



**Contra
Costa
County**

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: January 23, 2018

Subject: Hearing on Non-Franchise Solid Waste Collection and Transport Permit Program Fee and Adoption of Performance Bond Requirements

RECOMMENDATION(S):

1. OPEN a public hearing on the proposed addition of a non-franchise solid waste collection and transport permit fee to the schedule of fees for the Environmental Health Division; RECEIVE oral and written testimony regarding the proposed new permit fee; and CLOSE the hearing.
2. FIND that the adoption of a resolution establishing a new fee to fund the non-franchise solid waste collection and transport permit program is exempt from the California Environmental Quality Act (CEQA) under Section 15273 of Title 14 of the California Code of Regulations.
3. FIND that the adoption of a resolution establishing requirements for a performance bond to be filed by non-franchise solid waste collection and transport program permittees is exempt from review under CEQA under Section 15061 of Title 14 of the California Code of Regulations.
4. ADOPT Resolution No. 2018/31, adding a non-franchise solid waste collection and transport permit fee to the schedule of fees for the Environmental Health Division

<input checked="" type="checkbox"/> APPROVE	<input type="checkbox"/> OTHER
<input checked="" type="checkbox"/> RECOMMENDATION OF CNTY ADMINISTRATOR	<input checked="" type="checkbox"/> RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **01/23/2018** ☒ APPROVED AS RECOMMENDED ☒ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 23, 2018

Contact: Marilyn
Underwood (925) 692-2521

, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

cc: Environmental Health Director, IOC Staff, CAO, DVD Solid Waste Manager, EH Staff

5. ADOPT Resolution No. 2018/41, establishing the amount of \$20,000 and other requirements for a performance bond to be filed under Section 418-2.018, subdivision (a), of the County Ordinance Code.

RECOMMENDATION(S): (CONT'D)

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6. DIRECT the Conservation and Development Director or his designee to prepare a Notice of Exemption as to the adoption of Resolutions 2018/31 and 2018/41 and adoption of County Ordinance No. 2017-16, and DIRECT the Health Services Director or his designee to file the Notice of Exemption with, and arrange for payment of the \$50 fee to, the County Clerk.

FISCAL IMPACT:

Adoption of Resolution No. 2018/31 will create source of revenue to fund the new non-franchise solid waste collection and transport program. No impact to the General Fund is anticipated if sufficient revenues are derived from the fee. Staff does not project a fiscal impact from the adoption of Resolution No. 2018/41.

BACKGROUND:

1. Fee

The provisions of the non-franchise solid waste hauler ordinance (No. 2017-16, Solid Waste Collection and Transportation) requires an annual health permit issued by the Environmental Health Division of the Contra Costa County Health Services Department. The Environmental Health Division is an agency that is largely fee-funded and where the cost of regulatory oversight is paid for by health permit fees. Consistent with this longstanding practice, the non-franchise solid waste collection and transport permit would have an associated fee intended to fund a new non-franchise solid waste hauler program. Activities required of this new program include, but are not limited to, permit application review, initial vehicle inspection, and permit issuance.

Since this is a new program an estimate of the staff time and resources required is necessary in order to establish a fee to implement this program. As the program matures and data is collected through the Environmental Health Division's data management system, which tracks staff time in significant detail, the fee can be adjusted by a future Board of Supervisors resolution to reflect the program-specific expenditure of resources.

Environmental Health recommends the inaugural fee for a non-franchise solid waste collection and transportation permit be based on slightly more than one hour of staff time (1.26 hours), which at the Board of Supervisors adopted hourly rate of \$174.00 per hour (Resolution No. 2014/26), would result in a \$220.00 annual permit fee per vehicle owned or operated by the permittee. The calculation for the proposed fee is as follows:

1.26 hours staff time x \$174.00 = \$220.00 annual permit fee (rounded)

This per vehicle permit fee would provide for approximately 0.8 hours of staff time associated with each initial vehicle inspection, re-inspection (if necessary), and permit decal issuance of all the permittee's non-franchise solid waste hauler vehicles. The

remaining 0.46 hours of staff time would be devoted to application review and permit processing. It should be noted that the Environmental Health hourly rate incorporates both the direct cost of an employee conducting work as well as other indirect costs related to Environmental Health administration. Thus, a per vehicle permit fee based on the Environmental Health hourly rate is projected to cover the costs of staff time as well as overall program administration.

