



County of San Diego

Agricultural Fee Adjustments

Pending Board of Supervisors' Approval

Agriculture, Weights and Measures

Stakeholder Presentation

Agriculture, Weights and Measures



Export Certification



Direct Marketing



Industrial Hemp Cultivation



Hazardous Material Inventory

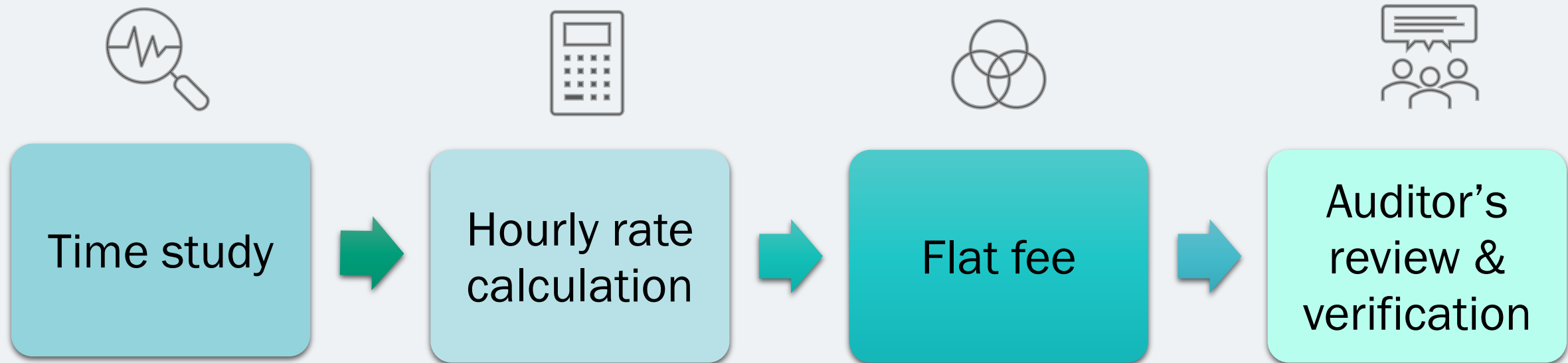




Need for Proposal

- Necessary resources for quality services
- Compliance with County Board of Supervisors' Policy B-29
- Commitment to the Board and customers for annual fee adjustment
- Salary and benefit increases

