

COUNTY OF SAN DIEGO BOARD OF SUPERVISORS
REGULAR MEETING AGENDA

TUESDAY, MAY 20, 2025, 9:00 AM AND WEDNESDAY, MAY 21, 2025, 9:00 AM
COUNTY ADMINISTRATION CENTER,
BOARD CHAMBER, ROOM 310
1600 PACIFIC HIGHWAY, SAN DIEGO, CA 92101

LAND USE LEGISLATIVE SESSION
WEDNESDAY, MAY 21, 2025, 9:00 AM

Order of Business

- A. Roll Call to Reconvene from Tuesday, May 20, 2025
- B. Statement (just cause) and/or Consideration of a Request to Participate Remotely (emergency circumstances) by a Supervisor, if applicable.
- C. Closed Session Report
- D. Non-Agenda Public Communication: Individuals can address the Board on topics within its jurisdiction that are not on the agenda. According to the Board's Rules of Procedure, each person may speak at only one Non-Agenda Public Communication session per meeting. Speakers can choose to speak during either the General Legislative or Land Use Legislative Session.
- E. Consent Agenda
- F. Discussion Items

NOTICE: THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Supporting documentation and attachments for items listed on this agenda can be viewed online at www.sandiegocounty.gov/cob or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101. To access the meeting virtually and offer public comment via a call-in option, please go to: www.sandiegocounty.gov/telecomments for instructions.

ASSISTANCE FOR PERSONS WITH DISABILITIES:

Agendas and records are available in alternative formats upon request. Contact the Clerk of the Board of Supervisors office at 619-531-5434 with questions or to request a disability-related accommodation. Individuals requiring sign language interpreters should contact the Countywide ADA Title II Coordinator at (619) 531-4908. To the extent reasonably possible, requests for accommodation or assistance should be submitted at least 72 hours in advance of the meeting so that arrangements may be

made. An area in the front of the room is designated for individuals requiring the use of wheelchair or other accessible devices.

LANGUAGE INTERPRETATION ASSISTANCE:

Language interpretation services for public speakers are available upon request to the Clerk of the Board of Supervisors at least 72 hours prior to the meeting (refer to Board Policy A-139 for additional information). Please contact the Clerk of the Board's office at (619) 531-5434 or via e-mail at publiccomment@sdcounty.ca.gov.

LEVINE ACT NOTICE: DISCLOSURES REQUIRED ON SPECIFIED ITEMS (GOVERNMENT CODE § 84308)

The Levine Act states that parties to any proceeding involving a license, permit or other entitlement for use pending before the Board must disclose on the record of the proceeding any campaign contributions of more than \$500 (aggregated) made by the parties or their agents to Board Members within the preceding 12 months. Participants with financial interests, and agents of either parties or participants, are requested to disclose such contributions also. The disclosure must include the name of the party or participant and any other person making the contribution; the name of the recipient; the amount of the contribution; and the date the contribution was made. This disclosure can be made orally during the proceeding or in writing on a request to speak.

Board of Supervisors' Agenda Items

CONSENT AGENDA

All agenda items listed under this section are considered to be routine and will be acted upon with one motion. There will be no separate discussion of these items unless a member of the Board of Supervisors or the Chief Administrative Officer so requests, in which event, the item will be considered separately in its normal sequence.

- | Agenda # | Subject |
|-----------------|---|
| 1. | ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
ADOPT A RESOLUTION AND ORDINANCE FOR THE FORMATION OF THE UNDERGROUND UTILITY DISTRICT (UUD) FOR BONITA ROAD PHASE 4 IN THE COMMUNITY OF SWEETWATER AND RELATED CEQA FINDING (5/7/25 - FIRST READING; 05/21/25 - SECOND READING AND ADOPTION) |
| 2. | AUTHORITY TO ADVERTISE AND AWARD A CONSTRUCTION CONTRACT, ESTABLISH APPROPRIATIONS FOR THE UNITED STATES NAVY-FUNDED TIJUANA RIVER VALLEY HABITAT RESTORATION PROJECT AND RELATED CEQA ENVIRONMENTAL REVIEW UPDATE CHECKLIST (4 VOTES) |
| 3. | SET A HEARING FOR JUNE 25, 2025:
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2025-26 LEVIES IN THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT AND LANDSCAPE MAINTENANCE DISTRICT ZONES NO. 1 - RANCHO SAN DIEGO AND NO. 2 - JESS MARTIN PARK AND RELATED CEQA EXEMPTION |

