



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Health
Department No.: 041
For Agenda Of: November 3, 2015
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department Takashi Wada, MD, MPH, Public Health Department Director &
Director(s) Deputy Health Officer
Contact Info: Lawrence Fay, Jr. Environmental Health Director (346-8463)
SUBJECT: MGT of America Professional Services Agreement

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider the following recommendations:

- a) Approve and authorize the Chair to execute an agreement with MGT of America, Inc. for consulting services to provide a user fee study, not to exceed \$34,225 for the Public Health Department's Environmental Health Services for the period of November 1, 2015 through June 30, 2016 (Attachment A).
- b) Approve the attached Budget Revision Request (BJE 0004228) to establish appropriations of \$34,225 in the Public Health Department's Environmental Health Services Fund for the one-time purchase of consulting services (Attachment B).
- c) Determine that the above actions are organizational and administrative activities of government that are not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(5) of the CEQA Guidelines and direct staff to file the Notice of Exemption (Attachment C).

Summary Text:

This item is on the agenda to authorize the Chair to execute a new Agreement with MGT of America, Inc., to provide consulting services for the Public Health Department's Environmental Health Services (EHS). MGT will prepare a cost analysis of fee-for-service activities specific to plan reviews, inspections, and other regulatory and permitting services provided by EHS.

This EHS contract of \$34,225 will exceed the \$100,000 Purchasing threshold when combined with existing contracts and therefore needs board approval.

Background:

Environmental Health Service programs are supported by user fees, where allowed. Historically, EHS has had eight fee ordinances and one fee resolution for its various programs. In July 2013 the Hazardous Materials Unit transferred from the Fire Department to Public Health Environmental Health Services and brought with it one fee ordinance for its programs.

When the Public Health Department acquired the Hazardous Materials programs, a financial analysis was performed and a transition plan was implemented that was cost and revenue neutral. Now that the department has some history with the programs, moving forward it is important that fees continue to be set at a basis which ensures continued alignment with the cost of providing services.

The department prefers to review all program fees simultaneously; however changes to individual programs can necessitate separate updates, most specifically when new regulations are implemented or programs requirements change. The most recent program update was in 2013. Engaging MGT of America, Inc. will allow all fees to be reviewed at one time and will ensure consistency, comparability, and adequacy.

MGT of America, Inc. has been providing activity-based costing analyses to public agencies for many years and has specific experience with EHS fees. They are currently engaged with the Santa Barbara County Public Works and Planning and Development departments providing similar services. Authorizing the execution of the contract with MGT of America, Inc. will provide Environmental Health Services with their experience and expertise in realignment of its fees. They will work with the department to understand the nature of the work and craft the fees in the best interest of the department and community while working within the state and local codes.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State			
Federal			
Fees			
Other:	\$ 34,225.00		
Total	\$ 34,225.00	\$ -	\$ -

This budget revision will transfer appropriations in the amount of \$34,225 from salaries and benefits, due to salary savings, to services and supplies to fund a contract with MGT of America, Inc. for an Environmental Health Services fee study and analysis. This study will incorporate new experience with

the Hazardous Materials programs since their transfer to the Public Health Department in Fiscal Year 2013-14 to ensure the appropriateness of these activity-based fees.

Key Contract Risks:

This agreement was assessed to be in a low risk category due to the following components:

- MGT has demonstrated performance with other Santa Barbara County departments and many other California counties;
- MGT is a long standing business concern; and,
- MGT will not be handling any personal health information or data of a confidential or protected nature.

The Public Health Department will continue to monitor this contract for any risks in compliance with county policy.

Staffing Impacts:

Legal Positions:
0

FTEs:
0

Special Instructions:

Please execute two (2) originals of the MGT of America, Inc. Agreements and retain one (1) original Agreement and one (1) Minute Order for pick-up by the department. Please email phdca@sbcphd.org when available for pickup.

Attachments:

- A. MGT of America Agreement
- B. Budget Revision #0004228
- C. Notice of Exemption

Authored by:

Stacy Covarrubias, Cost Analyst II