



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: 4/2/19 First Reading
4/9/19 Second Reading
Placement: Departmental 4/2/19
Administrative 4/9/19
Estimated Tme: 30 min on 4/2/19
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Van Do-Reynoso, MPH, PhD, Director
Director Public Health Department
Contact Info: Larry Fay, Environmental Health Director (346-8463)
SUBJECT: Environmental Health Services Fee Adjustments for Community Health Programs

County Counsel Concurrence

As to form: Yes

Other Concurrence: N/A

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors consider the following recommendations:

On April 2, 2019:

- a) Receive and file a presentation regarding Environmental Health Services' Fee Schedule Resolutions and Ordinances.
- b) Adopt a Resolution amending fees for Environmental Health Services relating to Food Facilities.
- c) Adopt a Resolution amending fees for Environmental Health Services relating to Swimming Pool Sanitation.
- d) Adopt a Resolution amending fees for Environmental Health Services relating to Onsite Wastewater Treatment Systems, Pumping, Maintenance and Disposal Services and Sewage Violation Inspections.
- e) Adopt a Resolution amending fees for Environmental Health Services relating to Organized Camps and Substandard Housing Complaint Inspections.
- f) Adopt a Resolution amending fees for Environmental Health Services relating to Body Art.

- g) Adopt a Resolution amending fees for Environmental Health Services relating to Public Water Systems (California Safe Drinking Water Act).
- h) Adopt a Resolution amending fees for Environmental Health Services relating to Water Wells and Private Water Systems.
- i) Adopt a Resolution amending fees for Environmental Health Services relating to Land Development Review.
- j) Approve the introduction (First Reading) of an Ordinance amending fees for Environmental Health Services relating to Solid Waste.
- k) Approve the introduction (First Reading) of an Ordinance amending fees for Environmental Health Services relating to Monitoring Wells and Borings.
- l) Read the titles of the above Ordinances amending fees for Environmental Health Services relating to Solid Waste and Monitoring Wells and Borings into the record and waive full reading of these Ordinances.
- m) Find that approval of the recommended actions A-I is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8)(A) & (B) and CEQA Guidelines Section 15273 because the fees will be used for operating expenses and for the purchase of supplies, equipment and materials and direct staff to file a Notice of Exemption on that basis. (Attachment L)
- n) Continue the hearing on Environmental Health Services' Fee Ordinances to the Administrative Agenda for April 9, 2019 to consider recommendations, as follows:

On April 9, 2019

- i) Consider and approve the adoption (Second Reading) of an Ordinance amending fees for Environmental Health Services relating to Solid Waste.
- ii) Consider and approve the adoption (Second Reading) of an Ordinance amending fees for Environmental Health Services relating to Monitoring Wells and Borings.
- iii) Find that approval of the above recommended actions is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8)(A) & (B) and CEQA Guidelines Section 15273 because the fees will be used for operating expenses and for the purchase of supplies, equipment and materials and direct staff to file a Notices of Exemption on that basis. (Attachment M)

Summary Text:

The Public Health Department is requesting your Board consider revisions to ten fee schedules (via 8 Resolutions and 2 Ordinances) for services provided by Environmental Health Services (EHS). The majority of these fee schedules were last updated in October 2009, although Solid Waste was updated in 2011, Monitoring Wells and Borings was updated in 2012, Cottage Food was adopted as a new program in 2013, and Land Use had a Consumer Price Index (CPI) increase in 2013.

Since EHS fees were last adjusted, the County has experienced increases in operating costs, driven primarily by salaries and benefits, including retirement costs. The actions recommended in this Board Letter would align fees with the costs to provide the specified services.

EHS provides regulatory oversight for public Food Facilities, Swimming Pools, Wastewater Systems (including pumper trucks and sewage), Organized Camps, Institutional Housing, Body Art, Safe Drinking Water, Water Wells, Land Development, Solid Waste and Monitoring Wells. EHS is authorized and governed by various county and state codes which prescribe these responsibilities. This regulatory oversight represents the majority of EHS's work with the cost of these services currently being supported primarily by permit fees and very limited general fund support.

Background:

EHS administers a variety of programs that are primarily supported by user permit and service fees. These fees are addressed in eight separate fee resolutions and two separate fee ordinances. These resolutions and ordinances are based on specific mandates and authority to charge fees in California law. The attached fee schedule revisions will update ten of the twelve Environmental Health Services program fees in order to bring generated revenues in line with the cost of providing services. Two fee ordinances relating to Hazardous Materials are also being brought to your Board for appropriate revisions.

