Staff Report on the Determination and Apportionment of Certain Environmental Health Division Fees



Community Health & Safety Branch Environmental Health Division

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INTRODUCTION

This document addresses proposed fees to fund the Environmental Health Division ("Environmental Health" or "EH") of the Contra Costa County Health Services Department in 2025 and beyond. The first part of this document is an overview of laws that authorize Environmental Health to conduct specified activities and collect fees to fund those activities. The second part discusses the data and methodology used to set the adjusted fees.

In July 2019, the Board of Supervisors approved Resolution No. 2019/521 adjusting fees that fund the majority of EH programs. An increase in the largest expenditure for EH (i.e., salary and benefits costs) primarily due to union negotiated raises (due to existing contracts in effect from 2022 through 2026) for a total of 39 EH Specialists, 4 EH Investigators, and 19 administrative support personnel now necessitate another adjustment of the fees.

GENERAL OVERVIEW

Environmental Health comprises a wide variety of programs designed to protect and promote the health of the people of Contra Costa County by regulating food, drinking water, sewage disposal, solid waste handling and other matters. Legal authority to operate these programs is derived from the Health and Safety Code, Government Code, Public Resources Code, Water Code and California Code of Regulations and the police power under the California Constitution.

Section 101030 of the Health and Safety Code requires the county health officer to enforce and observe, in the unincorporated territory of his county, all of the following:

- a) Orders and ordinances of the board of supervisors, pertaining to the public health and sanitary matters.
- b) Orders, including quarantine and other regulations, prescribed by the State Department of Health Services.
- c) Statutes relating to public health.

Authority for the county health officer to provide health services within incorporated areas is found in Section 101375 of the Health and Safety Code, which provides that when the governing body of a city in the county consents by resolution or ordinance, the county health officer shall enforce and observe in the city all of the following:

- a) Orders and quarantine regulations prescribed by the State Department of Health Services and other regulations issued under the provisions of Health and Safety Code.
- b) Statutes relating to the public health.

Eighteen cities and towns in Contra Costa County have affirmed by resolution to have the county health officer perform these services.

Additionally, state regulations require local health departments to offer certain basic services in order to qualify for specified state funding, including the following environmental health and sanitation services and programs:

- Food.
- Housing and institutions.
- Radiological health in local jurisdictions contracting with the State Department of Health Services to enforce the Radiation Control Law pursuant to Sections 25600-25654 and Sections 25800-25876 of the Health and Safety Code.
- Milk and dairy products in local jurisdictions maintaining and approved milk inspection service pursuant to Section 32503 of the Food and Agriculture Code.
- Water oriented recreation.

- Safety.
- Vector control.
- Waste management.
- Water supply.
- Air sanitation.
- Additional environmentally related services and programs as required by the County Board of Supervisors, City Council, or Health District Board.
- And may include land development and use.¹

Environmental Health carries out some but not all of these services and programs. There are no commercial dairies in the county; thus, there is no milk and dairy program here. As allowed by state law, all 19 cities have opted to oversee the housing code in their jurisdictions. In the unincorporated area, the Department of Conservation and Development (DCD) carries out most housing oversight. A separate vector control district was established by the County to carry out vector control. Air quality is regulated by the Bay Area Air Quality Management District. In Contra Costa County, the state retains responsibility for radiation programs.

In addition to carrying out health officer duties, Environmental Health is the state-certified solid waste local enforcement agency (LEA)² and in that capacity provides oversight of solid waste activities. LEA functions are part of the EH Solid Waste Program. Staff assigned to the Solid Waste Program also perform duties concerning waste tires and stormwater. The waste tire program is state-funded, and the stormwater program is funded via a interagency services agreement with the Contra Costa County Public Works Department. The LEA solid waste activities are funded in part by tonnage fees applied to solid waste that is generated within the County.

Environmental Health also regulates medical waste disposal, body art facilities, cottage food operations in accordance with state laws, commercial cannabis, edible food recovery, and administers various local programs, including the non-franchise solid waste hauler program, and pharmaceutical take-back program.

¹ <u>Cal. Code Regs., tit. 17, §§ 1275 & 1276., subd. (e).</u>

² Correspondence from Myron H. "Skip" Amerine, REHS, Permitting, California Integrated Waste Management Board to Charles Nicholson, Contra Costa County. Dated July 27, 1992. Subject: Issuance of Certification(s) to and Approval of the Designation for the Contra Costa County Health Services Department, Division of Environmental Health as the Local Enforcement Agency for the Jurisdiction of Contra Costa County.

ENVIRONMENTAL HEALTH MANDATES AND FEE AUTHORITY

Health Safety Code Section 101325 provides the following general fee authority:

Whenever the governing body of any city or county determines that the expenses of the local health officer or other officers or employees in the enforcement of any statute, order, quarantine, or regulation prescribed by a state officer or department relating to public health, requires or authorizes its health officer or other officers or employees to perform specified acts that are not met by fees prescribed by the state, the governing body may adopt an ordinance or resolution prescribing fees to pay the reasonable expenses of the health officer or other officers or employees incurred in the enforcement, and may authorize a direct assessment against the real property in cases where the real property is owned by the operator of a business and the property is the subject of the enforcement. The schedule of fees prescribed by ordinance or resolution shall be applicable in the area in which the local health officer or other officers or employees enforce any statue, order, quarantine, or regulation prescribed by a state officer or department relating to public health.

