

Date: August 28, 2018

To: Bruce D. Glasscock, City Manager
Mark Israelson, Sr. Deputy City Manager

From: Rachel C. Patterson, Director, Environmental Health & Sustainability

Subject: Revised EH&S Fee Schedule

At the September 10, 2018 City Council meeting I will respectfully request action on the following three items:

1. An ordinance to repeal the current Environmental Health Division fee schedule
2. A resolution to approve the proposed Environmental Health & Sustainability (EH&S) fee schedule with a delayed effective date of January 1, 2019 to account for permit re-categorization and fee changes within the permitting software
3. The revision of two ordinances (Public Swimming Pool & Spa and Tattoo/Body Art) as both include specific information about fees found in the current fee ordinance. We are also asking that the name of the department be updated in each ordinance and a correction made to a state code reference.

Fees for EH&S services have not increased since 2008. These increases included a \$100 - \$200 increase to grocery store permittees, and an average \$25-\$50 increase for restaurant permittees. Pool and mobile food permits have not increased since 2002.

In the past, fees have been based on a market analysis of what neighboring jurisdictions charged for services, although this method is really inadequate for determining a cost recovery policy for the department. In the spring, the Budget Department engaged a consultant to determine the actual cost to provide EH&S services with the objective of setting fees based on these costs. The goal this year is to set fees at 50% cost recovery (at least), slowly increasing fees over the coming years to at least 75%, with consideration for 100% recovery for some services.

Coupled with this study, we also discovered the need to reconsider the way food establishments were currently permitted and correct inequities in the fee amounts charged. For example, currently we have a fee category for "full service restaurant" and inspection frequencies are established by conducting a risk assessment of the establishment and menu. Therefore, we may have one full service restaurant assigned two inspections per year and another, three. Based on this and the fact we now desire to set fees according to actual service costs, food establishment permits will need to be re-categorized by the number of assigned inspections per year. Thus, we have created Food Establishment Types I-IV, with Type I being the lowest risk and Type IV, the highest.

This year is about ensuring we are recovering at least 50% of service costs, and re-categorizing establishments according to the services they require.

In general, changes to the fee schedule include (see "Exhibit A" of this memo):

- New permit fee categories for food establishments
- Increases to the following fees

- Food Establishment Types I – IV*
- Mobile Food Type I
- Seasonal Temporary Permits
- Temporary Event Permits (for-profit)
- Swimming Pool
- Additional Swimming Pool
- Body Art Permit
- Late Fee Permit Renewal 31-60 days
- Food Establishment Plan Review
- Pool Plan Review
- Second Certificate of Occupancy Inspection
- Food & Swimming Pool Re-inspection
- Dogs on Patio Variance/Biennial Renewal
- Decreases to the following fees
 - Mobile Food Type II
 - Farmer's Market 61+ vendors
 - Waste Hauler
 - Waste Generator
 - Food or Pool Remodel Plan Review
- Addition of the following fees
 - Body Art Plan Review
 - Pool or Food Establishment Remodel, Expansion, or Equipment Review
 - Mobile Food Inspection Appointment No-Show
 - Variance Review (Food Code)
- Removal of Late Fee for Permit Renewal (61-90 day)

**Please note some establishments will see a \$200 increase in fees due to the aforementioned re-categorization of permits based on inspection frequency. See chart below.*

Following is a chart indicating how many establishments will be affected by these fee changes.

	# Permits
Permit Increase by \$200	109
Permit Increase by \$100	471
Permit Increase by \$50	44
No Change	990
Permit Decrease by \$75 - \$175	106

Thank you for your time and attention to this important matter. Please let me know if you require any further information.

EXHIBIT “A”