- Retail Food Program fees last updated in 2009 with Cottage Food added in 2013
- Swimming Pool fees last updated in 2009
- Wastewater (pumper & sewage) fees last updated in 2009
- Organized Camps and Housing fees last updated in 2009
- Body Adornment fees last updated in 2012
- Safe Drinking Water Act fees last updated in 2009
- Private Water Systems and Water Wells fees last updated in 2009
- Land Development fees last adopted in 2009 and updated in 2013 with CPI
- Solid Waste fees last updated in 2011
- Monitoring Wells and Borings last updated in 2012

Current Requests:

The fee revisions recommended at this time are limited to changes in the costs to provide the services and other minor revisions to simplify and streamline the fee schedules and improve their consistency.

Recommendation B: Retail Food Program (Attachment A1)

• **Retail (Permanent) Food Facilities:**

Environmental Health Services provides oversight for approximately 3,572 retail food facilities throughout the County. Primary activities include routine and follow up inspections, plan reviews and investigation of reports of food borne illness.

The updated fee resolution for the Retail Food Program has collapsed several fee categories to simplify the fee schedule and streamline application and permitting procedures:

- A standard application fee is applied to all programs for the time spent preparing each case for plan review.

- Plan review categories have been eliminated and replaced with hourly billing to reward well designed plans and cover the staff cost of repeated review and rejection of poorly designed plans.
- Reduced fees for low risk operations remain in place.

- **Temporary Food Facilities:**

Temporary Food Facilities associated with community events make up a significant portion of the growing EHS workload and expenditure budget. Organizers and temporary booths now constitute 29% of all food facilities in the County and require a significant number of staff hours.

These facilities differ markedly from permanent food facilities and add disproportionately to the workload because every special event involves converting an open field, park or parking lot into a safe environment for preparing and serving food to the public. Additionally, temporary events typically operate on weekends, necessitating the use of overtime or diversion of staff from an already full workload during the regular work week.

Temporary food facilities have none of the infrastructure elements or training requirements which are considered essential for safe food handling (such as fully enclosed permanent buildings, piped water, approved sewage disposal, permanent electrical/gas, restrooms, certified food handlers, etc.). Each temporary event is essentially a compressed combination of a consultation, permit application, plan review, construction inspection and operational inspection. If problems are encountered, there is very little time to make corrections, resulting in a situation in which staff needs to conduct follow up inspections, or close the event in the field.

- **Non-Profit Temporary Food Facilities:**

Community events are a popular fund-raising venue for non-profit organizations. Of the 1,025 temporary food facility operations in Santa Barbara County, over 50% are conducted by, or for, non-profit organizations. Previous fee resolutions have included a waiver of fees for non-profit organization supported by the General Fund. The updated fee resolutions include a fee for the non-profit temporary food facilities that will recover the calculated cost associated with permitting and inspecting non-profit temporary food facilities of \$124,700. The General Fund support for this subsidy has been eliminated in the department's allocation of local funding.

Therefore, with respect to retail food facilities and for-profit Temporary Food Facilities, the recommended Food program fee resolution for full cost recovery keeps annual revenue relatively the same: a \$12,300 overall reduction for a \$1.8 million dollar program for the 3,243 food facilities, vehicles, for-profit Temporary Food Facilities and booths, and estimated construction plan reviews. When including the new fees for non-profit Temporary Food Facilities, there is an additional annual increase of \$124,700.

Recommendation C: Swimming Pool Sanitation (Attachment B1)

- **Swimming Pool Sanitation:**

The recommended fee resolution collapses the fee categories from *two* annual swimming pool fees into *one*, and from *five* plan review fee categories into *one* plan review *application fee plus hourly invoicing* to make this a more resource-based fee. Overall, the recommended resolution

increases the program's annual revenue by an estimated \$86,200 for the 731 swimming pools/spas and an estimated 60 plan reviews for construction and remodels for program full cost recovery.

Recommendation D: Onsite Wastewater Treatment Systems, Pumping, Maintenance and Disposal Services and Sewage Violation Inspections (Attachment C1)

- **Onsite Wastewater Treatment Systems**

EHS is responsible for plan reviews and construction inspections of onsite sewage treatment and disposal systems in the unincorporated area of the County. Primary activities include review of new systems, abandonment of old systems, evaluation of existing systems for remodels or additions, and review of modifications to existing systems to meet increased demands. The recommendation collapses the existing *six* fees to *four* and adds *an application fee plus hourly invoicing*. The recommended fees are calculated at full cost, with an estimated revenue increase of \$202,500.

