

To: Board of Supervisors
Department or Agency Name(s): County Administrator's Office
Staff Name and Phone Number: Peter Bruland, 565-3086
Vote Requirement: Majority
Supervisorial District(s): All

Title:

Consolidated Fee Hearing Fiscal Year 2020-2021- Overview

Recommended Action:

Receive the adjustments to department and agency user fees and charges included in this agenda, reflecting new or updated user fee and charge schedules to be effective on July 1, 2020 unless otherwise noted.

Executive Summary:

The Constitution and laws of the State of California allows for the collection of certain fees and charges for cost recovery of government activities that provide a specific benefit or service or are in place for regulatory purposes such as issuing licenses or performing inspections. Each year the County departments and agencies adjust and/or add service delivery user fees, rates, and charges based on actual costs incurred to provide service and projected costs estimates for the coming fiscal year. This year 6 departments are submitting 423 adjustments to fees as part of this package. The total estimated revenue change for FY 2020-21 is \$927,506. Permit Sonoma, Agriculture/Weights and Measures, and Animal Services are currently working on comprehensive fee studies with consultants, and are not included in this package. When the fee study is completed, results and recommendations for adjustments will come to the Board separately, likely in the fall of 2020. More than two-thirds of the expected revenue is associated with Environmental Health fees. Subsequent individual agency reports highlight the specific changes to fees and program impacts. An executive summary of the changes is attached to this item.

Discussion:

On June 14, 2019 the Board ratified the Budget and Financial Revenue Management Policy, which states "Programs financed by charges for services, fees, grants, and special revenue fund sources shall pay their full and fair share of all direct and indirect costs to the extent feasible and legally permitted, including cost recovery towards future assets and/or system replacement."

Annually, staff presents for the Board's consideration ordinances and resolutions adjusting and adding user fees, rates, and charges based on operating cost estimates for the coming fiscal year. In accordance with Government Code 6062(a) public notice was given through publication of notice of the fee hearing on two successive weeks with at least five days between publications. In addition, all materials for this item were available online on February 24, 2020 to give additional time for public review, and were noted in the "Items of Significant Public Interest" section of the County's website.

The attached staff reports include the following departments: Auditor-Controller-Treasurer-Tax Collector, Clerk-Recorder-Assessor, County Administrator's Office, Department of Health Services, the Sheriff's Office, and Transportation and Public Works - Airport. Attachment A includes an executive summary of these changes and Attachment B includes a numerical summary of the fee adjustments, including percentage changes and anticipated Revenue changes. Permit Sonoma, Agriculture/Weights and Measures, and Animal Services are currently undergoing a comprehensive fee study, and are not included in this package. When the study is complete, it will be brought back to the board including an analysis of the full cost of providing the services and recommendations for what level to set fees at or below full cost recovery. The final report is expected to go to the board in the fall of 2020, and those departments will not adjust fees until the item is complete.

Departments are proposing 22 new fees, including two fees from the Sheriff's Office that are being reinstated. The largest number (16) are in the Department of Health Services, where new fees are being added for Cannabis Microbusinesses, in line with new State cannabis regulations, as well as additional categories of fees in food safety, body art, solid waste, and semi-frozen product sampling to allow for greater variation of services and ensure that customers are not charged for services that they do not require. These new fees are expected to bring in approximately \$76,000 in new revenue. In addition, the Airport is adding three new fees for non-covered helicopter storage, and one new fee for reserved parking, and the Sheriff is reinstating two fees for DUI response which were inadvertently omitted from the 2019-20 fee schedule. The DUI fees have not been utilized in recent years, and the Airport expects minimal usage of their new fees, but looks to ensure that they are in place to allow for potential needs.

Health Services is also eliminating 3 fees that are not utilized, and the Sheriff's Office is eliminating one fee for a redundant category. Health services also has several fees that appear on their list, but which are not changing.