The Board of Supervisors has made the determination set forth in the above statute. This means that when the health officer is required or authorized to enforce state requirements, and fees set by statute are not sufficient to fund those efforts, the Board of Supervisors is authorized to prescribe fees to cover the reasonable costs incurred in doing so. Contra Costa County Ordinance Code section 413-3.204 provides that fees prescribed in the Ordinance Code "will help pay the health officer's reasonable expenses incurred in such enforcement."

A prerequisite to the imposition of fees under Health and Safety Code section 101325 is either a state mandate or state authorization for Environmental Health to perform the services and provide the programs that are to be funded by fees. Fees that are not imposed under that statute must be authorized by either a different statute or by the Board of Supervisors.

EH staff carries out activities that generally include:

- Review construction plans and other documents.
- Conduct inspections of permitted activities and construction.
- Pursue corrective and enforcement action when out of compliance activities are observed or confirmed.
- Develop departmental policies and guidelines and update existing policy memoranda as necessary.
- Analyze proposed legislation and regulations as part of coordinated local jurisdiction effort.
- Investigate all complaints, identify appropriate action or refer to appropriate agency, and follow up with complainant describing steps taken.
- Respond to inquiries from clients, Board of Supervisors and their staff, other agencies and stakeholders in a timely manner, usually within one day.
- Conduct outreach and education activities to decrease the need for enforcement and promote environmental health responsibilities.
- Prepare for and respond to emergency incidents and provide for public and environmental protection and public safety.

A review of the EH programs that the proposed fees will fund follows.

A. FOOD PROGRAM

The Food Program consists of three elements: (1) Food facility operations; (2) food facility plan review and construction; (3) cottage food operations; and (4) microenterprise home kitchen operations. Fee adjustments are proposed in all elements.

i. FOOD FACILITY OPERATIONS

Food facilities in Contra Costa County are required to obtain an operating permit from Environmental Health.³ Food facilities include food establishments, vending machine businesses, taverns, cocktail lounges, bars, snack bars, commissaries, cart commissaries, food catering, special events food booths, school cafeterias, itinerant food facilities, retail food markets, roadside food stands, food salvagers, retail food vehicles, mobile food preparation units, bakeries, incidental retail food markets, and certified farmers' market.⁴ Environmental Health issued operating permits to more than 4,700 fixed food facilities and 490 mobile food facilities in 2024.

In addition to routine inspections of food facilities, Environmental Health has authority to impound food, equipment, or utensils that are found to be, or suspected of being unsanitary or in such disrepair that food, equipment, or utensils may become contaminated or adulterated, and inspect, impound, or inspect and impound any utensil that is suspected of releasing lead or cadmium in violation of Section 108860.⁵

ii. FOOD FACILITY PLAN REVIEW AND CONSTRUCTION

Food facilities that are built or remodeled may not be placed in operation without first receiving a permit to operate, which is issued by Environmental Health upon the satisfactory completion of construction.⁶ State law establishes construction standards and plan submittal and review requirements applicable to food facilities. The law requires the local health agency to review the plans for new and remodeled food facilities within 20 working days after receipt.⁷ The goal in Environmental Health is to complete food facility plan reviews and either approved or rejected plans within 15 working days.

Staff assigned to this element also evaluates cooking equipment as to the need for and type of mechanical ventilation to be provided⁸ and the acceptability of new types of food equipment to be used for use in restricted food service facilities.⁹

iii. COTTAGE FOOD OPERATIONS

Cottage food operations are enterprises that involve the preparation or packaging of specified foods in private residences and have gross annual sales that do not exceed statutory maximums. A Class A cottage food operation may engage only in direct sales to consumers, while Class B operations may engage in either direct sales to consumers or indirect sales through third party retailers.¹⁰ All cottage food facilities must comply with requirements pertaining to sanitation and food labeling and workers must receive regular food processing training.¹¹

³ <u>Health & Saf. Code, § 114381.</u>

⁴ <u>CCC Ord. Code, § 413-3.604</u>.

⁵ Health & Saf. Code, § 114393.

⁶ Health & Saf. Code, § 114380.

⁷ Health & Saf. Code, § 114380, subd. (e).

⁸ Health & Saf. Code, § 114149.1, subd. (c).

⁹ Health & Saf. Code, § 114130, subd. (c).

¹⁰ Health & Saf. Code, § 113758.

¹¹ Health & Saf. Code, § 114365.2.

A Class A cottage food operation must be registered with the local enforcement agency, but is not subject to initial or routine inspections.¹² Inspections may be made only if a consumer complaint has been made.¹³ If an inspection is made and a Class A cottage food operation is found to be in violation, the local enforcement agency has authority to seek recovery from the operation of an amount that does not exceed the agency's reasonable inspection costs.¹⁴ Environmental Health is the local enforcement agency as to cottage food operations in its jurisdiction.

A Class B cottage food operation must obtain a permit from the local enforcement agency and is subject to a yearly inspection.¹⁵ In 2024, approximately 54 Class A and 51 Class B cottage food operations were permitted by EH.

iv. MICROENTERPRISE HOME KITCHEN OPERATIONS

Microenterprise Home Kitchen Operations (MEHKO) entail the preparation and sale of food from a private residence¹⁶, subject to weekly meal¹⁷ and gross annual sales¹⁸ limitations prescribed by state law. These facilities are required to adhere to food sanitation regulations, obtain food training certifications¹⁹, and secure permits²⁰ to operate from the local enforcement agency. Environmental Health serves as the local enforcement agency for both the incorporated and unincorporated areas of the county²¹. EH permitted 28 MEHKOs in 2024.