- **Pumping, Maintenance and Disposal Services (“Pumper Trucks”):**

The recommended fee resolution reduces the fee from \$260 to \$149. The program's annual revenue is estimated to decrease by \$14,800 for the 134 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 to facilities that are determined to be in violation of illegal sewage discharge(s).

- **Voluntary Maintenance:**

The MGT workbook includes a calculation for the Voluntary Maintenance program, which is currently supported by the General Fund. When a property owner has a septic system inspected and maintained by a permitted septic system pumper, the pumper is required to submit a report to EHS that details the pumper's observations and identifies any deficiencies or needed repairs. Reports are received, reviewed, entered into the database, and when there are needed repairs, staff sends notices to the property owner directing corrective action. The calculated cost is \$131,400 for the 800 sites (\$164 annually, per site) and because the current General Fund subsidy has been eliminated for this service, the updated fees contain a calculated fee for this program for full cost recovery.

Recommendation E: Organized Camps, and Substandard Housing Complaint Inspections (Attachment D1)

- **Organized Camps:**

The five 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 \$805 to \$998, increasing the program's annual revenue by \$965 for full cost recovery for the five Organized Camps.

- **Substandard Housing Program:**

The majority 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. When a responsible party for a confirmed sewage discharge is identified, an hourly rate fee is charged to the property owner. Very few responses to complaints result in determining a responsible party. Therefore, continued General Fund support, calculated at \$38,000, is projected to be used to respond to complaints.

Fees for Detention Facility inspections are also charged on an hourly basis. The recommended fee resolution increases the program's revenue by an estimated \$750 for full cost recovery.

Recommendation F: Body Art (Attachment E1)

Environmental Health Services is responsible for enforcement of State statutes related to tattooing and other body art practices. These fees were more recently updated in 2012 to include the California legislature Health and Safety Code amendment of the *Safe Body Art Act* to provide statewide standards governing the practice of body art. These requirements protect both the practitioner and the client from the transmission of infectious diseases through the application of proper procedures and the control of cross-contamination through instruments and supplies. EHS is the designated local agency to administer the law governing body art services within Santa Barbara County. The program's annual permit fee revenue will remain the same with currently proposed revisions; namely, the 34 facility permits will decrease and the 32 practitioner permits will increase thus resulting in *no change* to the annual estimated revenue. Although there are fees for temporary events, there is no revenue estimate due to the fact that events happen relatively infrequently. The event fee structure is recommended to change from a *Temporary Event fee* to an *application fee plus hourly invoicing* based on the amount of resources used. This is due to the infrequency of events and wide range of event size and scope.

Recommendation G: Public Water Systems (California Safe Drinking Water Act) (Attachment F1)

EHS is the designated Local Primacy Agency for enforcement of State requirements related to public water systems with fewer than 200 connections. These requirements are addressed in sections of the Health and Safety Code known as the California Safe Drinking Water Act. Not all California counties have been designated as Local Primacy Agencies, and in those counties, the State Water Resources Control Board, Division of Drinking Water, maintains oversight. In accordance with State law, EHS, as the Local Primacy Agency in Santa Barbara County, bases its fees and requirements on the number of connections and categories of use. The public water system fee categories are recommended to be simplified and collapsed from *five* annual fee categories to *two*, and from *three* plan review categories to an *application plus hourly invoicing*. The proposed fee revisions apply to annual operating permits for 105 water systems and an estimated four plan reviews and permit amendments, resulting in an estimated revenue increase for full cost recovery to the Drinking Water program of \$111,000.

Recommendation H: Water Wells and Private Water Systems (Attachment G1)

EHS is responsible for enforcement of state standards and County Code provisions related to private water systems and water wells in the unincorporated area of the County. Primary duties related to water wells include site approval, construction or modification inspections and assurance that unused wells are properly destroyed. EHS provides plan review services and construction inspections prior to occupancy for private water systems (1-14 connections) in the unincorporated area of the County. The proposed fee revisions change the current fee structure from *eight* fees to *five* fees with an *application plus hourly invoicing*, and will result in an estimated revenue increase to the Water Well and Private Water System program of \$46,500 for 212 anticipated permits.

