



**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

Submitted on:
(COB Stamp)

Department Name: Public Health
Department No.: 041
Agenda Date: March 11, 2025 (First Reading)
March 18, 2025 (Second Reading)
Placement: Departmental Agenda
Estimated Time: 60 minutes
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Mouhanad Hammami, Director, Public Health Department
Contact Info: Jason Johnston, Environmental Health Services Director 805-346-8463
SUBJECT: Environmental Health Services Fees

Signed by:
Mouhanad Hammami
52B22B64C78B4FC...

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:

- 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 Public Swimming Pools;
- d) Adopt a Resolution amending fees for Environmental Health Services relating to Onsite Wastewater Treatment Systems, Pumping, Maintenance and Disposal Services, Sewage Violation Inspections, and Land Development Review Services;
- e) Adopt a Resolution amending fees for Environmental Health Services relating to Organized Camps and 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) Approve the introduction (First Reading) of an Ordinance amending fees for Environmental Health Services relating to Solid Waste;
- j) Approve the introduction (First Reading) of an Ordinance amending fees for Environmental Health Services relating to Monitoring Wells and Borings;
- k) Approve the introduction (First Reading) of an Ordinance amending fees for Environmental Health Services relating to Site Mitigation;
- l) Approve the introduction (First Reading) of an Ordinance amending fees for Environmental Health Services relating to Certified Unified Program Agency (CUPA);
- m) Read the titles of the above Ordinances amending fees for Environmental Health Services relating to Solid Waste, Monitoring Wells and Borings, Site Mitigation, and Certified Unified Program Agency (CUPA) into the record and waive full reading of these Ordinances;
- n) Find that approval of the recommended actions a) – m) is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8)(A) and (B) because the fees will be used for operating expenses and for the purchase of supplies, equipment and materials; and CEQA Guidelines Section 15273 because the proposed actions are administrative activities of the County, which will not result in direct or indirect physical changes in the environment and is therefore not a "Project" as defined for purposes of CEQA, and direct staff to file a Notice of Exemption on that basis.
- o) Continue the hearing on Environmental Health Services' Fee Ordinances to the Administrative Agenda for March 18, 2025 to consider recommendations, as follows:

On March 18, 2025:

- 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) Consider and approve the adoption (Second Reading) of an Ordinance amending fees for Environmental Health Services relating to Site Mitigation;
- iv) Consider and approve the adoption (Second Reading) of an Ordinance amending fees for Environmental Health Services relating to Certified Unified Program Agency (CUPA);
- v) Find that approval of the above recommended actions i-iv is exempt from the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21080(b)(8)(A) and (B) because the fees will be used for operating expenses and for the purchase of supplies, equipment and materials; and CEQA Guidelines Section 15273 because the proposed actions are administrative activities of the County, which will not result in direct or indirect physical changes in the environment and is therefore not a "Project" as defined for purposes of CEQA, and direct staff to file a Notice of Exemption on that basis.

Summary Text:

The Public Health Department, Environmental Health Services (EHS) is requesting the Board to consider the adoption of EHS fee resolutions and ordinances that adjust Environmental Health Services fee levels to achieve full cost recovery and to set fees that are consistent with the public purpose served by the fee and the cost incurred to provide the service as authorized by Santa Barbara County Code and applicable State laws and regulations. The proposed fees reflect the findings of an

Environmental Health Services Cost of Services (User Fee) Study completed by Wohlford Consulting and filed with your Board on December 10, 2024. The study was conducted to prepare an objective analysis of the full costs incurred by the County for various State and locally-mandated permitting and inspection activities for which County Environmental Health Services charges user fees to protect public health and the environment. EHS has also considered feedback provided by health permit holders to restructure fees or to simplify fee schedules for consumers, where practicable, and to ensure fees fairly and equitably reflect the cost of services being requested. A full review of the annual cost of fee-related services for EHS was last considered by the Board on April 2, 2019.

Discussion:

EHS administers a variety of public health and environmental protection programs that are primarily supported by permit and user service fees. County policy (Fees, Board Minute Order 03/08/82) states that where allowed or mandated, departments will charge a fee for service that is determined by the costs incurred by the County to provide the service. Departments are responsible for ensuring that all legally allowed fees and charges are presented to the Board for adoption and for reviewing/adjusting as appropriate.