A MEHKO is subject to annual permitting²² and routine²³ inspections. Additional inspections may be warranted in response to consumer complaints or exigent circumstances requiring an emergency inspection²⁴. If the food operation is found to be in violation, the local enforcement agency has authority to seek recovery from the operation of an amount that does not exceed the agency's reasonable inspection costs²⁵.

Under state law, the local enforcement agency reviews the facility's standard operating procedures to evaluate whether it adheres to state law and is followed²⁶.

A local enforcement agency may establish reasonable regulatory fees for issuing permits²⁷ in an amount that does not exceed, but is sufficient to cover, the costs of administration of the program.

B. RECREATIONAL HEALTH PROGRAM

The Recreational Health Program consists of three elements: (1) Lakes and beaches; (2) public swimming pools/spas; and (3) public pool plan checks and construction.

²³ <u>Health & Saf. Code § 114367.3 (1).</u>

¹² Health & Saf. Code, § 114365, subds. (a)(1)(A), (a)(1)(C)(i).

¹³ Health & Saf. Code, § 114365, subd. (a)(1)(C)(ii)).

¹⁴ Health & Saf. Code, § 114365, subd. (a)(1)(C)(iv).

¹⁵ Health & Saf. Code, § 114365, subd. (a)(2)(B)(i)-(ii).

¹⁶ Health & Saf. Code § 113825.

¹⁷ Health & Saf. Code § 113825 (7); 114368.3 (a) (6).

¹⁸ Health & Saf. Code § 113825 (8); 114368.3 (a) (6).

¹⁹ Health & Saf. Code § 114367.1 (d), (e); 113947.1; 113948.

²⁰ Health & Saf. Code § 114367.2 (a).

²¹ <u>CCC Ord. Code § 413-3.20.</u>

²² Health & Saf. Code § 114367.2 (d) (1).

²⁴ Health & Saf. Code § 114367.3 (2)-(3).

²⁵ Health & Saf. Code § 114367.3 (c).

²⁶ Health & Saf. Code § 114367.2 (c) (1)-(5).

²⁷ Health & Saf. Code § 114367.2, subd. (i).

i. LAKES AND BEACHES

The purpose of this program element is to enforce sanitation standards at public beaches as defined in Health and Safety Code section 115875, subdivision (a). The health officer is charged with testing the waters adjacent to, and coordination the testing of, all public beaches within his or her jurisdiction.²⁸ This can be done by utilizing test results from other parties conducting microbiological contamination testing of these waters.²⁹ EH staff, which have been delegated the health officer's duties regarding public beaches, fulfills this duty by reviewing bacteriological sampling results.

The health officer is also required to, at a minimum, post a beach with warning signs to inform the public when the beach fails to meet the bacteriological standards.³⁰ Other duties include inspecting the beaches for compliance with state sanitation standards pertaining to certain bacteria and other microbiological indicators, investigating complaints of violations of those standards, informing the agency responsible for the operation and maintenance of the beach whenever a beach is posted, closed or otherwise restricted, establishing a telephone hotline to inform the public of beaches currently closed, posted or otherwise restricted, reporting violation to the district attorney or city attorney, as applicable, testing waters adjacent to the beach in the event of a known untreated sewage release, and closing recreational waters adjacent to a beach in the event of an untreated sewage release that reaches those waters.³¹

EH staff also reviews plans and specifications for the construction, reconstruction or alteration of public beach sanitation facilities.³²

ii. PUBLIC SWIMMING POOLS/SPAS

Persons operating or maintaining a public swimming pool³³ must do so in a sanitary, healthful and safe manner.³⁴ The health officer is authorized to inspect the sanitary condition of public swimming pools³⁵ and a condition at a public swimming pool that constitutes a nuisance may be abated or enjoined.³⁶

An environmental health permit is required to operate public swimming pools, including spas.³⁷ In 2024, Environmental Health issued approximately 1,600 permits for public swimming pools and spas in Contra Costa County. The Ordinance Code requires payment of a fee for an annual operating permit.³⁸

iii. PUBLIC POOL PLAN REVIEW AND CONSTRUCTION

New public pools may not be placed in operation without first receiving a permit to operate. Operating permits for new, reconstructed or altered pools are issued by Environmental Health upon the satisfactory completion of constructions. The health officer is authorized to enforce building standards applicable to public swimming pools.³⁹

The purpose of this element is to enforce state laws and regulations pertaining to the design, construction and inspection of new pools. Title 24 of the California Code of Regulations establishes the standards for design

²⁸ Health & Saf. Code, § 115880, subd. (e).

²⁹ Health & Saf. Code, § 115880, subd. (f)

³⁰ Health & Saf. Code, § 115915, subd. (a).

³¹ Health & Saf. Code, § 115885, subd. (a)(1)-(7).

³² Cal. Code Regs., tit. 17, § 7980.

³³ Public swimming pools include any public swimming pools, bathhouse, public swimming and bathing place and all related appurtenances. (Health & Saf. Code, § 116025.)

³⁴ Health & Saf. Code, § 116040.

³⁵ Health & Saf. Code, § 116055.

³⁶ Health & Saf. Code, § 116063.

³⁷ <u>CCC Ord. Code, § 413-3.604.</u>

³⁸ CCC Ord. Code, § 413-3.802.