Recommendation I: Land Development Review (Attachment H1)

The Land Use program is staffed by a Senior Environmental Health Specialist who participates directly in the permit process administered by Planning & Development. The EHS Land Use Specialist reviews most discretionary cases, attends Subdivision & Development Review Committee (SDRC) and Special Problems Area Committee meetings, and provides comments, consultation and recommended conditions of approval related to onsite sewage disposal, drinking water and other environmental health issues to applicants, planners and decision makers. The proposed fee revision simplifies the existing *14* fee categories into an *application fee plus hourly invoicing*. Land Development projects last multiple years and have no standard set time per type of project. The recommended change will result in an estimated revenue decrease to the Land Use program of \$7,400 based on an estimated 90 cases.

Recommendation J: Solid Waste (Attachment I1)

EHS is the designated Local Enforcement Agency (LEA) for solid waste issues in Santa Barbara County by the California Department of Resource Recycling and Recovery (CalRecycle). As such, EHS is required to provide regulatory oversight activities.

LEA activities are funded by fees assessed on the owners of the various solid waste facilities operating throughout the county. The current fee structure consists of a tonnage fee (also known as tipping fee) assessed to the operators of disposal sites (landfills), annual permit fees for operators of non-disposal sites such as composting operations and solid waste transfer stations, and application fees. An hourly service charge for various permit, surveillance and enforcement activities is also included.

The recommended fee structure changes how the four landfill operators are charged. There is a predictable level of on-site inspection time consistent with all landfills irrespective of tonnage that is processed. There is a *new annual base fee of \$7,007* recommended for this activity. The remaining cost will still be covered using tonnage fees, which will reduce from .94 to .90 cents per ton.

Tonnage fees are inclusive of a diversion of \$.03/ton that is deposited into an established designation fund to be used by the Local Enforcement Agency for independent services (legal counsel or professional).

Recommendation K: Monitoring Wells and Borings (Attachment J)

New to these fee schedules is the addition of Monitoring/Remediation Well & Boring Permits. These were previously in the Hazardous Materials fee ordinance which was last updated by the

County Fire Department in 2012 (prior to the program being transferred to EHS in 2013). There are currently *four* fees and the recommendation is to *add three* Environmental and Geotechnical Boring fees. The net result will be a reduction of estimated annual revenue of \$36,500 for the 120 anticipated permits.

Recommendation M: Approve the Notices of Exemption from the California Environmental Quality Act of 1970 (CEQA) (Attachment L and Attachment M)

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

Summary:

EHS planned to return to your board to update service fees in or around 2013. However, effective with FY 2013-2014, the Hazardous Materials (HM) unit was transferred from the Fire Department to the Public Health Department, with oversight within EHS. This transfer was accomplished with no General Fund contribution or increase in EHS's administrative, I.T., or fiscal staffing or cost structure. Thus, because there was no increase for administrative costs, merging the hazardous materials and waste programs into EHS shifted existing administrative direct and indirect costs from the existing EHS programs to the HM programs. EHS used the first years with these hazardous materials and waste programs to gain experience and integrate staff and resources in order to develop good data for resource and activity-based costing. Once a solid understanding of the program resources and costs were known, EHS included the hazardous materials and waste programs with its other EHS programs for a fee analysis and realignment, initiated in late 2015 using MGT of America, Inc. (MGT). MGT has provided activity-based costing analyses to public agencies for many years with specific expertise in EHS fees. MGT worked with the Environmental Health Services programs to understand the nature of the work and craft the fees in the best interest of the program and community while working within the state and local codes. Under Board direction, the recommended actions will bring the fees in line with the costs of providing the specified services.

All of the fee resolutions and the ordinances include an hourly rate of \$161. This hourly rate will be utilized primarily for activities that do not have a fixed fee (e.g., inspections of detention facilities) or for staff time working on plan review applications. All fee resolutions and the ordinances include provisions for appeals and language that allows applicants to contest fee amounts. Additionally, all resolutions and ordinances include a charge for copying, which remains unchanged, and a Returned Check fee of \$41. Lastly, all of the fee schedule categories have been rounded to the nearest whole dollar (except for the Solid Waste tonnage fee (0.90¢) and copying (0.35¢). Government Code §6157 allows a reasonable charge for returned check fees not to exceed the cost of processing and collection.

Fiscal and Facilities Impacts:

Budgeted: No fee changes were budgeted in FY 18-19. The PHD's Recommended FY 19-20 includes all fee recommendations.

