

ORDINANCE NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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ORDINANCE AMENDING THE ENVIRONMENTAL HEALTH SERVICES FEE SCHEDULE, AMENDING SECTIONS 5.64.060 AND 5.64.070 OF THE SAN MATEO COUNTY ORDINANCE CODE, RELATING TO IMPOSITION AND COLLECTION OF FEES FOR ENFORCEMENT OF STATE PUBLIC HEALTH LAWS, AND AUTHORIZING THE AUTOMATIC ANNUAL ADJUSTMENT OF FEES PURSUANT TO CHANGES IN THE CONSUMER PRICE INDEX AND COST-OF-LIVING ADJUSTMENTS AND WAIVE THE READING OF THE ORDINANCE IN ITS ENTIRETY

SECTION 1. FINDINGS. The Board of Supervisors of the County of San Mateo (“County”) hereby finds and declares as follows:

WHEREAS, Section 101325 of the California Health and Safety Code permits recovery of costs incurred in enforcing state public health laws and regulation; and

WHEREAS, pursuant to San Mateo County Ordinance Code Chapter 5.64, Environmental Health Services (EHS) fees are presently established by ordinance by the Board of Supervisors; and

WHEREAS, EHS provides unique, primarily mandated public health protection services, community and business education, and regulatory oversight and enforcement through the technical expertise and consultation of its professional staff; and

WHEREAS, EHS permits and fees for services are intended to fully cover EHS inspection program costs, such that, historically, less than one percent of the total revenue for EHS’s operations has been from County general funds; and

WHEREAS, the Board last approved an increase in EHS fees in November 2022, which became effective July 1, 2023, after a fee study was conducted by an outside consultant in Fiscal Year 2019-20; and

WHEREAS, under the fee schedule approved in November 2022, revenues needed for EHS to perform mandated services are not keeping up with growing costs, such that the current cost recovery under that fee schedule is only 80% of the cost of these services; and

WHEREAS, EHS staff conducted an analysis of the existing fees charged for EHS services, and the staff time required to provide the services, to determine the estimated reasonable costs of providing the services, and this analysis is set forth in the memorandum accompanying this ordinance, which the Board has reviewed in connection with this matter; and

WHEREAS, County Health is proposing updated EHS fees effective January 9, 2025, that reflect an hourly rate of \$286, an increase of approximately 15%, which proposed fees are reflected in Attachment A to the memorandum accompanying this Ordinance, which the Board has reviewed in connection with this matter; and

WHEREAS, County Health is proposing a one-time further adjustment in EHS fees effective January 1, 2026, raising the hourly rate to \$311, plus an automatic annual adjustment of EHS fees beginning in January 1, 2026, using (1) the percent change of the Consumer Price Index (CPI) for All Urban Consumers, San Francisco-Oakland-Hayward, CA as calculated from July to June for the preceding fiscal year for non-salary,

non-benefit costs; and (2) the Cost-of-Living Adjustment (COLA) effective as of the January 1 on which the fees are changed, for salary and benefit costs, and if there is no effective COLA, then using the prior fiscal year's CPI for salary and benefit costs, on the basis that the COLAs are known and approved increases on salaries and benefits, and CPI is a reasonable, though conservative, estimate of increased service costs that occur over time; and

WHEREAS, notice of this ordinance and proposed fee schedule amendments was published for 10 days in a newspaper regularly published once a week or more often prior to the Board of Supervisors meeting on November 19, 2024, at which meeting a public hearing was held;

WHEREAS, in adopting the proposed fees and automatic annual adjustments the Board of Supervisors finds that (1) the purpose of the proposed fees is to recover staff costs to provide the associated services; (2) the revenue generated by the fees will be used to cover the costs to the County to provide those services; and (3) the fees do not and will not exceed the estimated reasonable cost of providing the service for which the fees are charged;

WHEREAS, pursuant to San Mateo County Ordinance Code Chapter 5.64, Environmental Health Services (EHS) fees are presently established by ordinance by the Board of Supervisors; and

WHEREAS, amending the Ordinance Code to remove the operative EHS fee schedule and to allow future fee amendments to be adopted by resolution will streamline

future amendments and allow the EHS fee schedule to automatically update annually without needing Board approval.

