County of Santa Clara
Department of Environmental Health

Proposed Fee Changes:
- Hazardous Materials Compliance Division
- Consumer Protection Division
The Department (Budget Unit 261)

- Services all of the unincorporated areas and the 15 municipalities

- 124 +/- employees
  - College-educated professionals
  - Registered Environmental Health Specialists, Hazardous Materials Specialists, and Hazardous Materials Technicians

- $22 Million annual budget
  - No General Fund support
  - Fee supported
Major Service Areas

- Consumer Protection Division **
- Hazardous Materials Program **
- Solid & Medical Waste Program
- Site Mitigation Program **
- Household Hazardous Waste Program

** Proposed Fee Changes
Reasons for Completing a Fee Study

• The Department operates with “Special Revenue Funds;” it does not depend on County General Funds.

• We have a fiscal obligation to recover costs for State/County mandated services.

• Government Code requires that we establish reasonable costs for doing business.

• Commitment to the public for fair and equitable fee recovery.

• It is the “industry standard” to complete a fee analysis every 3-5 years.
Phase I: Organization / Service Time Analysis

Direct Services

Indirect Services
- Public Information and Assistance
- Code, Policy, Procedure Improvement
- Code Enforcement
- Unfunded State Mandates
- Special Projects

Support / Overhead
- Training
- Administration
- Support and Indirect Services

Direct Service Time (Average, Estimated)
- Plan Check
- Inspection
- Ancillary Activities
Phase I: Time Valuation

- Labor Costs
  - Salaries
  - Benefits
  - Other Labor-Related Costs

- Non-Labor Costs
  - Supplies and materials
  - Services
  - Amortized periodic needs
  - Amortized one-time investments

- Indirect Services
  (where applicable)
  - Examples:
    - Public assistance
    - Code and Policy Development
    - Divisional Supervision

- Overhead
  - Departmental administration
  - Support services
  - County-wide administration and oversight
Placed a “value” on an hour of labor time within the function performing work related to the service/activity.

Per County BOS in September, 2011:
CPD: $219
SMW: $266
HMP: $346

Acquired time-tracking data and developed staff time estimates describing average efforts in performing work.

Allows the derivation of fee structures: flat, variable based on units, variable based on time, a combination, etc.
Phase II: Fee Design

Select Fee Structure

- Flat Fees
- Variable Fees Based on Project Characteristics
- Variable Fees Based on Actual Time Tracked (with Deposits Managed as Needed)

Apply Cost Recovery Objectives

- Full Cost Recovery
- Fiscal Sustainability?
- Specific Private Benefit?
- Economic Development?
- **County Goals / Priorities?**
- Behavior Modification?
- Compliance Concerns?
- At-Large Public Benefit?
- General Fund Subsidy
Hazardous Materials Compliance Division

Certified Unified Program Agency (CUPA)

- State Mandated Oversight of Hazardous Materials management and disposal
## Hazardous Materials: Service Level Indicators

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aboveground Petroleum Storage tanks</td>
<td>268 sites</td>
</tr>
<tr>
<td>California Accidental Release Prevention</td>
<td>27 Industrial sites</td>
</tr>
<tr>
<td>Hazardous Waste Generator</td>
<td>3,922 facilities</td>
</tr>
<tr>
<td>Hazardous Materials Business Plan</td>
<td>3,595 businesses</td>
</tr>
<tr>
<td>Underground Storage Tanks</td>
<td>533 sites</td>
</tr>
<tr>
<td>On-Site Treatment of Hazardous Waste</td>
<td>116 permits</td>
</tr>
<tr>
<td>Hazardous Waste Recycler</td>
<td>11 facilities</td>
</tr>
</tbody>
</table>
Site Mitigation Program

- Local Oversight Program
  - Cleanup of leaking underground storage tanks = 258 sites

- Voluntary Cleanup Program
  - Oversee cleanup of other hazardous materials releases = 31 sites
Hazardous Materials Fee Changes

• Changing the structure of how fees are collected in:
  • Proposed fees more accurately correspond to service levels
  • Proposed fees are based on relative risk (type and quantity)
Consumer Protection Division

- Retail Food & Pool Program
- Land Use Program
  - e.g. septic systems, wells
- Childhood Lead Poisoning Prevention Program
- Tobacco Retail Permit Program
Consumer Protection:
Service level indicators

- Over 10,000 food operating permits in the County... and growing

- Conduct 25,000-30,000 food inspections per year

- Respond to 1,100+ food-related complaints and food-borne illness investigations

- Over 3,200 public pools & spas: 7,000+ pool inspections and 50-75 pool-related enforcement actions annually.
“New” State Mandates

• Changes to California Health & Safety Code (2007), including new construction and oversight requirements

• Menu Labeling law (2010)

• Trans fats legislation (2009)


• Food Handler Card (employee cards) law (2011)

• Virginia Grahame Baker Act/AB 1020-pools (2009)
Proposed CPD Fees

- Proposed fees better reflect the average time it takes to provide the service.

- The average time for oversight of a particular type of permit is based on SIZE and RISK (complexity of operations).

- **Risk = the likelihood of illness or injury**
  
  Lower risk = less time for oversight, lower fee

  Higher risk = more time for oversight, higher fee
Information and Outreach

- 12,000+ postcards to affected businesses
- 3 Public Meetings
- Website posting: FAQ’s, proposed fees
- Information hotline, 3 languages
- Direct contact with interest groups