

Resolution

IN THE MATTER OF ESTABLISHING AND ADJUSTING FEES CHARGED BY THE ENVIRONMENTAL HEALTH DIVISION OF THE CONTRA COSTA HEALTH SERVICES DEPARTMENT

The Contra Costa County Board of Supervisors FINDS, as follows:

- A. Health Safety Code section 101325, Contra Costa County Ordinance Code section 413-3.204, and other applicable laws, regulations, and ordinances, authorize the County to adopt fees to recover the Health Service Department, Environmental Health Division's ("EH Division") costs to administer its regulatory programs and activities.
- B. Fees charged by the EH Division are intended to recover the reasonable regulatory costs to the County for issuing licenses and permits, performing investigations, inspections, and audits connected with regulatory programs administered by the EH Division. The amounts of the EH Division's fees are calculated to be no more than necessary to cover the reasonable costs of the EH Division's regulatory activities, and the manner in which those costs are allocated to each fee payor bears a fair and reasonable relationship to each payor's burdens on, or benefits received from, the EH Division's regulatory activities. (Cal. Const., art. XIII C, § 1(e).)
- C. The EH Division's operations and expenses connected with its regulatory activities are financed almost entirely by revenues from fees imposed by the EH Division. Fees charged by the EH Division were last reviewed and adopted by the Board of Supervisors in Resolution No. 2019/521. Since that time, the EH Division's costs to administer its various regulatory programs have increased. These increased costs include increases in personnel and overhead costs, as well as other expenses. Therefore, revenues from current fees are insufficient to recover the EH Division's reasonable costs to administer its regulatory programs. The fees need to be adjusted to ensure that they continue to bear a fair and reasonable relationship to the fee payors' burdens on or benefits from the regulatory programs administered by the EH Division, and to ensure the EH Division charges fees that recover the reasonable costs of administering the EH Division's regulatory programs.
- D. In 2021, the Division contracted with independent financial consulting firm, NBS, to conduct a review of time accounting data to develop fees that are based on a fully-burdened hourly rates aligned with the Division's regulatory activities, as more particularly described in the NBS Fee Study, dated June 6, 2025 ("Fee Study") and the "Staff Report on the Determination and Apportionment of Certain Environmental Health Division Fees," dated June 24, 2025 ("Apportionment Report"), both of which are attached to the Staff Report in support of this Resolution. The Fee Study and Apportionment Report determined that certain regulatory fees for programs require adjustment to ensure the EH Division's fees continue to bear a fair and reasonable relationship between the fee payors' burdens on or benefits from the regulatory activities

for which the fees are charged, and also to ensure the EH Division is able to recover its reasonable costs of performing its regulatory activities.

- E. In addition to adjusting current fee categories, new fee categories have been added to fund the EH Division's existing Recreational Health, Mobile Food Facility, School, and Temporary Food Facility programs. Fees for these new fee categories were calculated to ensure they recover the reasonable regulatory costs of these programs, and to ensure the fees bear a fair and reasonable relationship to each payor's burdens on, or benefits received from, these regulatory programs.
- F. Based on the Fee Study and Apportionment Report, the Health Services Department, Environmental Health Division recommends that the Board of Supervisors adopt the fee tables attached as Attachment A to this resolution ("Fee Schedule") and incorporated herein, to establish fees to be charged for the EH Division's regulatory activities. The fees set forth in the Fee Schedule are calculated to recover the reasonable regulatory costs to the County for issuing licenses and permits, performing investigations, inspections, and audits connected with those regulatory activities performed by the EH Division. Additionally, based on the Fee Study and Apportionment Report, the fees set forth in the Fee Schedule are no more than necessary to recover the reasonable costs of EH Division's activities, and the manner in which those costs are allocated to payors of the fees bears a fair and reasonable relationship to each payor's burdens on, or benefits received from, the EH Division's activities.
- G. Because this is the first EH Division fee update in nearly six years, EH Division staff performed outreach activities, including providing a 60-day public comment period and holding a public workshop, to educate fee payors, and to receive comments on the proposed fee update.
- H. In accordance with Government Code section 66018, the EH Division caused a hearing notice to be published twice in the Contra Costa Times, on June 13, 2025, and June 20, 2025, to give notice of the June 24, 2025 hearing on the adoption of the Fee Schedule.
- I. On June 24, 2025, the Board of Supervisors held a noticed public hearing on the EH Division's proposed fee update. The Board has considered all comments, testimony, and objections submitted verbally or in writing before the close of the public hearing. The Board of Supervisors has considered the Fee Study, the Apportionment Report, the Fee Schedule, the Staff Report, staff presentation, public comments and testimony, any objections to the fees, and all other information and materials presented to the Board before the close of the public hearing.

NOW, THEREFORE, the Board of Supervisors of Contra Costa County hereby RESOLVES, as follows:

1. The Board **FINDS** that the fees set forth in the Fee Schedule, attached hereto as Attachment A, (a) are calculated to recover the reasonable regulatory costs to the EH Division for issuing licenses and permits, performing investigations, inspections, and

audits in connection with the regulatory programs administered by the Division, and (b) each of the fees bears a fair and reasonable relationship to each payor's burdens on and benefits from the regulatory programs administered by the EH Division. The Board further **FINDS** that the fees will recover the EH Division's reasonable costs to administer its regulatory programs.

2. The Board **ADOPTS** the Fee Schedule, attached hereto as Attachment A, as the Fee Schedule for the EH Division. The Fee Schedule attached hereto as Attachment A shall be effective as of June 24, 2025.
3. Authorize the Health Services Director, or designee, to collect delinquent accounts, including penalties and the County's administrative, legal, and collection costs, in accordance with Ordinance Code section 413-3.1206, and any other applicable ordinances and laws.
4. Direct the Health Services Director, or designee, to reduce permit fees required to be paid by farmer's markets to those fee amounts in effect as of June 23, 2025, not to exceed \$50,000 in any fiscal year and subject to funding availability in that fiscal year, in consideration for the farmer's markets' agreement to allow the Contra Costa Health Plan to perform marketing activities at the farmer's markets during the term of the permit.
5. This Resolution is effective immediately upon its adoption on June 24, 2025. This Resolution supersedes and replaces Resolution No. 2019/521 in its entirety.