ENVIRONMENTAL HEALTH & SUSTAINABILITY DEPARTMENT FEE SCHEDULE **COMPARISON**

PERMIT FEES		
FOOD ESTABLISHMENT	Proposed	Current
1. Food Establishment – Mega Stores	\$ 1000.00	\$ 1000.00
2. Food Establishment – Grocery Stores	\$ 800.00	\$ 800.00
3. Food Establishment Type I ¹	\$ 225.00	\$200.00
4. Food Establishment Type II	\$ 400.00	\$300-400
5. Food Establishment Type III	\$ 500.00	\$500.00
6. Food Establishment Type IV	\$ 550.00	\$500.00
7. Mobile Food Unit		
A. Mobile Type I	\$ 200.00	\$150.00
B. Mobile Type II	\$ 255.00	\$275.00
C. Mobile Type III	\$ 300.00	\$300.00
8. Temporary & Seasonal Events		
A. Seasonal, Non-PHF/TCS	\$ 155.00	\$150.00
B. Temporary – first booth	\$ 95.00	\$75.00
a. Each additional booth (for vendors with more than one)	\$ 25.00	\$25.00
C. Temporary – with valid COP annual food service permit (per booth)	\$ 20.00	\$20.00
D. Annual Temporary	\$ 500.00	\$500.00
E. Non-Profit Processing Fee ²	\$ 20.00	\$20.00
F. Late Fee (seasonal or temporary application submitted less than five (5) business days prior to event)	\$ 50.00	\$50.00
9. Farmers’ Market		
A. 1-30 Vendors	\$ 200.00	\$200.00
B. 31-60 Vendors	\$ 400.00	\$400.00
C. 61+ Vendors	\$ 470.00	\$600.00
POOL		
1. Swimming Pool	\$ 250.00	\$200.00
2. Additional Pool	\$ 150.00	\$100.00
LIQUID WASTE HAULER AND GENERATOR		
1. Waste Hauler	\$ 200.00	\$300.00
2. Waste Generator (Grit/Sand or Grease Trap) – per trap	\$ 50.00	\$250.00
INDUSTRIAL WASTEWATER PRETREATMENT		
1. Industrial Pretreatment Annual Fee	\$ 300.00	\$300.00
2. Industrial Pretreatment BMP Permit Fee	\$ 50.00	\$50.00
INDUSTRIAL USER		
1. Industrial User Fee Per Outfall (monthly)	\$ 590.00	\$590.00
BODY ART		
1. Body Art	\$ 255.00	\$200.00
PERMIT LATE FEES³		
PERMIT RENEWAL LATE FEE		
1-30 days after expiration date	10% of permit fee	10%
31-60 days after expiration date	20% of permit fee	15%

MISCELLANEOUS FEES		
PLAN REVIEW	Proposed	Current
1. Food Establishment Plan Review ⁴	\$ 425.00	\$300.00
2. Pool Plan Review ⁴	\$ 520.00	\$300.00
3. Body Art Plan Review ⁴	\$ 300.00	N/A
4. Pool or Food Establishment Remodel, Expansion, or Equipment Review ⁵	\$ 225.00	\$300.00
CERTIFICATE OF OCCUPANCY (C/O) & TEMPORARY (T/C/O)		
1. First C/O or T/C/O inspection	-0-	-0-
2. Second and subsequent inspection(s)	\$ 100.00	\$75.00
OTHER FEES⁴		
1. Swimming Pool Re-Inspection ⁶	\$ 75.00	\$50.00
2. Food Establishment Re-inspection or Compliance Inspection ⁶	\$ 75.00	\$50.00
3. Mobile Food Inspection Appointment No-Show	\$ 25.00	N/A
4. Variance Review (Food Code)	\$ 200.00	N/A
5. Dogs on Patio Application for Variance	\$ 150.00	\$100.00
6. Dogs on Patio Biennial Renewal Fee	\$ 150.00	\$100.00
TRAINING		
1. Food Manager Certification	\$ 100.00	\$100.00
2. Food Handler class (class instruction fee only)	\$ 25.00	\$25.00
3. Food Establishment or Pool Permit Reprint	\$ 5.00	N/A
4. Certified Pool Operator Course	\$ 200.00	\$200.00
NOTES		
¹ Type I – IV refers to the risk categorization and resulting inspection frequencies of food establishments as defined in the FDA's Voluntary National Retail Food Regulatory Program Standards.		
² Proof of charitable non-profit (tax-supported) status must be submitted with application. Late fees may apply.		
³ No permit shall be issued or renewed until the applicable permit fee is paid. Late fees for permit renewals shall apply as indicated.		
⁴ A plan review fee shall be charged for the review of plans and specifications of new construction.		
⁵ A remodel or expansion review applies only to those establishments currently permitted by the Environmental Health Division. All other construction is considered "new construction" and must pay the regular plan review fee.		
⁶ For re-inspections required due to critical violation issues or required compliance inspection		