



Board Agenda Item 34

DATE: January 8, 2019

TO: Board of Supervisors

SUBMITTED BY: Les Wright, Agricultural Commissioner/Sealer

SUBJECT: Amendment to Master Schedule of Fees - Department of Agriculture, Second Hearing

RECOMMENDED ACTION(S):

Conduct second hearing to amend the Fresno County Master Schedule of Fees, Charges and Recovered Costs Ordinance by amending subsection 3305 of Section 3300-Agriculture (Weights & Measures) and waive reading of the Ordinance in its entirety.

Approval of the recommended action would revise the Department of Agriculture's existing Master Schedule of Fees, Charges and Recovered Costs. AB 347 extends, until January 1, 2022, the authority for a county sealer to recover the costs related to the inspection and testing of weighing and measuring devices, increases the fee caps for the inspection of computing scales and establishes a phased-in fee increase for compressed natural gas (CNG) meters and liquefied natural gas (LNG) meters. The change to the inspection fee cap and the phased-in fee increases related to CNG and LNG meters require an amendment to the Fresno County Master Schedule of Fees (MSF), which requires approval by the Board of Supervisors. The Department would like to adopt the new fee maximums set by the State legislature in AB 347 by updating the MSF for 2019. The new fee caps allow Department to recover a bigger portion of program expenses associated with inspecting and testing of devices. This item is countywide.

ALTERNATIVE ACTION(S):

The Board can choose not to approve the increases to the MSF and the Department would not receive additional revenue from providing mandated inspection services.

FISCAL IMPACT:

The recommended action will allow the Department to collect higher fees for the testing and inspection of selected weighing and measuring devices. The revenue increase is estimated to be \$6,500 for 2019, \$6,700 for 2020, and \$7,000 for 2021. The increase in revenue will offset a portion of the costs of operating the Weights and Measures Division. As the State legislature sets the maximum fees a county can charge, typically the Division does not generate enough revenue to cover all of its expenses. The unreimbursed costs are funded by an allocation from the General Fund.

DISCUSSION:

On December 11, 2018, your Board conducted the first hearing for the recommended updates to the MSF for Subsection 3305 of Section 3300 - Agriculture (Weights & Measures). The updated fees provide for a subsequent amendment to the MSF by increasing certain fees to match the AB 347 caps. Specifically, the amendment to the MSF would gradually raise the annual device fee cap for the CNG and LNG meters from

\$20 to \$75 per device in 2019, to \$125 per device in 2020, and to \$185 per device beginning in 2021. Additionally, it would raise the inspection fee cap for computing scales from \$20 to \$23. The last change will affect computing scales that are currently listed in the Produce Scales and All Other Commercial Weighing and Measuring Devices categories. The CNG and LNG devices are grouped on the current MSF in the category of All Other Commercial Weighing and Measuring Devices. The proposed fee schedule adds a new device type category for the CNG and LNG meters, non-produce computing scales, and makes a distinction between computing and non-computing devices in the Produce Scales category. The recommended updates to the MSF for Section 3300 - Agriculture (Weights & Measures), Subsection 3305 are shown in Attachment A.

The existing law authorizes the Board of Supervisors, by ordinance, to charge fees, not to exceed the county's total cost of inspecting or testing weighing and measuring devices required of the county sealer, to recover the costs of the county sealer to perform these duties. The revenues generated from these fees by the County of Fresno Weights and Measure Division do not cover the total cost of the program. For example, for FY 2017/18 the generated revenue covered approximately 79% of the costs. The approval of the recommended actions will allow the Department to recover a bigger portion of its expenses.

If the proposed Ordinance is adopted, the recommended fees will be effective 30 days from the date of such adoption.

REFERENCE MATERIAL:

BAI #6, December 11, 2018

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A - Fee Schedule Comparison
Ordinance
On file with Clerk - Summary of Proposed Ordinance

CAO ANALYST:

Ron Alexander