Fiscal Analysis:

Approving the recommended fee changes will align the fees to more accurately reflect the costs and resources of providing services. For the existing fees, changes should result in an overall estimated annual increase of approximately \$393,400 (total of all programs). Per Board direction, this will allow the programs full cost recovery for services, except where indicated to address resident complaints.

Program	Current Revenue	Cost	Change	Percent Change
Retail Food	\$1,839,500	\$1,827,200	\$(12,300)	-1%
Swimming Pool	250,200	336,400	86,200	34%
Wastewater	141,500	329,100	187,600	133%
Organized Camps and Housing	8,100	9,800	1,700	21%
Body Adornment	18,800	19,000	200	1%
Safe Drinking Water Act	104,400	215,400	111,000	106%
Private Water Systems and All Wells	223,200	233,100	9,900	4%
Land Development	91,500	84,100	(7,400)	-8%
Solid Waste	316,800	333,700	16,900	5%
	\$2,994,000	\$3,387,800	\$393,800	13%

For current non-fee programs supported by General Fund, changes should result in an estimated annual new revenue of \$256,100, for full cost recovery.

Program	Current Revenue	Cost	Change	Percent Change
Non-Profit Temporary Food Facilities	\$ 0	\$124,700	\$124,700	100%
Voluntary Maintenance (septic systems)	\$ 0	131,400	131,400	100%
		\$256,100	\$256,100	100%

As the changes in fees affect the structure of the categories, it is anticipated that time will be needed to rewrite the database reports, and develop new invoicing and permitting processes. Therefore, it is requested that the fees be effective July 1, 2019.

Staffing Impacts:

Legal Positions:
0

FTEs:
0

Special Instructions:

1. Request the Planning and Development Department to post the Notice of Exemptions for the resolutions and the ordinances (Attachments L and M) 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.
2. Return one fully executed copy of each resolution and ordinance to the Public Health Department Contracts Unit, 300 N. San Antonio Road, Bldg. 8, Santa Barbara, CA 93110 and email an electronic copy of the Minute Order to PHD Contracts Unit at PHDRES.contractsunit@sbcphd.org.

Attachments:

A1 – Resolution amending fees for Environmental Health Services relating to Food Facilities

A2 – Resolution amending fees for Environmental Health Services relating to Food Facilities: Mark-Up Version

B1 – Resolution amending fees for Environmental Health Services relating to Swimming Pool Sanitation.

Subject: Environmental Health Services Fee Adjustments for Community Health Programs

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B2 – Resolution amending fees for Environmental Health Services relating to Swimming Pool Sanitation: Mark-Up Version

C1 – Resolution amending fees for Environmental Health Services relating to Onsite Wastewater Systems, Pumping, Maintenance and Disposal Services and Sewage Violation Inspections.

C2 – Resolution amending fees for Environmental Health Services relating to Onsite Wastewater Systems, Pumping, Maintenance and Disposal Services and Sewage Violation Inspections: Mark-Up Version

D1 – Resolution amending fees for Environmental Health Services relating to Organized Camps and Substandard Housing Complaint Inspections.

D2 – Resolution amending fees for Environmental Health Services relating to Organized Camps and Substandard Housing Complaint Inspections: Mark-Up Version

E1 – Resolution amending fees for Environmental Health Services relating to Body Art.

E2 – Resolution amending fees for Environmental Health Services relating to Body Art: Mark-Up Version

F1 – Resolution amending fees for Environmental Health Services relating to Public Water Systems (California Safe Drinking Water Act).

F2 – Resolution amending fees for Environmental Health Services relating to Public Water Systems (California Safe Drinking Water Act): Mark-Up Version

G1 – Resolution amending fees for Environmental Health Services relating to Water Wells and Private Water Systems.

G2 – Resolution amending fees for Environmental Health Services relating to Water Wells and Private Water Systems: Mark-Up Version

H1 – Resolution amending fees for Environmental Health Services relating to Land Development Review.

H2 – Resolution amending fees for Environmental Health Services relating to Land Development Review: Mark-Up Version

I1 – Ordinance amending fees for Environmental Health Services relating to Solid Waste.

I2 – Ordinance amending fees for Environmental Health Services relating to Solid Waste: Mark-Up Version

J – Ordinance amending fees for Environmental Health Services relating to Monitoring Wells and Borings.

K - Comparison Counties

L – CEQA Notice of Exemption - Resolutions

M – CEQA Notice of Exemption - Ordinances

Authored by:

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