



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 15-090, **Version:** 1

Adopt a Resolution amending Article I.E. of the Monterey County Master Fee Resolution effective October 1, 2015, to adjust fees relating to oversight and services provided by the Health Department's Environmental Health Bureau as related to the Tobacco Retailer License permits pursuant to the attached Fee Schedule.

(ADDED VIA ADDENDUM)

RECOMMENDATION:

It is recommended that the Board of Supervisors:

Adopt a Resolution amending Article I.E. of the Monterey County Master Fee Resolution effective October 1, 2015, to adjust fees relating to oversight and services provided by the Health Department's Environmental Health Bureau as related to the Tobacco Retailer License permits pursuant to the attached Fee Schedule.

SUMMARY/DISCUSSION:

The Health Department's Environmental Health Bureau (EHB) is requesting approval of a minor adjustment 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. This proposal includes a minor increase in the Tobacco Retailer License permit fee. Adoption of the proposed fee will contribute to the ongoing efforts of the Bureau towards self-sufficiency of the indicated programs, thus minimizing the need for additional future General Fund Contributions for those services.

The Board of Supervisors approved the authorization of a Tobacco Retailer License fee in 2012 to be included in the fee ordinance for the Environmental Health Bureau. After a review of costs associated with tobacco retailer inspections, it has been determined that to recapture costs of inspections, licensing and compliance checks, an increase in the fee from \$286 to \$297 is warranted and reasonable. This increase reflects a minimal adjustment in the cost of oversight and services provided by the EHB, the Health Department Public Health Bureau Tobacco Control Program and the Monterey County Sheriff's Office as related to the responsibilities defined in the Tobacco Retailer License Ordinance 5200, Chapter 7.80 in the Monterey County Code relating to the licensing of tobacco retailers.

In addition, at this time, it is recommended that a processing clerical error be corrected. In 2012 the original Tobacco Fee was added as paragraph D to Section 1 of Article I.E of the Master Fee Resolution. Then, inadvertently, in 2013, additional fees were added as a redundant paragraph D and a new paragraph E. To fix the oversight, the Tobacco fee is correctly indicated in the attachment as 'D' and the 2013 modifications are set forth as 'E' and 'F' to avoid further confusion.

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) of the California Constitution (Prop. 26; charges imposed for specific benefit conferred/privilege/service or product, and/or reasonable regulatory costs provided or granted to the payor). As such, they reflect no more than the actual cost of the service/benefit received by the payor.

The proposed fee adjustment is attached as follows: Attachment 1 -EH Article I.E. Fee Schedule, Attachment 1a - Proposed EH Article I.E. Fee Schedule Strikethrough, Attachment 2 - Board Resolution and Attachment 3 - Substantiation for Adjustment to Fee.

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. Any additional revenue generated from this action will be accounted for at year-end as adjustments in the Health Department's Fiscal Year (FY) 2015-16 Adopted Budgets (4000-HEA005-8112 and 4000-HEA003-8124) and Sheriff's Office FY 2015-16 Adopted Budget (2300-SHE001-8273) if necessary.

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.

Prepared by: Robin Kimball, Management Analyst, 1297

Approved by: Ray Bullick, Director of Health, 4526

Attachments:

Attachment 1 - EH Article I.E. Fee Schedule on file with the Clerk of the Board

Attachment 1a - Proposed EH Article I.E. Fee Schedule Strikethrough on file with the Clerk of the Board

Attachment 2 - Resolution (proposed) on file with the Clerk of the Board

Attachment 3 - Substantiation for Adjustment to Fee on file with the Clerk of the Board