



**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: 09/18/07
Placement: Set Hearing
Estimated Tme: 30 min on 10/16/07
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Elliot Schulman, MD, MPH, Director and Health Officer
Director
Contact Info: Rick Merrifield, Environmental Health Director (681-4934)
SUBJECT: Environmental Health Services Fee Adjustments

County Counsel Concurrence

As to form: Yes No N/A

Auditor-Controller Concurrence

As to form: Yes No N/A

Other Concurrence: N/A

As to form: Yes No N/A

Recommended Actions:

That the Board of Supervisors:

Set a hearing to consider recommendations regarding Environmental Health Services fee adjustments as follows:

- a) Adopt a Resolution amending fees for Environmental Health Services pursuant to the California Uniform Retail Food Facilities Law, Health & Safety Code §113700, et seq.
- b) Adopt a Resolution amending fees for Environmental Health Services relating to Substandard Housing Complaint Inspections pursuant to Health & Safety Code §17910.
- c) Adopt a Resolution amending fees for Environmental Health Services pursuant to California Health & Safety Code §119300 et seq., relating to Tattooing, Body Piercing and Permanent Cosmetics.
- d) Adopt a Resolution amending fees for Environmental Health Services relating to Swimming Pool Sanitation, Organized Camps, Bacteriological Water Samples, Septic Tank Pumper Trucks and Sewage Violation Inspections pursuant to the California Health & Safety Code and Chapter 16 of the Santa Barbara County Code.
- e) Pursuant to California Environmental Quality Act (CEQA) guidelines, approve the Notices of Exemption from the California Environmental Quality Act of 1970 (CEQA) for each of the fee resolutions.

Summary Text:

The Public Health Department is requesting a hearing to consider revisions to four fee resolutions for services provided by Environmental Health Services (EHS). These four resolutions were last updated in FY 2004-2005, based on a comprehensive analysis that realigned fees with the costs of providing services. In the three years since the last fee adjustment, the cost to provide these services has increased due to changes in operating costs¹ including: salaries and benefits, utilities, and A87 Plan Overhead. Thus, the attached resolutions would bring revenues closer in line with the increased cost of providing services.

Background:

In Fiscal Year 2004-2005, Environmental Health Services (EHS) realigned fees to the actual cost of services for its nine fee resolutions, based on a comprehensive fee study. Eight of the resolutions were approved effective July 1, 2004 and the Solid Waste fee (Integrated Waste Management Act of 1989) resolution was brought back for approval six months later. On November 14, 2006, for the first time, Land Development fees were brought to the Board for all county departments as one package. Four of the nine EHS fee resolutions related to land development (Land Use, Water Systems, Water Wells and Septic Systems), were included in this joint action.

This letter's recommendations relate to the four EHS fee resolutions that do not pertain to Land Development or Waste Management and have not been adjusted since 2004. The fee revisions recommended are limited to changes in costs and a limited number of programmatic changes as described below. Following this adjustment, it is the intention of the department, in the future, to bring these resolutions to the Board immediately after Land Development fees are next reviewed in order to maintain consistency among the different EHS program fees. This practice is in line with the recommendation from the Blue Ribbon Task Force to review fees no less than bi-annually and, where viable, pursue full cost recovery.

Current Request:

The resolutions before your Board represent approximately 52 fee categories. **Attachment A** details the current and proposed fees for all categories. It also shows the new categories based on legislative changes. The amounts for the 52 proposed fees can be summarized as follows:

- 21 fees are less than \$200
- 11 fees are between \$201 - \$400
- 8 fees are between \$401 - \$700
- 6 fees are between \$701 - \$1,000
- 6 fees are greater than \$1,000

Recommendation A: Retail Food Program (Attachment D)

Effective July 1, 2007, the California Uniform Retail Food Facilities Law (Health & Safety Code §113700, et seq.) was replaced in its entirety by the California Retail Food Code (Cal Code). Cal Code is modeled on the federal Food Code and represents the best available science for the overall goal of

¹ 42% Health Insurance rate increase, 5% Retirement rate increase, 28% County A87 Plan Overhead, and new direct charge for utilities, \$25,453.

preventing food borne illness. The new code emphasizes specific risk factors for food borne illness, based on actual operational conditions. This shift is expected to improve public health protection by requiring more in-depth inspections for establishments with higher risk while providing increased flexibility in requirements for those with lower risk.

The updated fee resolution for the Retail Food Program includes provisions to streamline application and permitting procedures, new definitions to accommodate new categories of food facilities and new reduced fee categories for low-risk operations. Some recurring low-risk temporary food facilities will, for the first time, be able to obtain an annual Health Permit rather than applying for a new permit for each separate event. Six new categories have been added and two have had title and/or definition changes.

To facilitate implementation of the new Retail Food Code, EHS has developed a new checklist inspection form that is expected to be much easier for business owners to read and understand. It reduces the need for handwritten comments; includes logical groupings of operational issues; and relevant code language is printed on the back of the inspection form for reference by business owners. EHS held several public workshops and provided intensive training to staff to ensure a smooth transition to the new code.

