

Attachment 2
Department of Health Services
Public Health Division - Environmental Health and Safety Fees
May 14, 2019

Environmental Health and Safety

Environmental Health and Safety (EHS) programs promote health and quality of life by preventing or controlling those diseases that result from interactions between people and the places they live, work, and play. EHS programs employ several strategies to prevent health hazards including education, trend surveillance and analysis, routine inspections, response to citizen tips, sampling and posting, and enforcement where necessary. EHS charges fees to recover its costs to provide these services to members of the public who receive permits and benefit from EHS's services.

Fee Methodology – Hourly Rate: The hourly rate is the primary factor used in computing the cost of providing EHS services to the members of the public who receive these services. Annually, EHS conducts an hourly rate cost analysis in order to determine full cost recovery necessary to fund the delivery of services for all programs. In FY 19-20, the full cost recovery hourly rate is \$208. Realizing that a ten percent (10.0%) increase in the hourly rate may burden facility operators, EHS is proposing to increase the hourly rate by 4.8% from \$188 to \$197 and utilize fee stabilization funds to make up the funding gap. For FY 19-20, the effect of the hourly rate change is an increase in revenue of \$335,568 (4.8%) over FY 18-19 revenue.

Proposed Fee Changes: The Department of Health Services is recommending the addition of the following Environmental Health and Safety fees for FY 19-20.

Food Safety

1. Food Facility – Permanent Facilities; Food Facility – Caterer (Local Limited Producer)

A Local Limited Producer (LLP) prepares Non-Potentially Hazardous food items, such as baked goods, in an approved commercial kitchen and conducts local food sales. This category would bridge the gap between Cottage Food Operations, Processed Food Registrations (PFR), Temporary Food Facilities (TFF), and Catering Operations. The operator of an LLP would prepare and store food in a permitted commercial kitchen and retail food directly to the public in Sonoma County. This would allow small business operators that currently retail their food only at the farmer's market to take orders and retail their food outside of the farmer's market. Inspections would be conducted at the commercial kitchen once per year, and in response to complaints. Estimated additional revenue from this fee is \$1,182.

2. Food Facility – Permanent Facilities; Food Facility – Host Facility

In 2018, AB 2524 was passed and implemented on January of 2019. This law modifies California Retail Food Code to include catering operations and host facilities within the definition of a food facility, allowing for host facilities to provide direct food sales. A host facility is defined as a facility located in a brewery, winery, or commercial building, or another location as approved by Environmental Health, which meets applicable requirements to support a catering operation that provides food directly to individual consumers for a limited period of time, up to 4 (four) hours in any one 12 (twelve) hour period. Having a permit as a Host facility allows facilities not currently permitted for food

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service to provide food to their customers and employees. Estimated additional revenue from this fee is \$1,034.

3. Food Facility –Host Facility Plan Review (+ hourly rate after 2 hours)

As part of the permitting process a review of building plans is required prior to construction of the facility. The facility requirements are less extensive than a permanent food facility and adapted to accommodate the catering operations outlined in AB 2524 and the California Retail Food Code. Estimated additional revenue from this fee is \$826.

4. Food Facility –Host Facility Site Review (+ hourly rate after 2 hours)

A construction review (Site Review) is conducted after the facility has been built to the approved plans and prior to the opening of the host facility to assure compliance with California Retail Food Code. Estimated additional revenue from this fee is \$826.

5. Limited Charitable Feeding Operations

In 2018, AB 2178 was passed and implemented on January 2019, adding a new definition to California Retail Food Code for a Limited Service Charitable Feeding Operation. A Limited Service Charitable Feeding Operation is defined as an operation for food service to a consumer solely for providing charity that is conducted by a nonprofit charitable organization. To create equity in service fees the following categories were created. Estimated additional revenue from these fees is \$2,012.

- **Limited Service Charitable Feeding Operation - Prepackage, No Prep, Non-PHF**
Distribution of 100% prepackaged, shelf-stable foods
- **Limited Service Charitable Feeding Operation - Prepackage, No Prep, PHF**
Distribution of 100% prepackaged, shelf-stable and perishable foods
- **Limited Service Charitable Feeding Operation - Minimal Preparation**
Reheating and/or portioning commercially prepared foods with no further processing
- **Limited Service Charitable Feeding Operation - Moderate Preparation**
Reheating and/or portioning commercially prepared foods
- **Limited Service Charitable Feeding Operation - Extensive Preparation**
Heating, portioning, or assembly of a small volume of commercially prepared foods or ingredients that are not prepackaged

Water Systems

1. State Small Water System Plan Check (+hourly rate after 2 hours)

A separate plan review category is needed to track time and activities related to Small Water System plan review and recover appropriate fees. Estimated additional revenue from this fee is \$388.

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Productivity, Efficiency, and Customer Service Improvement Plan for Environmental Health and Safety

- Sonoma County is an Approved Milk Inspection Service (AMIS) County for the California Department of Food and Agriculture (CDFA). Currently, Sonoma County is one of five AMIS counties that conduct milk and dairy inspections within their jurisdiction. All other milk and dairy inspection services are conducted by the State (CDFA). The Milk and Dairy program has consistently had a cost greater than that of the revenues collectable by the allowable service fees set by the State. In 2019, a detailed analysis will be conducted of the Milk and Dairy program to determine if there are any additional efficiencies that can be implemented to balance this programs budget, minimize the draw on fee stabilization and/or determine if this program should be returned to the State.
- Continue implementation and quality improvement for the development of programs over the next several years to expand community awareness and increase accessibility of education including community outreach, program redevelopment, fee analysis, industry advisory groups, website development, and social media resources.
- Expand the EHS website for all programs to provide a more intuitive and user-friendly approach for search results and information.
- Implement, monitor and continue to improve upon the color-coded placarding program and website to best serve the community.
- Evaluate and provide recommended actions for the mobile food facility program. Pilot a data collection project to determine the needs of the program and industry education and outreach.
- Expand utilization of Envision Connect software to maximize business process efficiencies, data reporting capabilities and quality assuredness throughout all EHS programs. Develop a system for online application and payment submittals to increase customer convenience and efficiencies.
- Evaluate and restructure programs to enhance workflows, increase community engagement, establish industry advisory groups, and inform and educate the public.
- Continue evaluation of data quality, grants, workloads, fees and budgeting status reports to monitor expenditures and revenue.
- Develop a dedicated training plan and succession planning to encourage growth and expansion of the environmental health profession in Sonoma County.

Summary of Expected Results

- Increased awareness and engagement throughout the community of the EHS programs, profession and services provided.
- Sustainable work force and succession plan to encourage professional growth.

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- Sustainable budget based on accountability, efficiency, and maximum productivity throughout all EHS workflows.
- Increased efficiency and quality improvement throughout the EHS programs, workflows, and accounts.

Summary of Results of Prior Year Plan

- Utilized Envision Connect software to increase efficiencies, provide data resources, and minimize duplication.
- Completed scanning of all most of the EHS program files into the electronic data management system. Implemented the Medical Cannabis program, including community awareness, outreach and industry education and permitting.
- Continued to work toward the development and implementation of a Safe Medicine and Sharps Disposal ordinance, with outreach and collaboration with other agencies and City groups.
- Provided emergency response to the 2019 Flood on the Russian River.