



Board Agenda Item 59

DATE: September 12, 2017

TO: Board of Supervisors

SUBMITTED BY: David Pomaville, Director, Department of Public Health

SUBJECT: Retroactive Revenue Agreement with the California Department of Public Health

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute a retroactive revenue agreement with the California Department of Public Health for Tobacco Control Program funds, effective July 1, 2017 through June 30, 2018 (\$1,317,644).

Approval of the recommended agreement with the California Department of Public Health (CDPH) will allow the Department of Public Health to continue tobacco health education activities. The grant will fund Department staff and services and supplies to support tobacco prevention and cessation activities, with no increase in Net County Cost.

ALTERNATIVE ACTION(S):

There is no viable alternative action. Should your Board not approve the recommended agreement, the Department would be unable to fund tobacco health education activities as outlined in the grant scope of work.

RETROACTIVE AGREEMENT:

The recommended agreement was received from CDPH on July 27, 2017 and is retroactive to July 1, 2017.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended action. The recommended revenue agreement with CDPH will provide \$1,317,644 for the first year of a four-year program. The estimated four-year maximum is \$4,342,766.

The Department will return to your Board for approval of subsequent allocations. Future years' anticipated award amounts are as follows:

- Year Two (7/1/18 - 6/30/19): \$1,044,150
- Year Three (7/1/19 - 6/30/20): \$1,007,886
- Year Four (7/1/20 - 6/30/21): \$973,086

CDPH limits indirect cost recovery to 25% of personnel costs as compared with the Department's full indirect rate of 26.19%. The remainder (\$4,693) will be covered using Health Realignment funds.

Sufficient appropriations and estimated revenues were included in the Department Org 5620 FY 2017-18 Recommended Budget.

DISCUSSION:

With your Board's approval, the Department will continue to receive funds from California Proposition 99: Tobacco Tax and Health Protection Act (1988), and will begin to receive funds from California Proposition 56: Cigarette Tax to Fund Healthcare (2016), to provide services to prevent harmful health effects of tobacco use. The Department is working with CDPH to determine the best implementation strategies to rapidly expand services and incorporate the over \$1 million increase generated from Proposition 56. Specific strategies and deliverables will be finalized by January 1, 2018. During this initial planning phase and throughout the duration of the term, the program will continue activities pursuant to the intent of the funding, which include:

- conduct health education programs, behavioral change interventions, and systemic change efforts for interested community residents, municipalities, local businesses, and other organizations;
- recruit and train volunteer adults and teens to help prevent tobacco use initiation, promote cessation, and reach other program goals;
- educate and inform business owners on compliance with local, State and Federal tobacco-related laws; and,
- respond to tobacco-related complaints (e.g., exposure to second-hand smoke, smoking in prohibited areas, illegal tobacco sales to minors) and refer violations to local law enforcement and/or code enforcement, when necessary.

The recommended agreement contains non-standard termination language as it allows the State to terminate without cause, if written notice has been delivered at least 30 days prior to termination. The recommended agreement also includes a termination clause that allows the County to submit a written request to terminate the agreement only in the event the State substantially fails to perform its responsibilities under the agreement. In the event of a dispute between parties, the resolution process outlined in the agreement terms and conditions must be followed.

REFERENCE MATERIAL:

BAI #35, October 11, 2016

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Agreement with CDPH

CAO ANALYST:

Sonia De La Rosa