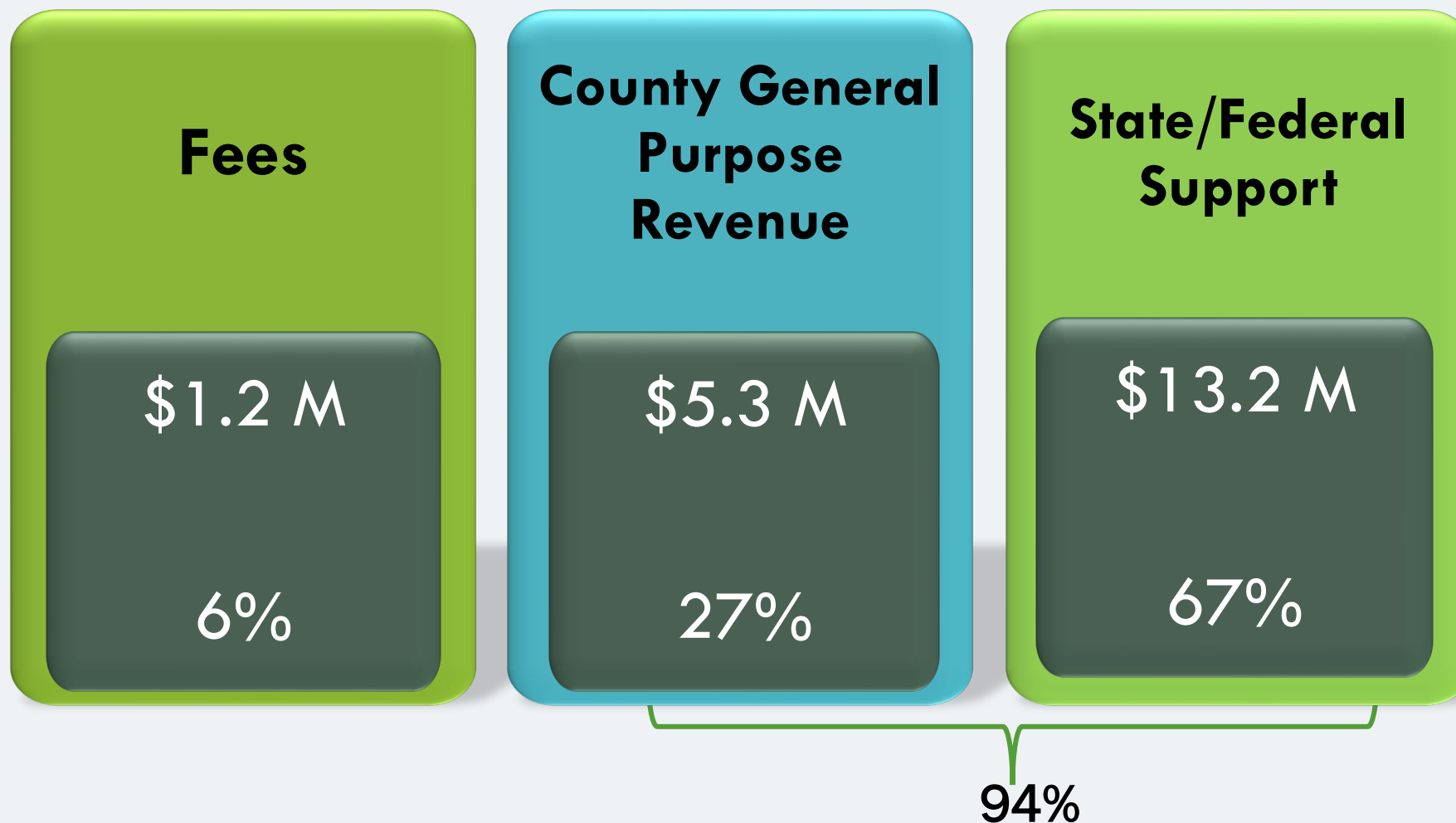
Fee Development Process



Reviewed Fees	No Change	Adjusted Fees
33	12	21

Agricultural Programs \$19.7M

Local agricultural customers pay \$773K or 4% of the total \$19.7 M



Export Certification Proposed Fees

Fee Types	Current	Proposed	Change	
			\$	%
International Certificate (7,750)	\$103	\$107	\$4	4%
International Certificate (Counter) (77)	\$80	\$84	\$4	5%
State Certificate (1,650)	\$44	\$47	\$3	7%
State Certificate (Counter) (Less than 5)	\$36	\$39	\$3	8%
Hourly Rate (458 hours)	\$143	\$156	\$13	9%
Proposed increase of \$42K for a total revenue of \$980K				
County and State support \$352K annually				



Export Certification Cost Containment

Innovations

- Process improvements to enhance efficiency
 - Mobile app for reduced paperwork
- Master Permit Agreements
 - Reduced need for travel
 - Combined inspections