Existing fees change primarily because of changes to the cost of doing business, particularly changes to staffing costs, and because of new time studies or analyses of work performed. The average increase to salary and benefit costs across the County in Fiscal Year 2020-21 is approximately 5.5 percent, however increases vary greatly between different job classes and departments due to specific equity adjustments to positions and to differences in other employee rates, such as workers compensation rates that differ depending on past experience. As such, some units have significantly higher rates of increase. Overall, about one third of the rates that are increasing are going up by less than 5.5 percent, while more than 85 percent are increasing by less than 11%. Of those that are increasing by more than 11%, 15 are Assessor's office fees that have not been increased since 2009, and one is a fee for collection of delinquent unsecured property tax which was last adjusted in 1998. While most fees are set for full cost recovery, the Public Health Laboratory fees are set well below actual costs. These fees are subsidized with funding received from the state, which could be directed to other purposes in the department.

The individual departmental items include additional information on the methodology and reasons for fee adjustments.

Prior Board Actions:

6/14/2019 - Adoption of the Budget and Financial Revenue Management Policy

5/14/2019 - Adoption of FY 2018-19 User Fee and Charges Schedules

FISCAL SUMMARY

	FY 19-20 Adopted	FY20-21 Projected	FY 21-22 Projected
Expenditures			
Budgeted Expenses		\$927,506	
Additional Appropriation Requested			
Total Expenditures		\$927,506	
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other		\$927,506	
Use of Fund Balance			
Contingencies			
Total Sources		\$927,506	

Narrative Explanation of Fiscal Impacts:

If approved, fees included in the individual items are expected to generate \$927,506 in additional revenue, all of which is offsetting costs in those departments.

Individual items lay out the fiscal and operational implications to departments.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

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Attachments:

Attachment A: Executive Summary of Fee Changes

Attachment B: Numerical Summary of Fee Changes

Related Items "On File" with the Clerk of the Board:

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Department	Fee/Service Charge	Adjustments	Revenue Change
Auditor-Controller-Treasurer-Tax Collector			
Tax Collector	Delinquent Unsecured Collection Fee	Increase fees for collection of unsecured property taxes from \$35 to \$100. These fees have not been updated since 1998, and have not kept up with increased costs.	\$ 113,750
		Agriculture/Weights and Measures Subtotal:	\$ 113,750
COUNTY ADMINISTRATOR			
Court Support Services	Jail Booking Fee	A 4.0% increase (\$204.17 to \$212.34) allowed by GC 29550. This fee would go in effect if the \$35 million State booking fee allocation falls short and be charged to arresting agencies.	Not Applicable
		County Administrator Subtotal:	\$ -
Clerk/Recorder/Assessor			
Assessor's Office		Based on a time study and increased staffing costs, and in order to better recover costs that fell below full cost recovery, increase fees for providing information such as parcel listings and parcel maps by between 12% and 233%. Assessor's fees have not increased since 2009.	\$ 11,105
		Clerk/Recorder/Assessor Subtotal:	\$ 11,105
HEALTH SERVICES			
Public Health Division - Environmental Health & Safety	Food Safety, Storm Water, Housing, Recreational Health, Water Systems, Septage Haulers, Solid Waste Facility Permits, Medical Waste Permits, Body Art Permits, Environmental Drilling Permits, Cannabis Permits and other/misc. services	Most Environmental Health and Safety fees are increasing by 10.7% to reflect increased costs of providing the services. This reflects increases to labor costs averaging 6.3% for the Division, as well as increases to services and supplies. It also returns the department to full cost recovery on these permits, as last year's update did not capture the full cost increases of the current year. The primary exceptions are cannabis fees, which were set closer to recovery and are increasing by 3.9%, and Milk and Dairy and Semi-frozen product fees that are set in accordance with state limits.	\$ 599,044
	New Fees: Cannabis Microbusiness	In 2019 State cannabis regulations were changed to include a microbusiness category. In accordance with this change, the Department is creating a new category for microbusinesses, with a permit fee of \$5,155, a plan check fee of \$2,616, and a site review fee of \$1,090. This will constitute a reduction from the current schedule, which requires owners to apply for two health permits and undergo two plan check and site review processes in the absence of the microbusiness category.	\$ 15,542

