

To: Board of Supervisors of Sonoma County
Department or Agency Name(s): Agriculture/Weights and Measures
Staff Name and Phone Number: Sue Ostrom 565-3836
Vote Requirement: Majority
Supervisory District(s): Countywide

Title:

Adoption of Department of Agriculture/Weights and Measures' Fees and Staff Hourly Rates

Recommended Actions:

Adopt a resolution to adjust the Department of Agriculture/Weights and Measures' fees to help recover the reasonable cost of providing services including hazardous materials storage permits, vineyard and orchard site development, agricultural grading and drainage, the cannabis cultivation program, and other new programs authorized by the Board to recover costs through an hourly rate.

Executive Summary:

The Department of Agriculture/Weights and Measures requests authorization to adjust its fees to help recover reasonable costs of providing an array of services pertaining to local, state, and federal regulation of agriculture, cannabis, and industrial hemp in Sonoma County. These services include: the hazardous materials program [Certified Unified Program Agency (CUPA)], Vineyard and Orchard Site Development (VESCO) program, Agricultural Grading and Drainage program, cannabis cultivation program, and other new programs authorized by the Board to recover reasonable costs through an hourly rate. The Department has performed internal time studies to ensure its fees do not exceed the reasonable cost to provide these services. In addition, the Department is working with County Counsel and the CAO to retain a fee study consultant to do an additional fee study for all of the services provided.

Discussion:

Hazardous Materials Program: The Department is requesting approval for the increase of fees to recover its reasonable costs to provide its hazardous materials program called the Certified Unified Program Agency (CUPA) Hazardous Materials program. Under this program, permits are issued to agricultural operations that store or generate hazardous materials/waste. The cost to provide these services has increased. The requested fees would increase 3%, to help recover increases in costs to provide these services. Individual fees are increasing \$4 to \$7 per permit, which range in cost from \$141-\$240. An hourly staff rate of \$177 is used in the Agricultural Division for performing complex specialized services requested by the fee payor that are not covered under the normal fee schedule. There is a ¼-hour minimum for the hourly rate.

Cannabis Cultivation Program: The Department is requesting approval for the increase of fees to provide its cannabis cultivation program to recover the reasonable cost of providing these services. Fees are imposed for a specific benefit conferred or service provided directly to the payor that is not provided to those not charged, and which do not exceed the reasonable costs

to provide the benefit or service. Fees are also imposed for reasonable regulatory costs including enforcement inspections, investigations and audits. The requested fees would increase 3% to help recover increases in costs to provide these services. The 3% increase is based on increased overhead costs including internal services and supply costs, and negotiated salary and benefit increases. Zoning Permit application and site review for outdoor cultivation of less than 10,001 square feet are from \$2,400 to \$3,600. If any services are required above the normal permit inspection and design review (additional inspections or application changes, for example) those additional services would be charged at the staff hourly rate. Requested service to inspect for crop loss of any site permitted by Permit Sonoma or the Department would be charged at the staff hourly rate. Hourly rates for these additional services will be charged at ¼-hour minimums. An hourly staff rate of \$177 is used in the Agricultural Division for performing complex specialized services requested by the fee payor that are not covered under the normal fee schedule. There is a ¼-hour minimum for the hourly rate.

Vineyard and Orchard Site Development (VESCO) Program: The Department is requesting approval of Vineyard and Orchard Site Development (VESCO) program, Agricultural Grading and Drainage project fees and section staff hourly rates to help recover the reasonable cost of providing permit and site review and related program services as authorized by Sonoma County Code Section 36-10-040. These fees are imposed for a specific benefit conferred or service provided directly to the payor that is not provided to those not charged, and which do not exceed the reasonable costs to provide the benefit or service. Fees are also imposed for reasonable regulatory costs including enforcement inspections, investigations and audits. The project fees would increase by 3% for each of the 28 different project types/sizes to help offset the cost to provide these services. Fees range from \$635 for the smallest least complex projects to \$12,763 for the largest, most complex projects. Fee increase amounts would be equal to \$19 to \$382. These projects are subject to additional hourly rate charges for section staff and contract engineer/geologist reviews beyond the flat rate fees. The 3% increase is based on increased overhead costs including internal services and supply costs, and negotiated salary and benefit increase. An hourly staff rate of \$162 is used in the Land Stewardship Division for performing complex specialized services requested by the fee payor that are not covered under the normal fee schedule. There is a ¼-hour minimum for the hourly rate.

Hourly Rate: It is anticipated from time to time that the Board of Supervisors will adopt new ordinances and/or new programs in the upcoming fiscal year where there is not time to conduct a full fee study. In those instances, the department will use the staff hourly rate to provide services to the fee payer until such a time that a time study can be done to determine the cost of service. Once a time study has been completed in coordination with the County's fee consultant, the department will return to the Board of Supervisors with an appropriate fee

amount to provide the new services. Hourly rates are billed at a ¼-hour minimum and are posted as follows:

- Agricultural Division: \$177/hour
- Land Stewardship Division: \$162/hour
- Weights & Measures Division: \$158/hour

Prior Board Actions:

12/20/2016, adopted Medical Cannabis Ordinance

04/26/2016, adopted revised CUPA Hazardous Materials program fees, VESCO and Agricultural grading and drainage program fees, and Agriculture Division and Land Stewardship Section staff hourly rates

06/11/2013, adopted department hourly staff rates.

FISCAL SUMMARY

Expenditures	FY 18-19 Adopted	FY19-20 Projected	FY 20-21 Projected
Budgeted Expenses	\$589,000	\$606,670	
Additional Appropriation Requested			
Total Expenditures	\$589,000	\$606,670	
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$589,000	\$606,670	
Use of Fund Balance			
Contingencies			
Total Sources	\$589,000	\$606,670	

Narrative Explanation of Fiscal Impacts:

Fee revenue will increase by 3% to offset the increases in labor costs for those same services.

Staffing Impacts:

Position Title (Payroll Classification)	Monthly Salary Range (A – I Step)	Additions (number)	Deletions (number)

Narrative Explanation of Staffing Impacts (If Required):

n/a

Attachments:

AWM Fee Hearings 05-14-19 Cover Sheet

AWM Fee Hearings 05-14-19 Detail

AWM Fee Hearings 05-14-19 Resolution

Related Items “On File” with the Clerk of the Board:

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