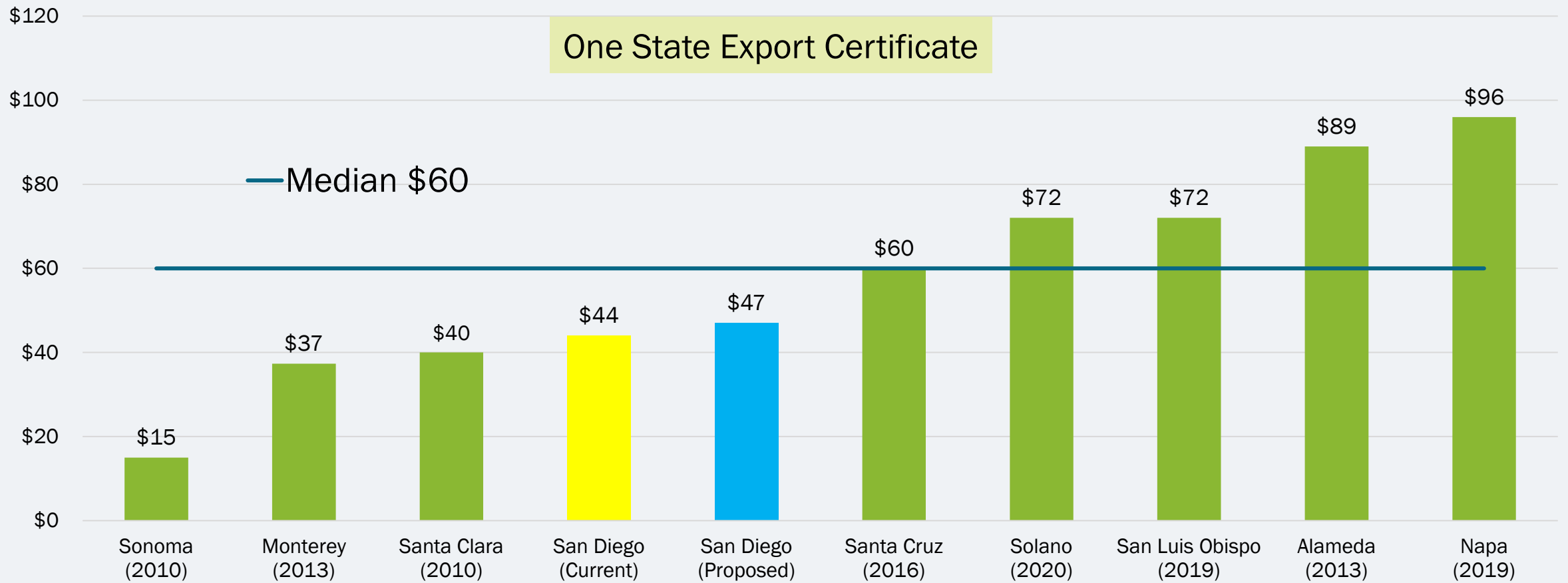
Cost Savings

- Annual savings of \$11,041
- Without innovations, fees would increase on average by an additional \$5 or 5.9%

Export Certification Benchmarking



Export Certification Benchmarking



Direct Marketing Proposed Fees

Direct Marketing	Current	Proposed	Change	
			\$	%
Certified Farmer Market (34 annually)	\$194	\$202	\$8	4%
Certified Producer (218 annually)	\$57	\$60	\$3	5%
CP Certificate Amendments (35 annually)	\$12	\$13	\$1	8%
CP Additional Counties (92 annually)	\$12	\$13	\$1	8%
Hourly Rate (408 hours)	\$169	\$182	\$13	8%
Proposed increase of \$6K for a total revenue of \$96K				
County and State support \$257K annually				