In addition, each permit application would be accompanied by an application fee of \$39.00. This fee is equal to the current Environmental Health Division application fee previously adopted by the Board of Supervisors (Resolution No. 2014/381) and intended to cover the costs associated with administrative duties related to clerical application review and processing.

Together, these fees mirror the fees previously adopted by the Board of Supervisors for the Environmental Health Division's current portable toilet pumper vehicle permit, and provide a good proxy for the time commitment expected for a non-franchise solid waste collection and transport permit.

All field surveillance of unpermitted non-franchise solid waste haulers will be conducted on a complaint basis. Any enforcement activities and expenses incurred as part of the complaint abatement process will be addressed pursuant to Contra Costa County Ordinance Code, Chapter 14-12 (Administrative Penalty System), mirroring existing policies and procedures implemented for other programs.

2. Performance Bond

Section 418-2.018, subdivision (a), of the County Ordinance Code requires a permittee under the non-franchise solid waste hauler program to file and maintain a performance bond in an amount and type specified by the Board by resolution. The Board's Internal Operations Committee recommended the bond amount be set at \$20,000. Resolution No. 2018/41 establishes that the performance bond will be a license and permit bond in favor of the County in the amount of \$20,000 in addition to other requirements, and includes a bond form that may be used to issue bonds for this program.

3. CEQA

Section 15273(a)(1) of Title 14 of the California Code of Regulations states that CEQA does not apply to the establishment or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds for the purpose of meeting operating expenses. The Environmental Health Division is a public agency that is largely fee-funded and where operating expenses are paid for by health permit fees. Therefore, the purpose of a non-franchise solid waste collection and transport permit fee qualifies under this exemption as an operating expense incurred by the Environmental Health Division.

Section 15061(b)(3) of Title 14 of the California Code of Regulations only applies to projects with the potential to cause a significant impact on the environment. Setting a performance bond amount and type will not cause a significant impact on the environment, and is therefore exempt from CEQA requirements.

The Board previously found that the adoption of Ordinance 2017-16 (Solid Waste Collection and Transportation) to be exempt from CEQA requirements. In addition, the Notice of Exemption filed by the Department of Conservation and Development will apply to Ordinance 2017-16, the proposed non-franchise solid waste collection and transport permit, and performance bond.

CONSEQUENCE OF NEGATIVE ACTION:

If a fee is not approved, another source of revenue will be needed to fund the new program. If the bond type and amount are not established, permittees will be unable to comply with the requirement to file a bond.

CLERK'S ADDENDUM

CLOSED the hearing; FOUND that the adoption of a resolution establishing a new fee to fund the non-franchise solid waste collection and transport permit program is exempt from the California Environmental Quality Act (CEQA) under Section 15273 of Title 14 of the California Code of Regulations; FOUND that the adoption of a resolution establishing requirements for a performance bond to be filed by non-franchise solid waste collection and transport program permittees is exempt from review under CEQA under Section 15061 of Title 14 of the California Code of Regulations;

ADOPTED Resolution No. 2018/31, adding a non-franchise solid waste collection and transport permit fee to the schedule of fees for the Environmental Health Division;

ADOPTED Resolution No. 2018/41, as amended today, establishing the amount of ~~\$20,000~~ \$50,000 and other requirements for a performance bond to be filed under Section 418-2.018, subdivision (a), of the County Ordinance Code; and DIRECTED the Environmental Health Division to report to the Internal Operations Committee in six months information on the number of permits applied for and issued.

ATTACHMENTS

Resolution No. 2018/31: CC Environmental Health Fees

Attachment A to Resolution No. 2018/31: CC Environmental Health Fee Schedule

Resolution No. 2018/41 Non-Franchise Solid Waste Hauler Performance Bond Requirement

Exhibit A to Resolution No. 2018/41: Non-Franchise Solid Waste Hauler Bond