³⁹ Health & Saf. Code, § 116053.

of construction, reconstruction or alternation of swimming pools in compliance with plans approved by the "enforcing agent"⁴⁰ which is either the health officer or environmental health director or their designated representatives.⁴¹ The regulations authorize inspections to be scheduled and conducted by the enforcing agent at three phases of construction.⁴² A pool may not be opened to the public without written approval by the enforcing agent.⁴³

C. HOUSING AND INSTITUTIONS PROGRAM

The Housing and Institutions Program consists of two elements: (1) Jail/detention facilities and (2) organized camps.

i. JAILS/DETENTION FACILITIES

The county health officer is required to inspect health and sanitary conditions in every county jail and every other publicly operated detention facility in the county at least annually.⁴⁴ Deficiencies are reported to the responsible city/county officials and to the State Board of Corrections. Under this statute, EH staff inspects nine city detention facilities, four Superior Court temporary holding facilities, three adult detention facilities, and two juvenile detention facilities.

ii. ORGANIZED CAMPS

The local health officer is required to enforce building standards relating to organized camps.⁴⁵ An organized camp is "a site with program and facilities established for the primary purposes of providing an outdoor group living experience with social, spiritual, educational, or recreational objectives, for five days or more during one or more seasons of the year."⁴⁶ State regulations require organized camps to be free or protected from hazards such as large numbers of insects and venomous snakes and uncontrolled poison oak.⁴⁷ Organized camps must have an adequate and dependable supply of potable water, handwashing facilities adjacent to flush toilets, showers when campers are present three or more consecutive days and nights, and toilets.⁴⁸ Housing must be kept in good repair and maintained in a safe and sanitary condition.⁴⁹ Food facilities must comply with the California Retail Food Code⁵⁰ and swimming facilities must be designed and constructed in accordance with specified requirements.⁵¹

Under state regulations, the site operator of an organized camp must submit various written notices to the health officer. Camps that operate year-round must submit an initial notice of operation. Other camps must submit a notice of intention to operate at least 30 days prior to the operation of any camp in any calendar year.⁵² Written notices must also be sent to the health officer prior to construction of a new camp, major expansion or changes in ownership, operation or dates of occupancy.⁵³ Annually and upon change of

⁵¹ Cal. Code Regs., tit. 17, § 30740.

⁴⁰ <u>Cal. Code Regs., tit. 24, § 3103B.1.</u>

⁴¹ <u>Cal. Code Regs., tit. 22, 65501, subd. (d).</u>

⁴² Cal. Code Regs., tit. 24, § 3105B.

⁴³ Cal. Code Regs., tit. 22, § 65511; Cal. Code Regs., tit. 24, § 3105B.

⁴⁴ Health & Saf. Code, § 101045.

⁴⁵ <u>Health & Saf. Code, § 18897.4.</u>

⁴⁶ Health & Saf. Code, § 18897, subd. (a).

⁴⁷ Cal. Code Regs., tit. 17, § 30702.

⁴⁸ <u>Cal. Code Regs., tit. 17, § 30712</u>

⁴⁹ <u>Cal. Code Regs., tit. 17, § 30722, subd. (a).</u>

⁵⁰ <u>Cal. Code Regs., tit. 17, § 30730.</u>

⁵² <u>Cal. Code Regs., tit. 17, § 30703, subd. (a).</u>

⁵³ Cal. Code Regs., tit. 17, § 30703, subd. (b).

ownership, the site operation is also required to submit to the health officer either written verification of American Camp Association accreditation or written description of operating procedures for organized and supervised activities of the camp (including an emergency plan). EH reviews this documentation to see if it meets the minimum state requirements and provides written acknowledgment of receipt as required by regulation.⁵⁴

No inspection requirement is stated in the laws or regulations, but the need to inspect is clearly implied. EH does not currently permit any organized camps because there are none operating in Contra Costa County that meet the definition of under state regulations⁵⁵ however, a fee has been established in the event permit issuance becomes necessary.

D. PROGRAMS RELATED TO MEDICAL PROCEDURES

Program elements related to medical procedures pertain to (1) body art and (2) medical waste.

i. BODY ART

State law prohibits a body art facility from conducting business without a valid health permit issued by the local enforcement agency⁵⁶ and requires body art practitioners (persons who perform body art) to register with the local enforcement agency and, if they practice at temporary body art events, obtain all necessary permits to conduct business, including a valid permit from the local enforcement agency.⁵⁷ The sponsors of temporary body art events must also obtain permits from the local enforcement agency.⁵⁸ The Environmental Health Director performs the functions of the local enforcement agency.⁵⁹

Under state laws, the local enforcement agency may conduct inspections, impound unsafe instruments, review a facility's infection prevention and control plan to evaluated whether it meets state law and is being followed, issue citations, and secure samples, photographs, or other evidence from a body art facility, or any facility suspected of being a body art facility.⁶⁰

A local enforcement agency may establish reasonable regulatory fees for registering body art practitioners⁶¹ and issuing permits⁶² in an amount that does not exceed, but is sufficient to cover, the costs of administration of the program.

ii. MEDICAL WASTE

Local agencies may implement a medical waste management program by the adoption of an ordinance or resolution. In 1991, the Board of Supervisors adopted Resolution No. 91/27, implementing a medical waste management program. Environmental Health has been assigned to carry out this program as the local enforcement agency. The purpose of this program is to protect the health of the public, health care facility personnel, and landfill personnel from exposure to medical wastes containing potentially communicable pathogenic organisms.

Medical waste generators are categorized based on the amount of medical waste they generate per month and whether they treat the waste on site or not. Large quantity generators, which generate 200 or more pounds of medical waste in any 12-month period, and small quantity generators, which generate less than 200 pounds

⁵⁴ <u>Cal. Code Regs., tit. 17, § 30703, subd. (c).</u>

⁵⁵ Health & Saf. Code, § 18897.

⁵⁶ Health & Saf. Code, § 119312.

⁵⁷ Health & Saf. Code, § 119306.