4. ADOPT A RESOLUTION APPROVING A LIST OF PROJECTS PROPOSED TO BE FUNDED BY SENATE BILL 1 FOR FISCAL YEAR 2025-26 AND RELATED CEQA EXEMPTION
5. APPROVE AND RATIFY FISCAL YEAR 2024-25 REVENUE AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR BEACH AND BAY WATER QUALITY MONITORING PROGRAM AND RELATED CEQA EXEMPTION
6. ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED TO FEES IN THE DEPARTMENT OF AGRICULTURE, WEIGHTS AND MEASURES EFFECTIVE FISCAL YEAR 2025-26 AND CEQA EXEMPTION (5/7/2025 - FIRST READING; 5/21/2025 - SECOND READING UNLESS ORDINANCE IS MODIFIED ON SECOND READING)

DISCUSSION ITEMS

- | Agenda # | Subject |
|-----------------|---|
| 7. | ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED TO FEES AND DEPOSITS TO LAND DEVELOPMENT EFFECTIVE FISCAL YEAR 2025-2026 AND CEQA EXEMPTION (5/7/2025 - FIRST READING; 5/21/2025 - SECOND READING UNLESS ORDINANCE IS MODIFIED ON SECOND READING) |
| 8. | ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED TO FEES AND DEPOSITS IN THE DEPARTMENT OF ENVIRONMENTAL HEALTH AND QUALITY EFFECTIVE FISCAL YEAR 2025-26, WAIVE BOARD POLICY B-29, AND CEQA EXEMPTION (05/07/2025 - FIRST READING; 05/21/2025 - SECOND READING UNLESS ORDINANCE IS MODIFIED ON SECOND READING) |
| 9. | REVIEW OPTIONS TO PROMOTE AND EXPAND SUSTAINABLE CATTLE GRAZING IN THE UNINCORPORATED COUNTY |

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**1. SUBJECT: ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
ADOPT A RESOLUTION AND ORDINANCE FOR THE FORMATION
OF THE UNDERGROUND UTILITY DISTRICT (UUD) FOR BONITA
ROAD PHASE 4 IN THE COMMUNITY OF SWEETWATER AND
RELATED CEQA FINDING (5/7/25 - FIRST READING; 05/21/25 -
SECOND READING AND ADOPTION) (DISTRICT: 1)**

OVERVIEW

On May 7, 2025 (05), the Board of Supervisors set a Hearing and took action to further consider and adopt the Ordinance on May 21, 2025.

The County of San Diego's (County) Department of Public Works (DPW) has worked with utility companies, including San Diego Gas and Electric (SDG&E), for over 50 years to enhance community aesthetics, improve public safety, and increase utility reliability through utility undergrounding. In 1967, the California Public Utilities Commission (CPUC) established the Electric Tariff Rule 20A Program (20A Program), which requires investor-owned utilities to set aside funds in the form of credits to underground their utility lines in areas that meet specific public interest criteria, such as major thoroughfares, scenic corridors, and locations with significant public benefit. In response to the 20A Program, the Board of Supervisors (Board) established Board Policy J-17 (J-17) Undergrounding of Existing Overhead Utility Facilities in 1970. The policy outlines the process for managing undergrounding projects and establishing an Underground Utilities Advisory Committee (UUAC). The UUAC includes DPW staff and representatives from SDG&E, AT&T, and other telecommunication companies. The UUAC reviews projects that meet the criteria for undergrounding, coordinates plans and construction of these projects and develops a long-range plan for undergrounding in the unincorporated area.

