

May 8, 2007

**Honorable Mayor and Members of the
Hermosa Beach City Council**

**Regular Meeting of
May 22, 2007**

**SUBJECT: AMENDMENT TO THE CITY'S MASTER FEE RESOLUTION UPDATING
FEES FOR GREASE CONTROL DEVICE PERMITS AND INSPECTIONS.**

Recommendation:

That the City Council adopt the attached resolution amending the Master Fee Resolution to update permit and inspection fees for grease control devices.

Background:

On June 14, 2005, the City Council adopted an ordinance requiring the installation of systems to remove grease from wastewater discharged to the municipal sewer by restaurants and other food service establishments (FSEs).

The ordinance has been successfully implemented and almost all of the restaurants have since installed the required devices. Staff is presently conducting enforcement actions to motivate the few remaining restaurants to comply.

In October of 2005, the City Council adopted fees for the permitting and inspection of GCDs for the recovery of costs involved in their administration. The purpose of the present agenda item is to update the inspection fee in light of more precise information on installed GCDs.

Analysis:

The City and its consultant (ECIS) have determined that, as a result of the inventory of grease control devices undertaken over the past year, the annual cost of inspections of GCDs will be less than the \$150 originally estimated.

The cost of grease control device inspections under the contract with ECIS, the City's consultant for grease control device inspection, is \$25 per lid¹. Adding an additional \$5 per lid for the City's administrative costs associated with staff time for notifications, issuance of citations, and administration of the consultant contract results in a recommended inspection fee of \$30 per lid. Therefore, since almost all of the restaurants have only one lid, staff recommends a flat fee of \$90 per year for the required three inspections, as opposed to the present \$150.

Staff intends to collect the annual GCD inspection fee from affected restaurants at the time of business license renewal.

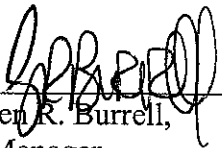
A resolution amending the Master Fee Resolution to adjust the above inspection fee is attached.

¹ A "lid" or inspection point is defined as any opening into the grease interceptor or trap designed for providing access or for obtaining a sample. Staff has counted a total of 120 lids so far, including recent GCD installations. Allowing for future new installations, we estimate there will be up to 130 lids to be inspected in the coming fiscal year. Therefore, the contract amount for inspections, using the consultant charge to the City of \$25 per lid, would be $25 \times 3 \times 130 = \$9,750$.



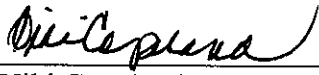
Ken Robertson,
Acting Community Development Director

Concur:



Stephen R. Burrell,
City Manager

Approved for Financial Impact:



Viki Copeland,
Finance Director

Attachments:

1. Resolution Amending Master Fee Resolution

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RESOLUTION NO. 07-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, AMENDING RESOLUTION 90-5422 (MASTER FEE RESOLUTION) TO AMEND THE FEE RELATING TO INSPECTION OF GREASE CONTROL DEVICES

WHEREAS, pursuant to Article XIII B of the Constitution of the State of California, and as stated in Section 2.64.010 of the Hermosa Beach Municipal Code, it is the intent of the City Council to require the determination and recovery of costs reasonably borne from fees and charges levied in providing City products or services; and

WHEREAS, the costs of providing City services for the permitting and inspection of grease control devices has been determined.

THEREFORE, THE CITY COUNCIL OF THE CITY OF HERMOSA BEACH, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby finds that the fees established herein are justified and do not exceed the cost of providing the specified services.

SECTION 2. Schedule 1 of Resolution 90-5422 ("Community Development") is hereby amended to change the fee for Food Service Establishments requiring grease control devices under Ordinance 05-1250 to the following:

Annual Grease Control Inspection Fee: \$90.00 per year

SECTION 3. The fee in this Resolution shall take effect immediately and shall supersede the grease control inspection fee established by previous resolution.

SECTION 4. The fee in this Resolution shall be administratively adjusted annually on September 1 of each year by the average negotiated changes in salaries and benefits contained in the memoranda of understanding between the City and its employee bargaining groups for the current fiscal year.

SECTION 5. The City Clerk shall certify to the passage and adoption of this resolution; shall cause the same to be entered among the Resolutions of said City; and shall make a minute of the passage and adoption thereof in the records of the proceedings of the City Council of said City in the minutes of the meeting in which the same is passed and adopted.

PASSED, APPROVED and ADOPTED this 22nd day of May 2007.

PRESIDENT of the City Council and **MAYOR** of the City of Hermosa Beach, California

ATTEST:

APPROVED AS TO FORM:

City Clerk

City Attorney