



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Health System



Date: February 4, 2013
Board Meeting Date: May 7, 2013
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Jean S. Fraser, Chief, Health System
Dean D. Peterson, P.E., REHS, Director, Environmental Health

Subject: New Environmental Health Program Fees: Amendment to Sections of the San Mateo County Ordinance Code

RECOMMENDATION:

Adoption of an ordinance repealing and replacing Sections 5.64.050 through 5.64.070 in Chapter 5.64 of Title 5 of the San Mateo County Ordinance Code and repealing Chapter 5.120 of Title 5 of the San Mateo County Ordinance Code in its entirety, which establish Environmental Health program fees, previously introduced on April 9, 2013 and waiver of reading the ordinance in its entirety.

BACKGROUND:

Section 101325 of the California Health and Safety Code permits recovery of costs incurred in enforcing state laws and regulations. Environmental Health (EH) fees are established by Ordinance of the Board of Supervisors and are effective for both cities and unincorporated areas of the County.

EH provides unique public health services, community and business education, and regulatory oversight through the technical expertise and consultation of professional staff. EH relies on revenue from permits, fees for service, and grants to offset the majority of program costs. In 2012, your Board approved a fee amendment which modified program fees for temporary event food fees, added and revised solid waste process fees and revised fees for land use services to fully reimburse EH for the services provided. EH uses a comprehensive database to track staff time, prepare billing, track inspections and violations, and maintain information on our regulated businesses. Information from this data is the basis for establishing hourly rates and fees.

In July 2007, the section of the Health and Safety Code referred to as the "California Uniform Retail Food Facilities Law" became the "California Retail Food Code (Cal

Code),” marking a shift in the way retail food facilities were inspected for compliance with food safety laws. Traditionally, inspections focused on the food facility and equipment, as opposed to the food handlers and processes of food handling. Cal Code introduced a risk-based approach to inspections; focusing on the food handlers, food products, and food handling practices.

Between the Cal Code and the Food and Drug Administration’s (FDA) Voluntary National Retail Food Regulatory Program Standards, EH now has the strong regulatory foundation and the best available framework to build San Mateo County’s risk-based inspection program. EH staff have completed the first step which required categorization of food facilities based on risk. Risks range from high-risk (Category 3) which include full service restaurants that engage in complex food preparation, to low-risk (Category 1) which include stores that only sell pre-packaged, commercially processed foods.

DISCUSSION:

The proposed fee amendment establishes new risk-based food inspection fees and consolidates all EH fees under one section in the County Ordinance.

The new risk-based fees assign a risk category of one, two or three to each food facility depending on the level of complexity in their food handling processes. Category 3 facilities, which are more closely related to common causes of foodborne illnesses, will receive more frequent inspections, thus requiring more time per inspection, and an increase in re-inspections to ensure compliance with critical risk factor violations. For this reason, higher-risk facilities will pay a higher fee.

The table below provides examples of existing fees compared with the proposed risk-based fees:

Food Facility Category	San Mateo County Existing Food Fees	San Mateo County Proposed Risk-based Food Fees
Market 6,001-10,000 sq ft	\$1,492	\$536 Risk Category 1 \$1,224 Risk Category 2 \$1,530 Risk Category 3
Restaurant under 10 Seats	\$565	\$459 Risk Category 1 \$612 Risk Category 2 \$1,071 Risk Category 3
Restaurant 11 to 100 Seats	\$939 to \$1,119	\$459 Risk Category 1 \$765 Risk Category 2 \$1,300 Risk Category 3
Restaurant 101-150 Seats	\$1,314	\$459 Risk Category 1 \$918 Risk Category 2 \$1,530 Risk Category 3

San Mateo and Santa Clara Counties are early adopters of risk-based food program fees. The table below provides examples of proposed fees compared to fees in Santa Clara County:

Food Facility Category	Santa Clara County Existing Food Fees	San Mateo County Proposed Risk-based Food Fees
Food Prep – Risk Category 3 – under 10 Seats	\$1,227	\$1,071
Food Prep – Risk Category 3 – 11-100 Seats	\$1,435	\$1,300
Food Prep – Risk Category 3 – Over 100 Seats	\$1,578	\$1,530

All public notification requirements have been met.

The Ordinance has been reviewed and approved by County Counsel.

The proposed fee amendment contributes to the Shared Vision 2025 outcome of an Environmentally Conscious Community by securing funding to cover the cost of program delivery and by assuring that those who use EH services pay the cost of providing those services. It is anticipated that 90% of permitted facilities will receive an annual inspection in FY 2012-13. These annual inspections help prevent and control illness related to the transmission of infection or contamination in food and water, and help prevent disease transmission and injury.

PERFORMANCE MEASURE(S):

Measure	FY 2011-12 Actual	FY 2012-13 Projected
Percent of permitted facilities receiving an annual inspection	87%	90%

FISCAL IMPACT:

The proposed fee Ordinance takes effect July 1, 2013. The revenue associated with the proposed fees will be included in the Environmental Health recommended FY 2013-14 and FY 2014-15 Budget. There is no Net County Cost.