Direct Marketing Cost Containment

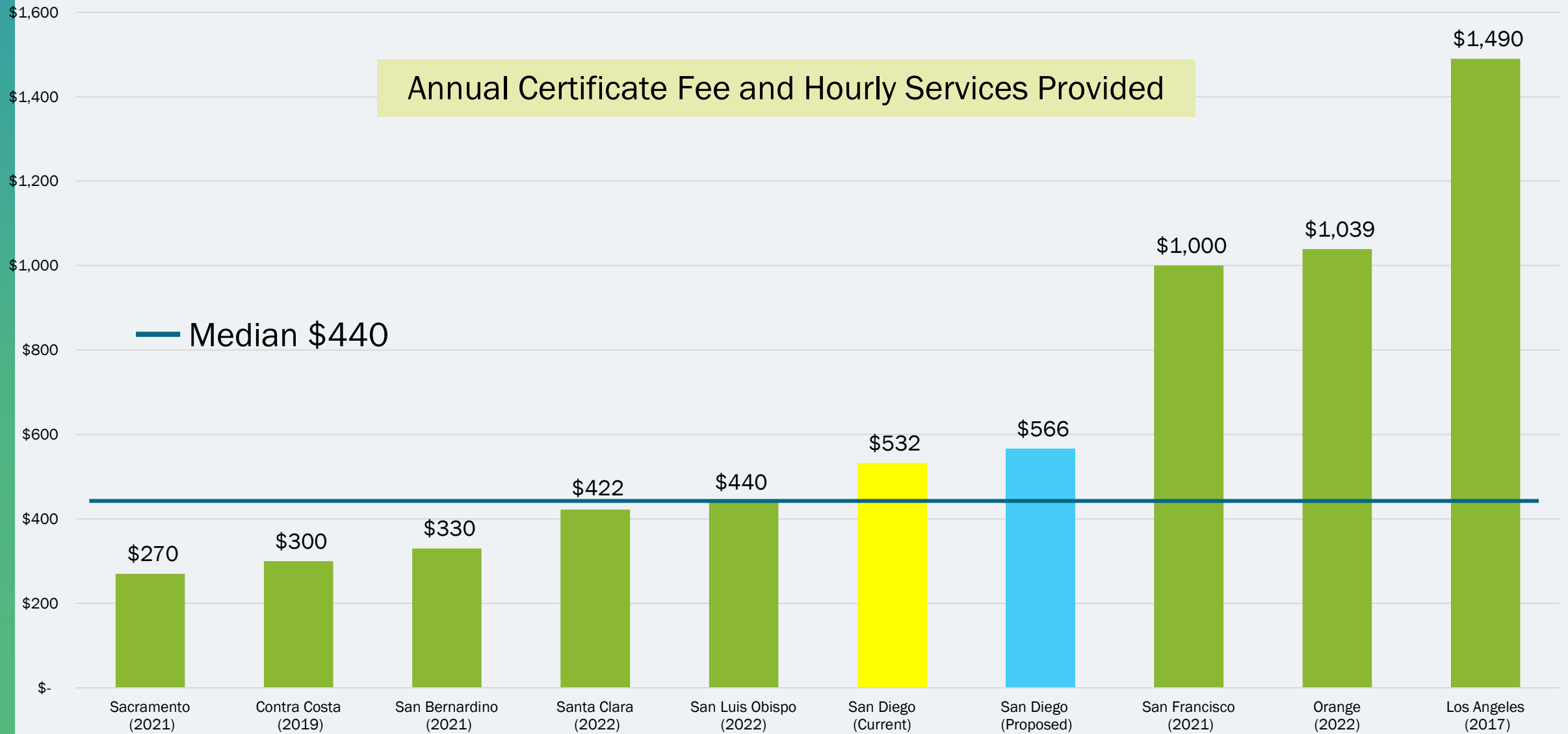
Innovations

- Increase operational efficiencies
 - Streamlined certification process
 - Improved templates for compliance actions
 - Combined inspections

Cost Savings

- Annual savings of \$10,514
- Without innovations, fees would increase on average by an additional \$3 or 5.0%

Direct Marketing Benchmarking





Community Needs Assessments

- Community engagement
- Benefits to regulated businesses that pay fees
 - More customers buying local produce
- Benefits to community
 - Increased access to locally grown produce

Industrial Hemp Cultivation Proposed Fees

Industrial Hemp Cultivation	Current	Proposed	Change	
			\$	%
License Fee (19 Licenses)	\$206	\$214	\$8	4%
Hourly Rate (107 hours)	\$140	\$146	\$6	4%
Proposed increase of \$794 for a total revenue of \$20K annually				
County and State support \$52K annually				