After the UUAC has recommended a project, the next step is to form an Underground Utility District (UUD). A UUD is a designated area created by ordinance that requires all current and future utility facilities to be located underground. Undergrounding offers numerous benefits to the local community by significantly improving neighborhood aesthetics by removing visible power lines and poles from the landscape, creating a cleaner, more visually appealing environment with unobstructed views. Vegetation management and community beautification projects are easier to implement with fewer utility wires to work around. Another benefit provided to the community is the enhancement of wildlife and habitat conservation in the adjacent open space area by removing utility lines that can obstruct flight paths and be an electrical hazard to birds. Undergrounding utility lines reduces fire hazards, accidents, safety risks, and power outages due to downed lines. Following emergencies, communities can also recover more quickly if key infrastructure remains intact. The Board established the County's first UUD in 1968, and since then, it has created over one hundred UUDs across the unincorporated area including one currently in design on Cole Grade Road in Valley Center.

In the early 2000s, the County identified a corridor along Bonita Road that qualified for the 20A Program extending from Bonita Christian Center Drive at the Chula Vista City Limit to the intersection of Bonita Road and San Miguel Road. This project was divided into four phases due to its size and available 20A Program credits. Construction on the first three phases, extending from Bonita Christian Center Drive at the Chula Vista City Limit to 400 feet southwest of

Frisbie Street, were all completed by mid-2011. The fourth phase was never completed which left a gap on Bonita Road where utility poles and overhead lines are still present.

DPW recommends forming a UUD in Sweetwater on Bonita Road between 400 feet southwest of Frisbie Street and San Miguel Road to complete the fourth and final phase of undergrounding on Bonita Road which will create a continuous stretch of underground utilities along Bonita Road. This UUD represents a collaborative effort supported by the UUAC and Sweetwater Community Planning Group. Creating the UUD before June 8, 2025 will make this an active 20A Program project which allows the project to utilize available 20A Program credits paid by SDG&E. SDG&E has confirmed that they are prepared to add this project to their list of active 20A Program projects and will initiate the work when directed by DPW staff, following the UUD creation.

Today's request is for the Board of Supervisors to adopt a resolution of intention to set a public hearing date for forming the UUD, and to adopt an ordinance creating the Bonita Road Phase 4 UUD at a second hearing scheduled for May 21, 2025. After creating a UUD, County Code section 89.103 requires a resolution setting the time within which such removal and underground installation shall be accomplished. DPW will return to the Board at a later date to request Board action to set a deadline for the utility companies to relocate their equipment underground.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Adopt the following Ordinance (second reading): AN ORDINANCE ADDING SECTION 89.319 TO THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES TO FORM AN UNDERGROUND UTILITY DISTRICT ON BONITA ROAD UTILITY DISTRICT NO. 118. (Attachment C)

EQUITY IMPACT STATEMENT

The proposed Underground Utility District (UUD) falls within an underserved community within the Southeastern San Diego Live Well Community. The Live Well San Diego program has identified long-standing inequities and disparities in social indicators of health, safety, and the ability to thrive. The project will remove utility poles and overhead wires, thereby creating a more scenic and aesthetic roadway for all residents, businesses, and visitors to the area.

SUSTAINABILITY IMPACT STATEMENT

The proposed action will have social and environmental sustainability benefits. The proposed action to form an Underground Utility District (UUD) will support the County of San Diego's sustainability goal to transition to a green, carbon-free economy by: providing space for large trees and reducing exposure for wildlife; increasing reliability during most extreme weather events including high winds and storms, as undergrounding eliminates nearly all the risk of wildfire ignition from a power line; and reducing greenhouse gas emissions by reducing the need for vegetation management and overhead cable management.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year (FY) 2025-26 CAO Recommended Operational Plan in the Department of Public Works (DPW) General Fund. If approved, this request will result in costs and revenue of \$50,000 in Fiscal Year 2025-26 for DPW staff time to

establish the Underground Utility District (UUD), conduct outreach, and coordinate with San Diego Gas & Electric (SDG&E). The funding source is existing General Purpose Revenue (GPR) in DPW.