Background:

EHS administers a variety of programs that are primarily supported by user permit and service fees. These fees are addressed in seven separate fee resolutions (Attachments B-H) and four separate fee ordinances (Attachments I-L). These resolutions and ordinances are based on specific mandates and authority to set fees in California law and Santa Barbara County Code. The fee schedule revisions will update EHS program fees in order to align permitting and inspection fees with the cost of providing those services.

On December 10, 2024, EHS filed with the Board the results of Wohlford Consulting's *Environmental Health Services Cost of Services (User Fee) Study*, dated August 11, 2024, and the department is returning as directed with proposed recommendations to achieve full cost recovery. The fee study used a combination of permit volumes, staff time, and current cost allocations to determine a reasonable rate for cost recovery for all services. The results of the study identified that many of the individual fees reviewed (99 of 122; or 81% of the current unit fees) no longer recover the actual cost of providing services since they were last considered by your Board on April 2, 2019.

EHS recognizes that for practical and customer service reasons, and to encourage overall compliance with State regulations, there are fees or service areas that can be streamlined, restructured, or reduced to increase user friendliness and to ensure fees fairly and equitably reflect the cost of services being requested.

The action today considers 113 fees across all program areas of EHS, but not including limited service charitable feeding operations, stewardship organization fees for the County's Safe Drug Disposal program, or the municipal solid waste tonnage fee. A total of 72 fees are proposed to increase, 26 are decreasing, and 7 fees will remain unchanged. Additionally, eight (8) new fees have been added to ensure a fair and accurate fee for service is assessed for State-mandated regulatory permitting services for compact mobile food operations, cottage food registrations (Class A), fisherman's markets, CUPA fees for hazardous waste treatment, closed solid waste disposal site, and an EHS plan review fee for new solid waste facility operations (e.g. new composting operation, transfer station, or other waste recycling activity). A summary EHS fee schedule listing all current and proposed fees included in the attached fee resolutions and ordinances is provided in Appendix M.

For illustrative purposes, a sample of proposed fee adjustments for commonly requested EHS permits are included in the following table.

Fee Title	Current Fee / Deposit	Full Cost per Unit	Surplus / (Subsidy) per Unit	Full Cost Recovery Rate
Food Annual Health Permit: 1501-3000 sf	\$ 842	\$ 823	\$ 19	102%
Mobile Food Facility (Truck): Food Prepared in the Vehicle (Annual Permit)	\$ 468	\$ 542	\$ (74)	86%
Body Art Annual Facility - Health Permit	\$ 380	\$ 569	\$ (189)	67%
Pool, Wading Pool, or Spa (Annual Permit)	\$ 373	\$ 386	\$ (13)	97%
Septic Tank Pumper Trucks / Liquid Waste Haulers	\$ 149	\$ 198	\$ (49)	75%
New Standard Septic System	\$ 1,438	\$ 2,016	\$ (578)	71%
Community Water System Drinking Water Permit (Annual)	\$ 2,202	\$ 2,241	\$ (39)	98%
Water Well Construction / Modification (each)	\$ 721	\$ 1,239	\$ (518)	58%
Hazardous Materials Business Plan BP Level 1 (Annual)	\$ 275	\$ 421	\$ (146)	65%
Hazardous Waste Small Quantity Generator (Annual)	\$ 505	\$ 454	\$ 51	111%
Underground Petroleum Storage Tank (1st Tank) (Annual Permit)	\$ 1,165	\$ 2,008	\$ (843)	58%
Standard Environmental Health Services Burdened Hourly Rate	\$ 161	\$ 214	\$ (53)	75%

Environmental Health Services Cost of Services (User Fee) Study, Wohlford Consulting, August 11, 2024

Where the table indicates a subsidy, EHS is recommending to your Board that the fee levels be adjusted to a rate that recovers the full cost of the service being provided. Where the table indicates a surplus, EHS has identified operational efficiencies since its last user fee study (in 2019) that have resulted in current fee levels to be set at above the full cost recovery rate for Fiscal Year 2024-25. In these instances, EHS is recommending that the Board reduce the applicable fee to its current full cost of service.