NOW, THEREFORE, the Board of Supervisors of the County of San Mateo ordains as follows:

SECTION 2. The Board of Supervisors hereby amends the Environmental Health Services Fee Schedule (currently reflected in San Mateo County Ordinance Code Section 5.64.070) as set forth in Attachment A to the Board memorandum accompanying this Ordinance, which Attachment A is incorporated herein by reference, in accordance with Chapter 5.64 of the San Mateo County Ordinance Code.

SECTION 3. On January 1, 2026, the Environmental Health Services Fee Schedule shall be amended to reflect an Environmental Health Services hourly rate of \$311 plus the changes in (1) the U.S. Bureau of Labor Statistics Consumer Price Index (CPI) All Urban Consumers, San Francisco-Oakland-Hayward area from July through June of Fiscal Year 2024-25 for costs unrelated to employee salaries and benefits; and (2) the Board-approved Cost-of-Living Adjustments (COLA) effective as of January 1, 2026, for costs related to employee salaries and benefits, and if no such COLA is in effect, the CPI for Fiscal Year 2024-25 shall be used for all expenses. Adjustments shall be rounded to the nearest dollar and appropriate notice shall be provided to the public 60 days prior to the adjustment effective date.

SECTION 4. On January 1 of each calendar year beginning on January 1, 2027, the Environmental Health Services Fee Schedule fees will automatically be adjusted to reflect changes in (1) the U.S. Bureau of Labor Statistics Consumer Price Index (CPI) for costs unrelated to employee salaries and benefits; and (2) the Board-approved Cost-of-

Living Adjustments (COLA) for costs related to employee salaries and benefits. Adjustments shall be rounded to the nearest dollar and appropriate notice shall be provided to the public 60 days prior to the adjustment effective date. Consumer Price Index adjustments shall be based on the All Urban Consumers, San Francisco-Oakland-Hayward area and shall use the percent change of that index from July through June of the fiscal year prior to the effective date in January, or on a substantively similar formula. COLA adjustments shall be based on the COLA effective as of the January 1 on which the fees are changed, and if no such COLA is in effect, the CPI for the preceding fiscal year shall be used for all expenses. This automatic formula shall govern unless otherwise amended by the Board.

SECTION 5. Section 5.64.060 subsection (a) of the San Mateo County Ordinance Code is hereby revised to read as follows:

Section 5.64.060 – Imposition of Fees.

- (a) Generally, any person who conducts or engages in a business or activity as defined in Section 5.64.050 of this chapter, which business or activity is within the geographical area under the jurisdiction of the County Health Officer, shall be liable to pay the Environmental Health inspection fee established by resolution or ordinance of the Board of Supervisors for that business or activity within thirty days from the date of billing therefore. Such fee shall be payable annually and shall cover a period of one year from the date of payment, unless otherwise specified by the County Health Officer.

SECTION 6. Section 5.64.070 of the San Mateo County Ordinance Code is hereby revised to read in its entirety as follows:

Section 5.64.070 – Collection of Fees.

Environmental Health fees shall be charged annually for activities for which the County Health Officer or other County officer or employee is charged with the responsibility of enforcing any statute, order, quarantine, rule or regulation prescribed by state officer or department relating to the public health, which either requires or authorizes the County Health Officer or other County officer or employee to perform specified acts.

The fee shall also be charged upon review of plans for new construction, renovation or remodeling of food facilities, mobile food facilities, organized camps, public swimming areas, hot tubs, wells and septic tanks, vector control abatement, medical and solid waste, hazardous material storage, hazardous waste generators, underground storage tanks, above ground storage tanks and land use development.

Environmental Health Fees shall be charged as approved by resolution or ordinance of the Board of Supervisors, including any automatic adjustments approved by such resolution or ordinance, and may be amended from time to time. Any reference in the San Mateo County Ordinance Code to fees or rates listed in this Section shall be read to refer to fees established by resolution or ordinance by the Board of Supervisors pursuant to this Section.

SECTION 7. SEVERABILITY. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, it shall not affect the remaining portions of this Ordinance.

SECTION 8. EFFECTIVE DATE. This Ordinance shall be effective 30 days from the date of adoption.

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