Future fiscal years' cost for staff time to coordinate and oversee the utility work and to return to the Board of Supervisors to set a deadline are estimated to be up to \$50,000 annually. The funding source for future years' cost is existing GPR in DPW. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

Utility undergrounding can have a positive impact on local businesses by significantly reducing power outages caused by weather events, leading to less lost revenue during disruptions, improving aesthetics which can attract more customers, and potentially increasing property values in the area. By creating a more attractive and reliable business environment, undergrounding can stimulate economic growth and attract new businesses to the area. The initial construction phase may cause temporary disruptions to business operations. However, the long-term benefits of utility undergrounding for local businesses are expected to outweigh the short-term challenges.

2. SUBJECT: AUTHORITY TO ADVERTISE AND AWARD A CONSTRUCTION CONTRACT, ESTABLISH APPROPRIATIONS FOR THE UNITED STATES NAVY-FUNDED TIJUANA RIVER VALLEY HABITAT RESTORATION PROJECT AND RELATED CEQA ENVIRONMENTAL REVIEW UPDATE CHECKLIST (DISTRICT: 1)

OVERVIEW

The County of San Diego's (County) Tijuana River Valley Regional Park (TRVRP) is located near the United States/Mexico border, adjacent to the Nestor community in the City of San Diego and the City of Imperial Beach. The TRVRP encompasses approximately 1,800 acres of land west of Interstate 5. The park includes 22.5 miles of multi-use trails, a bird and butterfly garden, the County's largest community garden, baseball fields, soccer fields, and natural open space. The Department of Parks and Recreation (DPR) manages the recreation spaces and actively works to restore habitat and wetland areas within the TRVRP. The park is part of the South County Multiple Species Conservation Program (MSCP), a long-term, regional habitat conservation program focused on balancing the protection of plant and animal species with recreation, development, and agriculture activities within the San Diego region.

In 2024, DPR received \$2,350,000 in grant funding from the United States Navy, Naval Base Coronado Readiness and Environmental Protection Integration (REPI) Program for habitat restoration and monitoring at approximately 20 acres across three sites within the TRVRP with mutual benefits to the Naval Base and DPR. These sites, all of which are County-owned and managed by DPR, currently contain dilapidated structures, debris, and non-native plants. The proposed project will remove the structures and debris and restore the habitat to support the County's MSCP. The restoration activities and addition of vegetation will have a positive impact on the community by reducing urban heat island effects, improving air quality, and increasing infiltration during rain events. Additionally, in terms of a benefit to the Navy, the project also involves development of off-base natural infrastructure solutions to protect critical military

infrastructure from climate change impacts. By improving habitat and other conditions in the TRVRP, the project will help to support climate resilience and natural resource management adjacent to the Naval Base.

The REPI Program requires these funds to be captured in an interest-bearing trust fund to maximize the funding. Therefore, while the funding has already been received by DPR, the creation of a trust fund is needed to meet grant requirements. Additionally, the proposed habitat restoration project is a new capital project, and therefore, a new capital project needs to be created, and appropriations established to allow DPR to complete work with the funding provided from the REPI Program.

Today's proposed actions are to: authorize DPR to establish a trust fund with the grant funding received from the United States, Naval Base Coronado and enter into necessary agreements regarding use of grant funding; establish a capital project and associated appropriations; and authorize the Director, Department of Purchasing and Contracting to advertise and award a construction contract for the Capital Project 1027586, Tijuana River Valley REPI Habitat Restoration Plan. The planning phase for the proposed project is complete and was funded with a \$520,168 grant from the California Department of Fish and Wildlife. Construction costs are estimated at \$2,350,000, including contingency. If approved, construction is expected to begin in Fall 2025 and is anticipated to be complete in Summer 2026. Maintenance and monitoring of restored areas would continue for up to four years following restoration installation. Funding for this maintenance and monitoring is included in the construction costs, funded by the Navy through the grant-required trust fund.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Find that the Initial Study (IS)/Mitigated Negative Declarations (MND) for the Tijuana River Valley Regional Park Habitat Restoration Plan (State Clearinghouse No. 2023110494) on file with the Department of Parks and Recreation (DPR), has been completed in compliance with the California Environmental Quality Act (CEQA) and State and County CEQA Guidelines, that the DPR Director has reviewed and considered the information contained therein prior to approving the project, and that reflects the independent judgement and analysis of the Director; and