⁵⁸ Health & Saf. Code, § 119308, subd. (a).

⁵⁹ Health & Saf. Code, § 119301.

⁶⁰ Health & Saf. Code, § 119319.

⁶¹ <u>Health & Saf. Code, § 119306, subd. (b)(7).</u>

⁶² Health & Saf. Code, § 119312, subd. (b)(2), 119317.5, 119318, subd. (a)

of medical waste per month and treat their waste onsite by specified technologies, must register with the enforcement agency⁶³ and file a medical waste management plan.⁶⁴ EH staff processes and reviews medical waste management plans.⁶⁵ EH staff inspects approximately 80 large quantity generators every year⁶⁶ and biennially inspects approximately 20 skilled nursing facilities that are small quantity medical waste generators.⁶⁷ EH also conducts triennial inspections of approximately 1,200 registered, small quantity generators that do not treat onsite.⁶⁸

The local enforcement agency may prescribe, by resolution or ordinance, the registration and permit fees necessary to pay its reasonable expenses to administer this program.⁶⁹ Per County ordinance, an annual environmental health operating permit is required for medical waste generators.⁷⁰

E. LAND USE PROGRAM

The Land Use Program consists of four elements: (1) Land development project review; (2) public water systems; (3) well construction/abandonment; and (4) liquid waste.

i. LAND DEVELOPMENT PROJECT REVIEW

The purpose of this element is to protect against health hazards and environmental degradation that might result from land development projects. Counties are required to deny approval of subdivisions if their design is likely to cause serious public health problems or substantial environmental damage.⁷¹

The great majority of public health and environmental problems associated with land use projects can be prevented if they are identified, evaluated and mitigated in the planning stage. Therefore, it is essential that there be environmental health participation and input during the processing of such projects by the County and cities. EH reviews documents submitted by the Department of Conservation and Development, city planning departments and other agencies for proposed site plans, subdivision proposals, zone changes, use permits, general plan amendments, environmental impact reports, and sewage disposal system and water system designs, to name a few. If, in the initial review, EH identifies that the project may have public health implications which require EH oversight, a more thorough review is completed, and comments are submitted to the requesting agency. In particular, the proposed land development will be reviewed for compliance of laws, regulations, and ordinance requirements regarding domestic water supply and sewage disposal.

ii. PUBLIC WATER SYSTEMS

The goal of this element is to protect public health and prevent disease by assuring that domestic water served by water systems that serve more than two parcels and less than 200 parcels is safe, potable and available in adequate quantity and protected against contamination backflow. Among other duties, staff assigned to this element reviews the required bacteriological and chemical water test results for state small water systems.⁷²

The state has delegated responsibility to the county health officer under Health and Safety Code section 116330 to administer and enforce state laws pertaining to public water systems that serve fewer than 200 connections. This is referred to as a "local primacy" delegation. Environmental Health, which has been

⁶³ Health & Saf. Code, § 117680, 117890, 117890, 117895

⁶⁴ Health & Saf. Code, § 117935, 117960

⁶⁵ <u>Health & Saf. Code, § 117820.</u>

⁶⁶ Health & Saf. Code, § 117965.

⁶⁷ Health & Saf. Code, § 117938, subd. (a).

⁶⁸ Health & Saf. Code, § 118335

⁶⁹ Health & Saf. Code, § 117825.

⁷⁰ <u>CCC Ord. Code, § 413-3.604.</u>

⁷¹ Gov. Code, § 66474, subds. (e) & (f).

⁷² Cal. Code Regs., tit. 22, §§ 64212, 64213.

assigned to perform these duties, is known as a local primacy agency (LPA). As an LPA, Environmental Health regulates the following three types of public water systems:

- **Community water systems:** Serve at least 15 service connections used by yearlong residents or regularly serve at least 25 yearlong residents of the areas served by the system.⁷³ Examples might be systems serving a mobile home park or residential subdivision. In 2024, EH permitted 29 community water systems.
- Non-transient non-community water systems: Regularly serve 25 or more of the same persons over six months per year and is not a community water system.⁷⁴ Examples might be systems that serve a school or business. In 2024, EH permitted 6 non-transient non-community systems.
- **Transient non-community water systems:** Non-community water systems that regularly serve 25 or more persons at least 60 days per year.⁷⁵ Examples might be systems that serve a restaurant, campground or church. In 2024, EH permitted 41 transient non-community water systems, 2 of which used surface water as the source.

Public water systems serving fewer than 1,000 connections must pay an annual drinking water operating fee to either the state or the local primacy agency, as applicable, to cover costs incurred from mandated activities relating to inspections, monitoring, surveillance and water quality evaluation.⁷⁶ Public water systems must also reimburse a local primacy agency for costs incurred pertaining to orders and citations, public notifications and hearings.⁷⁷

In addition to performing the duties of a local primacy agency, Environmental Health regulates two other types of water systems, as follows:

- State small water systems: These systems provide piped drinking water to the public and serve at least five but not more than 14 service connections and do not regularly serve drinking water to more than an average of 25 individuals daily more than 60 days out of the year.⁷⁸ Examples might be a system that serves a subdivision of eight homes. In 2024, EH permitted 14 state small water systems. The local health officer enforces the minimum requirements pertaining to state small water systems.⁷⁹ The reasonable costs of the local health officer in enforcing these requirements may be recovered through the imposition of fees on state small water systems in accordance with Health and Safety Code section 101325.⁸⁰
- Local small water systems: "Local small water system" is the informal name given to the remainder of the water systems regulated by Environmental Health namely, small water systems⁸¹ that have two or four service connections. An example is a system that serves two residences on separate parcels. In 2024, EH permitted 20 local small water systems.

