and detection equipment. Set-up and removal of decon center.

Level 3 – \$7,953.00

Advanced Response: Claim will include engine response, first responder assignment, hazmat certified team and appropriate equipment, perimeter establishment, evacuations, first responder set-up and command, Level A or B suit donning, breathing air and detection equipment and robot deployment. Set-up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene. Includes 3 hours of on-scene time - **each additional hour @ \$381.00 per HAZMAT team.**

FIRES

Assignment - \$538.00 per hour, per engine / \$673.00 per hour, per truck

Includes:

- Scene Safety
- Investigation
- Fire / Hazard Control

This will be the most common “billing level”. This occurs almost every time the fire department responds to an incident.

OPTIONAL: A fire department has the option to bill each fire as an independent event with custom mitigation rates.

Itemized, per person, at various pay levels and for itemized products use.

ILLEGAL FIRES

Assignment - \$538.00 per hour, per engine / \$673.00 per hour, per truck

When a fire is started by any person or persons that requires a fire department response during a time or season when fires are regulated or controlled by local or state rules, provisions or ordinances because of pollution or fire danger concerns, such person or persons will be liable for the fire department response at a cost not to exceed the actual expenses incurred by the fire department to respond and contain the fire. Similarly, if a fire is started where permits are required for such a fire and the permit was not obtained and the fire department is required to respond to contain the fire the responsible party will be liable for the response at a cost not to exceed the

actual expenses incurred by the fire department. The actual expenses will include direct labor, equipment costs and any other costs that can be reasonably allocated to the cost of the response.

WATER INCIDENTS

Level 1

Basic Response: Claim will include engine response, first responder assignment, perimeter establishment, evacuations, first responder set-up and command, scene safety and investigation (including possible patient contact, hazard control). This will be the most common "billing level". This occurs almost every time the fire department responds to a water incident.

Billed at \$538 plus \$66 per hour, per rescue person.

Level 2

Intermediate Response: Includes Level 1 services as well as clean up and material used (sorbents), minor hazardous clean up and disposal. We will bill at this level if the fire department has to clean up small amounts of gasoline or other fluids that are spilled as a result of the incident.

Billed at \$1,077 plus \$66 per hour, per rescue person.

Level 3

Advanced Response: Includes Level 1 and Level 2 services as well as D.A.R.T. activation, donning breathing apparatus and detection equipment. Set up and removal of decon center, detection equipment, recovery and identification of material. Disposal and environment clean up. Includes above in addition to any disposal rates of material and contaminated equipment and material used at scene.

Billed at \$2,665 plus \$66 per hour per rescue person, plus \$134 per hour per HAZMAT team member.

Level 4

Itemized Response: You have the option to bill each incident as an independent event with custom mitigation rates for each incident using itemized rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized, per trained rescue person, plus rescue products used.

BACK COUNTRY OR SPECIAL RESCUE

Itemized Response: Each incident will be billed with custom mitigation rates deemed usual, customary and reasonable (UCR). These incidents will be billed, itemized per apparatus per hour, per trained rescue person per hour, plus rescue products used.

Minimum billed \$538 plus \$66 per hour, per rescue person. Additional rates of \$538 per hour per response vehicle and \$66 per hour per rescue person.

CHIEF RESPONSE

This includes the set-up of Command and providing direction of the incident. This could include operations, safety, and administration of the incident.

Billed at \$337 per hour.

MISCELLANEOUS / ADDITIONAL TIME ON-SCENE

ADDITIONAL TIME ON-SCENE (for all levels of service)

Engine billed at \$538 per hour.

Truck billed at \$673 per hour.

Miscellaneous equipment billed at \$404.

MITIGATION RATE NOTES

The mitigation rates above are average “billing levels” for one hour of service, and are typical for the incident responses listed, however, when a claim is submitted, it may be itemized and based on the actual services provided.

These average mitigation rates were determined by itemizing costs for a typical run (from the time a fire apparatus leaves the station until it returns to the station) and are based on the actual costs, using amortized schedules for apparatus (including useful life, equipment, repairs, and maintenance) and labor rates (an average department’s “actual personnel expense” and not just a firefighter’s basic wage). The actual personnel expense includes costs such as wages, retirement, benefits, workers comp, insurance, etc.



Emergency Incident Recovery Forecast

While we cannot make guarantees for cost recovery,
the following is an estimated forecast.

OLIVEHURST FIRE DEPARTMENT (CA)

<i>Items</i>	<i>Incidents per Year</i>	<i>Percent Collected</i>	<i>Amt. Billed</i>	<i>Totals</i>
MVA (with fluids on ground)	35	90%	@ \$520 =	\$16,380
MVA (no fluids on ground)	35	30%	@ \$520 =	\$5,460
Vehicle Fires	14	20%	@ \$605 =	\$1,694
Landing Zones	0	60%	@ \$2,100 =	\$0
Fires	8	60%	@ \$500 =	\$2,400
Hazardous Conditions	0	60%	@ \$700 =	\$0
Special Rescue	0	60%	@ \$400 =	\$0
SUBTOTAL COLLECTED				\$25,934

TOTAL RETURNED TO THE FIRE DEPARTMENT (per year)	\$20,229
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This forecast is only accurate if you bill all of these runs.

**** Emergency Incident Billing typically takes up to two years for a full "At Plan" ramp up, therefore be advised Year 1 revenue may be as much as 50% lower than the ongoing revenues.***

**** This forecast is highly dependent on the client providing adequate billing data to enable us to meet our normal collection rates. This will be reinforced during training.***

Based on Data from:	2023
Forecast Prepared on:	10/11/2023