Industrial Hemp Cultivation Cost Containment

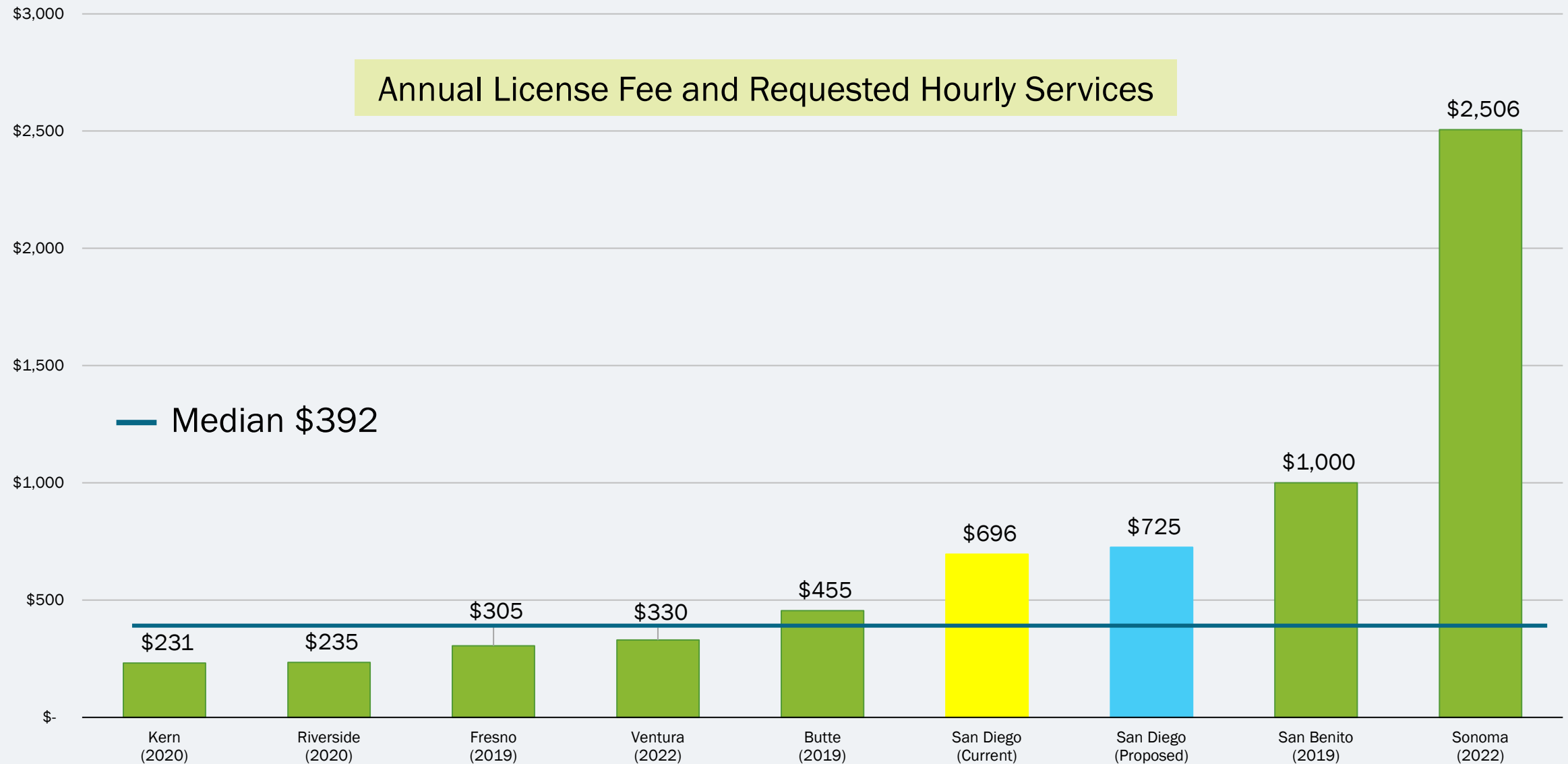
Innovations

- Leveraging technology
 - Automatic e-mails
 - Video hemp destruction
- Streamlining processes
 - Consolidated activities
 - Combined inspections