The County Ordinance Code requires persons proposing to install, construct or operate a small water system to apply to the health officer for approval of the water source and utility system and pay appropriate fees.⁸² The health officer may then conduct the necessary investigation and/or site evaluation of the proposed or

⁷³ Health & Saf. Code, § 116275, subd. (i).

⁷⁴ <u>Health & Saf. Code, § 116275, subd. (k).</u> A non-community water system is a public water system that is not a community water system. (Health & Saf. Code, § 116275, subd. (j).

⁷⁵ Health & Saf. Code, § 116275, subd. (o).

⁷⁶ Health & Saf. Code, §§ 116565, subds. (a)-(b) & (f).

⁷⁷ <u>Health & Saf. Code, § 116595, subd. (a).</u>

⁷⁸ <u>Health & Saf. Code, § 116275, subd. (n).</u>

⁷⁹ Health & Saf. Code, § 116340.

⁸⁰ Health & Saf. Code, § 116340, subd. (c).

⁸¹ CCC Ord. Code, § 414-4.221.

⁸² <u>CCC Ord. Code, § 414-4.401, subd. (a).</u>

existing system.⁸³ Upon approval of the completed installation of the water system, the health officer issues a water supply permit and a public health license to operate the system.⁸⁴

Annual operating permits are required for all small water systems.⁸⁵ Fees for the application, issuance, and renewal of environmental health permits are set by the Board by resolution.⁸⁶

iii. WELL CONSTRUCTION/ABANDONMENT

The well construction/abandonment element employs a preventive approach to protect against chemical and bacterial contamination of groundwater and protects people from safety hazards associated with improperly constructed or abandoned wells.

The County Ordinance Code requires every person proposing to dig, drill, bore or drive any water well, or rebore, deepen, cut new perforations in, or seal the aquifers of any existing well, to apply for and obtain a permit to do the work.⁸⁷ The Ordinance Code also requires abandoned wells to be destroyed in accordance with state standards.⁸⁸

When first installed, a domestic water well must also demonstrate water quality and water quantity adequacy.⁸⁹

Fees are due at time of filing for or requesting an investigation, test, inspection, or permit.⁹⁰

iv. LIQUID WASTE

The primary purpose of this element is protection of the health of the public and environment from the improper disposal of sewage. This is accomplished through measures that include the evaluation and permitting of onsite wastewater treatment systems⁹¹ and septic tank-chemical toilet cleaners.⁹² This element is linked to the well construction/abandonment element. Improper disposal of wastewater can result in significant groundwater and health problems, including vectors, odors and exposure to pathogens.

Activities specific to the Liquid Waste element include:

- Maintaining records of septage haulers and chemical toilet service companies.
- Working with the Regional Water Quality Control Boards to keep the local onsite wastewater treatment system program in compliance with the Basin Plan.
- Evaluating new methods of onsite wastewater treatment systems.
- Evaluating and permitting onsite wastewater treatment systems.

A permit is required to construct, alter, relocate or replace an onsite wastewater treatment system⁹³ and fees are collected when an applicant requests an investigation, inspection, or observation of site evaluations or tests.⁹⁴ An annual environmental health permit is required for septic tank-chemical toilet cleaners.⁹⁵

⁸³ <u>CCC Ord. Code, § 414-4.403.</u>

⁸⁴ CCC Ord. Code, § 414-4.401, subd. (c).

⁸⁵ <u>CCC Ord. Code, § 413-3.604.</u>

⁸⁶ <u>CCC Ord. Code, § 413-3.1212.</u>

⁸⁷ <u>CCC Ord. Code, § 414-4.801, subd. (a).</u>

⁸⁸ <u>CCC Ord. Code, § 414-4.809.</u>

⁸⁹ <u>CCC Ord. Code, § 414-4.601.</u>

⁹⁰ CCC Ord. Code, § 414-4.1201. & CCC Ord. Cord § 18-2.002

⁹¹ <u>CCC Ord. Code, Chapter 420-6</u>

⁹² CCC Ord. Code, Article 420-6.14.

⁹³ <u>CCC Ord. Code, § 420-6.806.</u>

⁹⁴ <u>CCC Ord. Code, § 420-6.2004, subd. (a).</u>

⁹⁵ CCC Ord. Code, § 413-3.604.

F. SOLID WASTE PROGRAM

Solid waste needs to be properly handled, or it can cause harm to public health, welfare and safety. EH is charged with enforcing state laws and local ordinances aimed at controlling the collection, treatment and disposal of solid waste.

i. STATE-AUTHORIZED SOLID WASTE FACILITIES/OPERATIONS

State law authorizes local agencies to enforce requirements pertaining to solid waste facilities and solid waste handling and disposal if they are designated by the governing body and certified by the state as a local enforcement agency (LEA).⁹⁶

Currently, LEA staff oversees six full permit facilities, one registration tier permit facility, and eight enforcement agency notification sites. The full permit and registration sites must be inspected monthly, while notification sites are inspected quarterly.