Every effort has been made to apply process improvements to implement the new requirements without increasing staffing levels. As experience is gained with this new code, staff workload, customer service levels, and performance measures will be monitored and reviewed.

The proposed fee resolution continues previous Board policy of using General Fund to support the cost of waiving permit fees for non-profit charitable organizations. This fee waiver is applied to those non-profit charitable organizations that participate in fund-raising events up to four times per year. Overall, the recommended Food program fee resolution increases the program's annual revenue by an estimated \$238,000 for the 2,714 food facilities and estimated new construction sites and continues utilizing approximately \$107,000 in General Fund Contribution for the estimated 579 non-profit events and booths.

Recommendation B: Housing and Institutions (**Attachment E**)

Approximately 70% of activity in the Housing program consists of response to complaints from the community; primarily reports of sewage spills and indoor infestations of insects or rodents. The recommended fee resolution for Substandard Housing Complaints continues the practice of General Fund support for responses to these complaints which are regarded as an important public service with no readily available source for cost recovery. That support is estimated to be approximately \$38,500 per year. Fees for Detention Facility inspections will continue to be on an hourly basis. The recommended fee resolution increases the program's revenue by an estimated \$400.

Recommendation C: Tattoo and Body Adornment Program (**Attachment F**)

The recommended fee resolution for the Tattoo and Body Adornment program retains the existing fees, but extends the annual fee to practitioners as well as facility owners, in accordance with provisions of the Health and Safety Code. This revision improves consistency with actual code requirements and will increase revenue to improve cost recovery for this program. To reduce program costs, this workload

will be transferred from Sr. Environmental Health Specialist positions to Environmental Health Specialist positions. EHS has been working with the Body Art practitioners to explain the need for the revised fees. The proposed approach will increase the program's annual revenue by an estimated \$7,500 for the 100 facilities and practitioners.

Recommendation D: Swimming Pools, Organized Camps, Water Samples, Septic Tank Pumpers and Sewage Discharges (Attachment G)

- **Swimming Pool Sanitation:**
The recommended fee resolution continues the practice of charging a lower inspection fee for secondary pools and spas at the same location and providing a 20% lower plan check fee for secondary pools or spas when plans for multiple pools are received as a combined project. Overall, the recommended resolution increases the program's annual revenue by an estimated \$38,000 for the 713 swimming pools/spas and estimated 83 plan checks for construction and remodels.
- **Organized Camps**
The four active Organized Camps in the county include the multiple program components of food, swimming pools and drinking water systems, in addition to the physical facilities, operations and vector control issues. As provided in Chapter 16 of the County Code, the Organized Camp fee covers costs of all component inspections. The recommended fee resolution increases the annual fee from \$595 to \$715, increasing the program's annual revenue by \$480 for the four Organized Camps.
- **Bacteriological Water Samples**
The recommended fee resolution recommends a change in practice to cover the actual cost of service currently subsidized by General Fund. Currently and historically, the bacteriological sampling and analysis fee has been recommended at lower than cost in order to facilitate the direct monitoring of the bacteriological quality of drinking water served by systems under the jurisdiction of the County's Drinking Water program. This practice also kept the fee comparable to private laboratories and ensured that the samples were taken according to the schedule mandated by state law. For full cost recovery, the fee is recommended to increase from \$50 to \$100. If the 107 water system operators currently utilizing EHS staff to collect their water samples continue to do so, the increase in annual revenue is estimated at \$54,750.

Because water sampling is a legal requirement for water system operators and not a mandated service for the County, EHS plans to work with the water systems operators to explore alternate sampling protocols. This is likely to include use of private sector laboratories and samplers, to ensure the most cost-efficient approach, for both the County and the water system owners, for this element of the Water program.

- **Septic Tank Pumper Trucks**
The recommended fee resolution increases the fee from \$190 to \$230. The program's annual revenue is estimated to increase by \$2,800 for the 70 Pumper Trucks currently in inventory that are in the business of pumping septic tanks, cesspools, seepage pits, or chemical toilets.
- **Sewage Violation Inspections**

The recommended fee resolution continues the practice of charging an hourly rate for complaint responses to sewage discharges upon confirmation of the violation.

Recommendation E: Approve the Notices of Exemption from the California Environmental Quality Act of 1970 (CEQA) for each of the Fee resolutions

These fees qualify for statutory California Environmental Quality Act of 1970 (CEQA) exemption under Public Resource Code, section 21080, subd (b) (8) (A) & (B) and Title 14 (California Code of Regulations), Section 15273. Notices of Exemption are attached to each fee resolution.