	New Fees: Food Program, Semi-Frozen Product Reinspection, Milk and Dairy Plan Check, Tattoo/Body Art Facility plan check hourly rates	New fees are being added to ensure equity of fees based on provided services. New categories include: Food Facility Plan Review Consultation; Food Facility Plan Review hourly rate for additional hours; Mobile Food Facility Plan Review; and Mobile Food Facility Plan Review additional hours. All are based on an hourly rate of \$218 per hour. In addition, an hourly rate of \$218 per hour is proposed for Semi-frozen product sampling violation reinspections and for Milk and Dairy plan check additional hours, and for Tattoo/Body Art Facility Plan Checks. By separating out hourly rates, the department can better track time needed on items and prevent customers from paying for unneeded time.	\$ 24,852
	New Fees: Solid Waste	Five new Solid Waste fees are proposed: -Inert Debris Notification - 4/year (\$1,742), to account for facilities that do not require monthly inspections -Closed Illegal or Abandoned Site Investigations fee (\$218 per hour) for sites requiring investigation -Chip and Grind Registration - Monthly Inspections (\$6,987), to separate this category from others for better data collection -Notification Application (\$654 + hourly over three hours) to separate category for better tracking -Full Solid Waste Facilities Permit - Drilling Mud (4 x year) (\$15,587) for facilities that do not require monthly inspections.	\$ 27,804
Public Health Division - Public Health Laboratory	Microbial Disease Laboratory, Environmental Lab, and Molecular Lab, Virus Lab	All existing fees within the various laboratories are increasing by about 4.25% to account for increased costs of labor and supplies. Even with this increase, Public health lab fees recover only between 16% and 92% of actual costs. The remainder is subsidized with realignment funding.	\$ 24,028
	New Fees: Microbial Disease Laboratory - Blood Smear For Parasites	Currently this fee is provided at no cost when certain other tests are requested. A new fee of \$90 is proposed to partially cover costs of conducting this test, and the test will only be performed when requested. Cost recovery is 77%.	\$ 7,830
Public Health Division - Healthy Communities Fees	Tobacco Retail Licenses	Health Services is proposing to increase the Tobacco Retail License Fee from \$350 to \$505 per retailer in order to support compliance and administrative activities including: -Complete at least one compliance visit annually -Complete check-back visits when compliance issues are identified and cannot be fixed at time of initial visit -Provide education and technical assistance to retailers -Conduct Young Adult Purchase Survey every other year -Explore methods for on-line payment and application renewal	\$ 14,260
		Health Services Subtotal:	\$ 713,361

SHERIFF - CORONER			
Central Information	Body Worn Camera Videos, Carrying Concealed Weapons permits, Copies of documents, Fingerprinting, Firearm Storage & Release, Gaming, Gun Dealer, Picture Arcade, Secondhand Dealer, Taxicab, and Verification Letters	Each year the Sheriff's Office conducts a review of fees to determine actual costs of providing a service. This year 38 fees in the Central Information Bureau are proposed to increase by between 5.6% and 34%. These increases reflect increased salary and benefits and services and supplies, as well as updated time studies.	\$ 18,176
Coroner	Body Removal Fee, Base Morgue Use Fee, Morgue Biohazard Waste Disposal, and Morgue Staff Rates	Body removal fees are decreasing by 7.6%, while base Morgue Use Fee is increasing by 36% and Biohazardous Waste Disposal Charges are increasing by 5%, dictated by contract. Staffing rates are increasing between 1.3% and 28.5%, based on the specific costs of the employees involved in performing tasks.	\$ 10,897
Patrol	Helicopter, DUI response, Bomb Squad, Response to Unabated Disturbances, Security Services, and Towed Vehicle Release fees	Within the Patrol unit, 18 fees are increasing by an average of 12.8%. These include billable rates for security services staffing. This is primarily based on staffing costs, with Sheriff's office staff seeing some of the largest increases this year. Two DUI response fees that were inadvertently removed last year are being reinstated.	\$ 41,692
Telecommunications	Telecommunications Manager Rate and change to Telecommunications Technician rate	Telecommunications Technician rates are increasing by 4.7% and Telecommunications manager rates by 11.9% to reflect increased costs in these classes.	\$ 2,217
Sheriff - Coroner Subtotal:			\$ 72,983
Transportation and Public Works			
Airport Fees			
Airport	New Fees: Aircraft Storage	The Airport is requesting 3 new fees for uncovered aircraft storage of helicopters. Fees will be \$55 monthly or \$10 nightly for small helicopters and \$33 nightly for larger helicopters. These supplement a single monthly fee of \$182 (proposed to rise to \$182) for all helicopters; larger helicopters will maintain that monthly fee.	\$ 294
	New Fee: Vehicle Parking - reserved parking	A \$4 parking surcharge will be added for travelers who wish to reserve a parking space in advance. This new service and fee are designed to be consistent with similar fees at other airports.	\$ 40
	Aircraft Storage, Landing Fees, Hot Air Balloon Land/Launch/Escort Fees.	Monthly aircraft storage fees, landing fees, and hot air balloon fees are proposed to increase by about 3%. Nightly uncovered storage rates are proposed to increase from \$10 to \$11. Cost increases will help recover costs associated with these services and help pay for future improvements.	\$ 4,052

