



Monterey County

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Board Report

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Matter Type: BoS Resolution

Adopt a Resolution amending Article I.E. of the Monterey County Master Fee Resolution effective July 1, 2018, to adjust fees relating to oversight and services provided by the Health Department's Environmental Health Bureau pursuant to the attached Fee Schedule.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution amending Article I.E. of the Monterey County Master Fee Resolution effective July 1, 2018, to adjust fees relating to oversight and services provided by the Health Department's Environmental Health Bureau pursuant to the attached Fee Schedule.

SUMMARY/DISCUSSION:

The Health Department's Environmental Health Bureau (EHB) is requesting approval of a proposed across-the-board fee increase to the County Master Fee schedule, Article I.E., to more closely reflect, while still not exceeding, the actual and reasonable costs of services and benefits provided to the public by the EHB. A detailed summary of these services is included as attachment 3, Environmental Health Bureau Services Overview. Adoption of the proposed fees will contribute to the self-sufficiency of the indicated programs; however, the fee increase will not fully cover cost of services and benefits and may still result in the need for additional future General Fund Contributions for those services to remain at 2017-18 staffing levels.

In Fiscal Year 2016-17, the Environmental Health Bureau contracted with MGT America to conduct a comparison analysis of its facility and permit fees. The results of this analysis included a recommendation to increase fees by 14%, however, after evaluation of the impact of this increase to the public, Environmental Health was requested by the Board of Supervisors to implement increases incrementally. A request for an across-the-board increase of 4% was approved for Fiscal Year 2017-18. The Environmental Health Bureau has found it necessary to propose an across-the-board 3% increase to its fees, effective July 1, 2018 to meet the 2018-19 proposed budget.

In addition to this across-the-board fee increase, increases to specific fee categories is requested to bring these fees in alignment with the analysis recommendation as well as fees charged in comparable counties. The specific fees are identified as "Other Rates" in the Proposed Article I.E. Master Fee Schedule for 2018-19 attached.

Environmental Health is charged with the regulation of cannabis businesses, which requires more time and effort operationally and administratively to address the specific environmental and public health issues, both known and unknown, related to specific categories. A fee category is introduced this year for Cannabis Operations to cover permitting for cannabis food handling, hazardous materials, solid waste and water systems.

The Tobacco Retail License fee has been adjusted to accurately reflect the fee approved in Fiscal Year 2017-18 (\$321) as it was previously listed as \$334 in error.

In addition to these changes, and to more accurately capture the fees associated with services provided, the Article I.E. Master Fee Schedule has been updated to add the categories from the program element table of Envision Connect, the services and time invoicing system database. Additionally, where appropriate, services are now broken down into subsets to better reflect costs that can be differentiated by volume or impact on the Department, and descriptions and language has been clarified to enhance customer service.

An increase in fees for the Environmental Health Review Services (EHRS) program is not requested due to the restructuring of fee categories as well as a fee adjustment that was approved by the Board in Fiscal Year 2017-18. The attached Article's set forth changes in sections 5; these changes were approved in August 2017 and are not being adjusted at this time; they are set forth here in the 'Proposed' tracked version to promote customer service and ongoing notice so that all changes to date can be reflected in the current document.

By definition, the changes to these charges are not a 'tax' and are exempt from voter approval pursuant to Article XIII C section 1(e)(1)-(3) and (5) of the California Constitution (Prop. 26; charges imposed for specific benefit conferred/privilege/service or product, reasonable regulatory costs provided or granted to the payor, and/or fines and/or penalties). As such, they reflect no more than the actual cost of the service/benefit received by the payor.

The proposed fee adjustments are attached as follows: Attachment 1 - Proposed Article I.E. Fee Schedule for Fiscal Year 2018-19, Attachment 2 - Board Resolution and Attachment 3 - Supportive Fiscal Assessment.

This work supports the Monterey County Health Department 2011-2015 strategic plan initiatives: Empower the community to improve health through programs, policies, and activities; and Enhance community health and safety by emphasizing prevention. It also supports one of the ten essential public health services, specifically: 2) Diagnose and investigate health problems and health hazards in the community; 3) Inform, educate, and empower people about health issues; and 6) Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed, and approved as to legal form, the proposed amendment to Article I.E. of the Monterey County Master Fee Resolution.

FINANCING:

The recommended fee adjustments are intended to improve on the recapture of costs associated with the provision of the indicated services, and do not exceed actual costs for providing these services. As such, the fees represent a charge imposed for the specific regulatory service provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the County for providing the regulatory service. Anticipated revenues resulting from the proposed fee adjustments are included in the Fiscal Year (FY) 2018-19 Recommended Budget.

The proposed fee adjustments will offset actual expenditures incurred associated with the proposed fees. This action will have no impact on the General Fund Contributions for these services.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

☐ Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy

economy.

☐Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

☐Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

☒Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

☐Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

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Approved by: Elsa Jimenez, Director of Health, x4526

Attachments:

Proposed Article I.E. Master Fee Schedule for Fiscal Year 2018-19 on file with the Clerk of the Board

Board Resolution (proposed) on file with the Clerk of the Board

Supportive Fiscal Assessment on file with the Clerk of the Board