Summary:

All fee resolutions include an hourly rate of \$110. This hourly rate will be utilized primarily for activities that do not have a fixed fee (e.g., Detention Facility inspections) or when staff time for plan check or inspection activities exceeds the category maximum. This approach allows EHS to keep standard plan check fees as low as possible. Because the application of the hourly rate is estimated to constitute less than 4% of the Environmental Health Division's services, it is calculated using an average across all programs. All fee resolutions include provisions for appeals and new language has been added that allows applicants to request a review of their project which may result in a reduced fee for plan checks that require significantly less staff time than the average. Additionally, most fee resolution categories have been rounded to the nearest \$5. For the first time, the resolutions include a Non-Sufficient Fund fee of \$34 for returned checks. Government Code 6157 allows a reasonable charge not to exceed the cost of processing and collection.

Performance Measure:

Performance measures for EHS that are related to these recommendations include:

1. Ensure that at least 95% of the approximately 2300 retail food facilities receive at least one routine inspection per year.
2. Ensure that 100% of approximately 275 plans for retail food facilities and swimming pools receive initial plan check within 15 working days.
3. Respond to and initiate investigation of an anticipated 100 reports of food borne illness within one working day.
4. Respond to and initiate investigation of approximately 80 sewage discharge complaints within one working day.

Fiscal and Facilities Impacts:

Budgeted: No. The adopted budget included fees at current levels. Pending approval of the recommendations, Environmental Health Services will return to your Board with a Budget Revision Request increasing the adopted revenue budget by \$289,000.

Fiscal Analysis:

Narrative: Adopting the four Environmental Health Services fee resolutions will amend the fees to more accurately reflect the cost of providing services. These resolutions have not been updated since July 2004. **Attachment A** summarizes the changes to each fee by EHS program and fee category. It also shows the projected annual revenue increase by program. The annual increased revenue is estimated at \$342,000. However, since these fees are requested to be implemented mid-year, the resulting revenue

increase for FY 2007-2008 is estimated at a lower amount, \$289,000. **Attachment B** details a sample of Santa Barbara County’s proposed EHS fees against those of some neighboring and benchmark counties. On average, Santa Barbara County’s proposed fees are lower in most comparable categories.

The change in the California Uniform Retail Food Facilities Law (Cal Code), which came into effect July 1, 2007, resulted in the need to add new food program fee categories and prompted definition changes. Because there is no inspection history for these new categories, the fees are recommended at amounts that reflect estimated time. Once sufficient time and monitoring has taken place, these categories will be revisited to determine if the fee reflects the cost of service provided.

The proposed Bacteriological Sampling fee will cover the actual cost of service currently subsidized by the General Fund resulting in an estimated FY 2007-2008 mid-year increase of approximately \$27,000. This change in practice will allow for the current General Fund subsidy in the Water program to be shifted to other Environmental Health programs supported by General Fund: Ocean Water monitoring, Non-Profit Temporary Food Facilities, Vector Control, and Voluntary Septic Maintenance, all of which have incurred increased costs.

Adoption of the recommendations will not result in any increased General Fund contribution or A87 Plan overhead. The Environmental Health Services Cost Center is included in the Public Health Department’s Fiscal Year 07-08 operating budget in the Community Health division, found on page D-190.

Adoption of these fee resolutions and recommendations will not result in any additional staff or need for facilities.

Staffing Impacts:

<u>Legal Positions:</u>	<u>FTEs:</u>
<u>0</u>	<u>0</u>

Special Instructions:

1. Request the Clerk of the Board to publish notice of this hearing, per the attached Notice (**Attachment C**), in the Santa Barbara News Press 5 and 10 days prior to the hearing, in accordance with Government Code §6062a.
2. Request the Planning and Development Department to post the Notices of Exemptions for each of the resolutions in the County Planning and Development Department at least six days prior to consideration of the activity by the Board of Supervisors to comply with the County CEQA guidelines.
3. Return one fully executed copy of each resolution along with a copy of the minute order to the Public Health Department Contracts Unit, 300 N. San Antonio Road, Bldg. 8, Santa Barbara, CA 93110, Attn: Dawn McGrew (805) 681-5205

Attachments:

1. Attachment A, Summary of Current and Proposed Fees
2. Attachment B, Benchmark County Fee Comparison

3. Attachment C, Notice of Public Hearing
4. Attachment D, Resolution amending fees for Environmental Health Services pursuant to the California Uniform Retail Food Facilities Law, Health & Safety Code §113700, et seq.
5. Attachment E, Resolution amending fees for Environmental Health Services relating to Substandard Housing Complaint Inspections pursuant to Health & Safety Code §17910.
6. Attachment F, Resolution amending fees for Environmental Health Services pursuant to California Health & Safety Code §119300 et seq., relating to Tattooing, Body Piercing and Permanent Cosmetics.
7. Attachment G, Resolution amending fees for Environmental Health Services relating to Swimming Pool Sanitation, Organized Camps, Bacteriological Water Samples, Septic Tank Pumper Trucks and Sewage Violation Inspections pursuant to the California Health & Safety Code and Chapter 16 of the Santa Barbara County Code.

Authored by:

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