	Terminal General Rates, Airline Terminal Rates and Airline Charges, Ground Lease, Autocross Track Use fees	Square-footage-based rates for terminal general use, airline terminal use, and ground leases are proposed to increase by between 2% and 4%. Autocross track use fees are also proposed to increase by 3%. These rate increases will help recover costs of maintenance and operations at the airport and provide funding for future improvements.	\$ 4,492
	Vehicle Parking Fees	The Airport conducted a Parking Rate Study of similar airports, and is proposing increases of between 14% and 30% for long term parking, for short term parking maximum daily rates, and for commercial tenant and daily commuter passes. Short term parking rates are proposed to increase from \$1 to \$2 per half hour, with the first two hours remaining free.	\$ 3,300
	Employee Expense Rates	The Airport maintains rates for when employees are needed for escort in restricted areas or other employee usage by third parties. These rates are increasing by 6% for regular time and 4% for overtime, in accordance with actual employee cost increases.	\$ -
	Commercial Vehicle Operating Fees	The Airport is proposing to increase fees charged to commercial vehicles (such as taxis, limousines, shuttles, and busses) for staging permits by between 15% and 20%. This is the first increase since the fees were put in place in 2015, and is needed to recover increased administrative and maintenance costs as well as to pay for future improvements.	\$ 4,129
		Transportation and Public Works - Airport Subtotal	\$ 16,307
		Total Potential New Revenue from Adjusted Fees/Charges	\$ 927,506

Summary of Fee Changes by Type of Change

Department	Fee Increasing	Fee Decreasing	Fee Eliminated	New Fee / Reinstated	Total
Auditor-Controller-Treasurer-Tax Collector	1	0	0	0	1
County Administrator's Office	1	0	0	0	1
Clerk-Recorder-Assessor	15	0	0	0	15
Health Services*	221	0	3	16	240
Sheriff's Office	64	1	1	2	68
Transportation and Public Works - Airport	85	0	0	4	89
Total	387	1	4	22	423

*Health Services has an additional 9 fees that are not having values adjusted but that appear on the table

Rate of Change of Fees that are Increasing (Average Salary and Benefit Increase 5.5% County-wide)

Department	Under 5.5%	5.5% to 11%	11%-20%	Over 20%	Total
Auditor-Controller-Treasurer-Tax Collectors	0	0	0	1	1
County Administrator's Office	1	0	0	0	1
Clerk-Recorder-Assessor	0	0	2	13	15
Health Services	47	161	9	4	221
Sheriff's Office	6	42	8	8	64
Transportation and Public Works - Airport	72	3	5	5	85
Total	126	206	24	31	387

Estimated Revenue Impact of Fee Changes

Department	Total
Auditor-Controller-Treasurer-Tax Collectors	\$ 113,750
County Administrator's Office	\$ -
Clerk-Recorder-Assessor	\$ 11,105
Health Services	\$ 713,361
Sheriff's Office	\$ 72,983
Transportation and Public Works - Airport	\$ 16,307
Total	\$ 927,506