The LEA may prescribe, revise, and collect fees or other charges from each operator of a solid waste facility or from any person who conducts solid waste handling if the local governing body having rate setting authority has approved rate adjustments to compensate the solid waste hauler or solid waste facility operator for the amount of the fee or charges imposed pursuant to this section.⁹⁷ Fees may also be based on volume or type of solid waste or on any other appropriate basis. Currently, a solid waste fee is collected based on tonnage⁹⁸, while other fees are charged based on the schedule of fees adopted by the Board of Supervisors similar to other Environmental Health programs. No changes to the solid waste tonnage feeis being proposed at this time.

ii. LOCAL SOLID WASTE REQUIREMENTS

Mandatory garbage service has been required in the unincorporated area since 1985.⁹⁹ With limited exceptions, a residential, hotel, bar or food establishment must have weekly pickup of solid waste. EH is charged with enforcing this ordinance, and as such is given authority to subscribe a property for garbage service if the owner does not comply with directions to do so and to take enforcement action against the owner to recover the costs of collection. Exemptions from the mandatory subscription requirement may also be granted in specified circumstances.

In 2017, the Board of Supervisors amended the County Ordinance Code creating Chapter 418-2 requiring a non-franchise solid waste hauler to obtain an annual permit to collect and transport solid waste in the unincorporated area of the county.¹⁰⁰ Subsequently, in response to the passage of Assembly Bill 592, the Board of Supervisors amended the County Ordinance Code in 2024 creating Chapter 418-3 requiring a commercial non-franchise solid waste hauler to obtain an annual permit for simply transporting solid waste in the unincorporated area of the county.¹⁰¹ These are examples of several actions taken to address the problems of illegal dumping of solid waste. To comply with Chapter 418-2, EH first reaches out to solid waste franchise agencies to seek verification that an applicant's proposed activities do not conflict with franchise agreements. In both chapters, an applicant must have the required commercial insurance and provide a bond. EH then inspects each transport vehicle to determine if it can safely haul the solid waste. If the permitted hauler collects waste in the unincorporated areas of the county, they must submit quarterly load reports indicating the pick-up location, amount of solid waste collected, and disposal locations.

⁹⁶ Pub. Resources Code, § 43200 et seq.

⁹⁷ Pub. Resources Code, § 43213.

⁹⁸ Resolution No. 88/783.

⁹⁹ <u>CCC Ord. Code, § 418-6.</u>

¹⁰⁰ <u>CCC Ord. Code, § 418-2.</u>

¹⁰¹ CCC Ord. Code, § 418-3.

On December 20, 2016, the Board of Supervisors adopted Ordinance No. 2016-24, requiring pharmaceutical drug manufacturers to provide for the collection of unused drugs, in an effort to prevent accidental poisonings or intentional misuse of drugs such as prescription opioids.¹⁰² EH enforces the ordinance by inspecting and approving initial and amended stewardship plans. After plan approval, EH receives and reviews annual reports from plan operators.

G. CANNABIS

Article 413-4 of the County Ordinance Code requires that any person conducting any commercial cannabis activity in the unincorporated area of the County to obtain a health permit from the Environmental Health Division. The requirement to obtain a health permit also applies to any commercial cannabis delivery business located outside the unincorporated area of the County that delivers cannabis or cannabis products to any location in the unincorporated area of the County. The health permit requirement is in addition to any other state or locally required permits or licenses.

Pursuant to the County Ordinance Code, the Environmental Health Division will enforce general health standards that apply to all commercial cannabis activities (e.g., odor control, no consumption on site) and other standards specific to the activity conducts. Specific standards apply to manufacturing (e.g., the use of volatile solvents is prohibited), retail sale (e.g., transaction limits on edible cannabis products, requirements for consumer warnings), and retail delivery (e.g., delivery employees are required to examine government issued identification cards upon delivery). Consistent with the County's tobacco control ordinance, the sale or delivery of flavored cannabis products for which the primary use is human inhalation is also prohibited.

Permitted commercial cannabis activities and cannabis delivery operations must comply with all State and local laws, maintain a valid State license and County business license, and maintain a valid County land use permit if required.

The Environmental Health Division reviews applications, issue commercial cannabis health permits, inspects commercial cannabis activity premises and delivery vehicles, and takes enforcement actions for violations of the permit terms, the health permit ordinance, or other State or local laws and regulations.

¹⁰² <u>CCC Ord. Code, § 418-16.</u>

METHODOLOGY USED TO DEVELOP EH FEES

A. LEGAL STANDARDS

Environmental Health fees, which cover costs associated with issuing permits, conducting inspections and administrative enforcement activities, are regulatory fees¹⁰³ that may be imposed by the Board of Supervisors.

Regulatory fees are fees charged in connection with regulatory activities that "do not exceed the reasonable cost of providing services necessary to the activity for which the fee is charged and which are not levied for unrelated revenue purposes."¹⁰⁴ A local agency imposing a regulatory fee, or any other type of levy, charge or exaction, must establish that it is not a tax, that the amount is no more than necessary to cover the reasonable costs of the government activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.¹⁰⁵

B. FEE STUDY

Environmental Health contracted NBS, national experts in the development of fee studies and cost allocation plans, to conduct a comprehensive analysis of the division's fee schedule across all program areas. NBS used the adopted budget for Fiscal Year 2024-2025 to project expenses of all fee-funded Environmental Health programs. Their fee study included a cost-of-service analysis, proposed fee establishment, and cost recovery evaluation based on projected expenses per program. The NBS Contra Costa County Health Services, Environmental Health Division – Fee Study Final Report (dated June 6, 2025) is referenced herein and attached as Exhibit A.