The fee resolutions and ordinances being considered today also include authorization for the EHS Director to annually review and adjust fees adopted herein pursuant to the changes to the Consumer Price Index (CPI). Adjustments shall be rounded to the nearest dollar and become effective no earlier than July 1 of each year and after appropriate notice to the public has been made at least 60 days prior to the adjustment effective date. CPI adjustments shall be based on All Urban Consumer, Los Angeles-Anaheim-Riverside area and shall use the percent change of that index from January to December of the year prior to the effective date.

Stakeholder Meetings:

In an effort to solicit feedback from potentially impacted stakeholders, EHS directly contacted approximately 5,700 businesses, consultants, and individual stakeholders via email and conducted eleven outreach meetings since December 10, 2024. These meetings were designed to discuss the basis and structure of the fees, to receive feedback on current fee structures, and to consider streamlining fees, where possible, for consumers and permit holders. At each stakeholder meeting, EHS also presented a comparison of existing and proposed fees with other applicable counties, to ensure that proposed fees were aligned with best practices and fee levels set in comparable counties.

A summary table of fee benchmarking results for the commonly requested permits and services is included in Attachment N.

If the Board approves the recommended actions today, the new fee schedules adopted by resolution will take effect thirty (30) days following their adoption (on April 11, 2025), and payable upon the next renewal date for annual health permits. Fees for development project permits, such as for water wells or on-site septic system construction permits will be effective sixty (60) days following their adoption (on May 11, 2025), and the new rates would be assessed upon submittal of a new application for these one-time project permits.

Fees adopted by ordinance today will be effective thirty (30) days following the second reading of the ordinances, scheduled for March 18, 2025.

Fiscal and Staffing Analysis:

As directed by your Board, Environmental Health Services is returning today with proposed user fees reviewed by the Auditor-Controller and consistent with Board policy. Based on existing fee levels charged by Environmental Health Services, the potential annual revenue from the proposed fees (assuming a consistent activity level and complete collection) is approximately \$7.0 million, which represents a current cost-recovery ratio of 86% overall and an annual fund deficit (subsidy) of \$1.1 million in the current fiscal year.

Adopting the recommended Environmental Health Services fee resolutions and ordinances will realign fees to costs to more accurately reflect the costs and resources of providing services which has been calculated as an estimated \$1.1 million increase. These estimates are calculated based on assumptions about the actual number of permit applications received. The actual increase will also depend on the number of health permit applications processed and the number of businesses requesting an annual operating permit renewal during the fiscal year, when required by State laws or county ordinance.

No budget revision will be needed in current year. Any payments received prior to June 30, 2025 are not expected to be material and anticipated to be within the adjusted budget.

General Fund in the amount of \$109,800 is budgeted to support EHS program activities that are not practicable to charge fees, such as for emergency and disaster response, hazardous waste and sewage spill responses, or general public complaint investigations, as examples. The recommended actions do not include a request for expanded General Fund allocation.

There are no anticipated staffing impacts as the recommended actions do not propose any changes to existing service levels.

Special Instructions:

Request the Clerk of the Board to provide a copy of the signed resolutions and ordinances and a copy of the minute order to the Public Health Department, Attention:

PHDGROUPEContractsUnit@sbcphd.org.

Attachments:

Attachment A – EHS Fee Proposal Presentation

Attachment B – EHS Fee Resolution for Food Facilities

Attachment C – EHS Fee Resolution for Public Swimming Pools

Attachment D – EHS Fee Resolution for Onsite Wastewater Treatment Systems, Pumping, Maintenance and Disposal Services, Sewage Violation Inspections, and Land Development Review Services

- Attachment E** – EHS Fee Resolution for Organized Camps and Housing Complaint Inspections
- Attachment F** – EHS Fee Resolution for Body Art
- Attachment G** – EHS Fee Resolution for Public Water Systems
- Attachment H** – EHS Fee Resolution for Water Wells and Private Water Systems
- Attachment I** – EHS Fee Ordinance for Solid Waste
- Attachment J** – EHS Fee Ordinance for Monitoring Wells and Borings
- Attachment K** – EHS Fee Ordinance for Site Mitigation
- Attachment L** – EHS Fee Ordinance for Certified Unified Program Agency (CUPA) Services
- Attachment M** – EHS Fee Schedule (Current and Proposed)
- Attachment N** – Sample County Fee Comparison

Authored by:

Lars Seifert

Deputy Director of Operations

LSeifert@sbcphd.org

Jason Johnston

Environmental Health Services Director

JJohnston@sbcphd.org