Cost Savings

- Annual savings of \$736
- Without innovations, fees would increase on average by an additional \$2 or 1.0%

Industrial Hemp Cultivation Benchmarking



Hazardous Materials Inventory Fees

Registration Fees	Current	Proposed	Change	
			\$	%
Base (194 Registrants)	\$498	\$533	\$35	7%
Inventory Item (760 Items)	\$106	\$96	-\$10	-9%
Total decrease in revenue of \$810 annually				



Hazardous Materials Inventory Cost Containment

Innovations

- Increased operational efficiencies
 - Reassigned duties to EHT
 - Consolidation and reduction of facilities and inventory items

Cost Savings

- Annual savings of \$15,004
- Without innovations, fees would increase on average by an additional \$27 or 8.5%



Hazardous Materials Inventory

- No fee increase since FY 2019-20
- This fee proposal will result in:
 - 88 facilities which store 3 to 4 hazardous materials
 - Average fee increase since FY22-23: \$10
 - Average yearly increase since FY19-20: \$2.50
 - 79 facilities which store 5 or more hazardous materials
 - Overall fee decrease: up to \$155/facility
- Pesticide disposal events - \$194K



Apiary Registration Fee Changes

- Recent State law update changed how Apiary Registration Fee is collected
- Previously the County collected the fee, but now the State will collect the fee
- The Board has waived the registration fee for hobbyist beekeepers since 1992, and AWM continues to implement this Board direction until further notice
- Recommending the deletion of the Apiary Registration Fee from AWM Fee ordinance

Next Steps

May 3 & May 24, 2023

- Board of Supervisors Hearings

July 1, 2023

- Effective date for FY 2023 - 24




Contact Information

- **AWM Website:**
 - <https://www.sandiegocounty.gov/content/sdc/awm/fees.html>
- **AWM General Email:**
 - sdcawm@sdcounty.ca.gov
- **Export Certification:**
 - Deputy Agricultural Commissioner Travis Elder by phone at (760) 752-4787 or by email at Travis.Elder@sdcounty.ca.gov.
- **Direct Marketing or Industrial Hemp Cultivation:**
 - Deputy Agricultural Commissioner Jordan Key by phone at (858) 614-7784 or by email at Jordan.Key@sdcounty.ca.gov.
- **Hazardous Materials Inventory:**
 - Deputy Agricultural Commissioner Kara Roskop-Waters by phone at (858) 614-7747 or by email at Kara.Roskop-Waters@sdcounty.ca.gov.



County of San Diego

Agriculture, Weights and Measures



Without FY 2023-24 Fee Proposal – Options and Impacts

1. No fee increase

- Need alternative funding – \$90,892
 - \$48,703 for Agricultural Programs
 - \$42,189 for Price Verification and W&M Devices

2. No fee increase and no alternative funding

- Operational impacts: service delays, reduced outreach and regulatory compliance

Program Hourly Rate Methodology

Program Cost Formula

1.

$$\begin{array}{c} \text{Salaries} \\ \text{\&} \\ \text{Benefits} \end{array} + \begin{array}{c} \text{Services} \\ \text{\&} \\ \text{Supplies} \end{array} + \text{Overhead} = \text{Program Cost}$$

Program Hourly Rate Formula

2.

$$\text{Program Cost} \div \text{Program Hours} = \text{Hourly Rate}$$

Flat Fee Methodology

True Cost Formula



Flat Fee Formula



*GPR = General Purpose Revenue