C. FEE APPORTIONMENT

The vast majority of fees in all of the Environmental Health programs are calculated based on the amount of time projected to be spent by a specialist performing an activity or service for which the fee is charged. These times have been determined based on timekeeping data and estimates developed by staff. Average hours projected to be spent on inspections and other activities for which EH fees are charged are shown on Exhibit A. In setting fees in this manner, the fees are tied directly to the burden that each payor has on the particular program.¹⁰⁶

The actual cost associated with one hour of a specialist's time spent on an inspection or plan review or other service includes more than just the salaries and benefits of the inspector for that one hour. It includes a proportional cost of time spent on activities for which no fees are collected (Other Time), and proportional shares of other reasonable costs of the division; i.e., direct and indirect personnel costs, direct and indirect non-personnel costs, and overhead costs. In order to recoup all of these costs, fees are based on what is referred to as a "fully burdened hourly rate".. The amount of time that it takes a specialist to conduct an inspection or plan review or other service is multiplied by the fully burdened hourly rate in order to set the applicable permit fee. Refer to Section 3.1, Table 2 of Exhibit A for the calculation of the fully burdened hourly rate.

Program fees are set so that revenues collected to fund EH operations balance with expenditures needed to carry out regulatory activities each fiscal year. If more revenues are collected than are needed to cover the total operating costs in any given fiscal year, such excess revenue will be carried forward to the following

¹⁰³ Cal. Const., art. XIIIC, § 1, subd. (e)(3).

¹⁰⁴ Sinclair Paint Co. v. State Bd. of Equalization (1997) 15 Cal.4th 866, 876.

¹⁰⁵ Cal. Const., art. XIIIC, § 1, subd. (e).

¹⁰⁶ *Cal. Assn. of Prof. Scientists v. Dept. of Fish and Game* (2000) 79 Cal.App.4th 935, 945; *Pennell v. City of San Jose* (1986) 42 Cal.3d 365, 375; *United Business Com. v. City of San Diego* (1979) 91 Cal.App.3d 156, 166.

year, and fees would be adjusted accordingly. Conversely, if expenses exceed the revenues collected, leaving a shortfall in funding, revenues to be collected in following years are borrowed to cover the shortfall, and the shortfall becomes an expense to be funded in the following year and fees would be adjusted accordingly.

Fees are primarily set at the PE level, which is based on the type of unit of work or facility type. EH work can be broadly described as falling into two types: unit work for which there is a beginning and an end and work that is conducted annually, usually year after year. All plan review work and most land use work is described as unit work for which there is a beginning and an end. Most food facility, pool, body art, medical waste, permit work is conducted in yearly increments. PEs are further broken down in certain program areas based on the type of facility. For instance, inspection and plan check for retail food facilities have a program element for many different types of fixed food facilities, e.g., small restaurant, large grocery store, bakery. Similarly, land use has different PEs based on the type of work being proposed, e.g., drilling of soil boring, well destruction, soil profile evaluation for a proposed on-site wastewater treatment system (OWTS). There are PEs for staff time used in general program development, training, division and team meetings, and time off for each program area.

Within each PE, the field staff further assigns their time using service codes (SCs). For instance, for the annual permitting programs, when conducting a routine inspection of a food facility, pool or beach, body art, medical waste generator, solid waste facility, the SC "002" is used and the time is linked to a particular facility/permit. For the unit work done in plan review and land use entails, the following typical activities: review of the application and proposed work, comments to applicant if changes or additional information is needed, inspection at proscribed times in the project, and final approval, and each the time for each activity has its own SC that the staff assign their time.

Some of the SCs are used when an inspector is not working on a particular project unit or facility. Inspectors attribute time to certain division-wide activities such as emergency operations, training- public, official meeting, training in-service, and staff meeting. In addition, each workday, inspectors spend a portion of their day in the office to be available for office visits, returning phone calls and responding to emails in addition to various other activities including recording the previous day's activities in the software system. This activity is captured as office activity.

The data used to develop the fee for a particular PE is based on the time recorded for certain SCs that are linked to a particular facility or project unit. In the subsequent sections, we will describe how the SCs are grouped by a particular program area and provide the base time for each PE in each program area relevant to those programs for which fees are being adjusted with this resolution.

Under current County ordinance, exemptions from paying environmental health permit fees exist for someone who is legally blind¹⁰⁷ or is a veteran that was honorably discharged¹⁰⁸ or to a religious or charitable organization.¹⁰⁹ A more narrow exemption for honorable discharged veteran is described in the state law for those individuals desiring to peddle, sell, and vend.¹¹⁰ Revenues collected from penalties cover service cost and fee gaps from these exemptions.

An analysis of EH field inspector activity shown in the appendices of Exhibit A, indicates that in many cases, changes to the permit fees are needed based on the amount of time Environmental Health spent conducting a particular service. Environmental Health is proposing amendments to the fee schedule for most programs based on the analysis by NBS.

¹⁰⁷ <u>CCC Ord. Code, § 413-3.1002.</u>

¹⁰⁸ <u>CCC Ord. Code, § 413-3.1006.</u>

¹⁰⁹ <u>CCC Ord. Code, § 413-3.1004.</u>

¹¹⁰ Bus. & Prof. Code, § 16102.

CONCLUSION

Based on the above analysis, staff has determined that (1) the services to be provided by Environmental Health in Fiscal Year 2025-2026 are necessary, and the associated costs are reasonable to fund those services; (2) the projected expenses of Environmental Health in Fiscal Year 2025-2026 are a reasonable estimate of the costs Environmental Health will actually incur; (3) the fees for the fee-funded programs are set at a level sufficient to fund but not exceed the costs of the respective programs; and (4) the proposed fees have been reasonably apportioned based on the payors' burdens on those programs.

Staff therefore recommends adoption of Resolution No. 2025/???, adopting revised fees for Environmental Health, effective June 24, 2025.

Exhibits:

A. NBS Contra Costa County Health Services, Environmental Health Division – Fee Study Final Report (dated June 6, 2025)