Find that there are no changes in the project, or, in the circumstances under which the project is undertaken, that involve significant new impacts which were not considered in the previously adopted MND dated March 1, 2024. Furthermore, find that there is no substantial increase in the severity of the previously identified significant effects, and that no new information of substantial importance has become available since the MND was adopted, as explained in the Environmental Review Update Checklist Form (March 17, 2025).
2. Adopt the "Statement of Location and Custodian of Record of Proceedings."
3. Direct the Auditor and Controller to establish a separate interest-bearing trust fund for a habitat restoration and monitoring fund received by the DPR, with interest earnings allocated and distributed to the new fund.

4. Establish appropriations of \$2,350,000 in the Capital Outlay Fund, for Capital Project 1027586, Tijuana River Valley REPI Habitat Restoration Project, based on existing funding received from United States Navy, Naval Base Coronado (\$2,350,000).
(4 VOTES)
5. Authorize the Director, Department of Parks and Recreation, or designee, to execute all required grant documents, including the Cooperative Agreement and Encroachment Protection Agreement with the Navy and any annual extensions, amendments, and/or revisions thereto that do not materially impact or alter the services or funding level.
6. Authorize the Director, Department of Purchasing and Contracting, to advertise and award a construction contract and take any other action authorized by Section 401 et seq. of the Administrative Code with respect to contracting for the construction of Capital Project 1027586, Tijuana River Valley REPI Habitat Restoration Project.
7. Designate the Director, Department of Parks and Recreation, as the County of San Diego Officer responsible for administering the construction contract for the construction of Tijuana River Valley REPI Habitat Restoration Project in accordance with Section 430.4 of the County Code of Administrative Ordinances and Board Policy F-41, Public Works Construction Projects.

EQUITY IMPACT STATEMENT

The Tijuana River Valley Regional Park (TRVRP) is located near the communities of Imperial Beach, San Ysidro, and Otay Mesa. These communities are identified by Senate Bill 535 (2012) and on CalEnviroScreen 4.0 Environmental Justice communities as having high pollution burdens for impaired water bodies, elevated particulate matter pollution, elevated linguistic isolation, and high poverty rates. The proposed Tijuana River Valley Readiness and Environmental Protection Integration (REPI) Habitat Restoration Project will remove dilapidated structures and restore approximately 20 acres of the TRVRP to native habitat to support threatened and endangered plant and wildlife species. The addition of this vegetation will have a positive impact on the community by reducing urban heat island effects, improving air quality, and increasing infiltration during rain events. Urban heat island effect refers to the increase in temperature that results from the replacement of natural land cover with surfaces such as buildings, which retain heat. The proposed Tijuana River Valley REPI Habitat Restoration Project will remove buildings and increase vegetation cover, which will decrease temperatures on the property and benefit surrounding areas.

SUSTAINABILITY IMPACT STATEMENT

The proposed Tijuana River Valley Readiness and Environmental Protection Integration (REPI) Habitat Restoration Project contributes to many of the County of San Diego's Sustainability Goals: Goal No. 1 to engage the community; Goal No. 2 to provide just and equitable access; Goal No. 3 to transition to a green, carbon-free economy; Goal No. 4 to protect health and wellbeing; and Goal No. 6 to protect ecosystems, habitats, and biodiversity. This project will contribute to the health and wellbeing of the residents of the Tijuana River Valley, an underserved community that has limited access to recreational activities and green amenities. The project will increase the native vegetation in the area, thus protecting the ecosystem, habitat, and biodiversity of the region. The addition of these plantings will contribute to the County's sustainability goals by reducing greenhouse gas emissions and reducing waste.

FISCAL IMPACT

Funds for the restoration project are not included in the Fiscal Year (FY) 2024-25 Operational Plan in the Capital Outlay Fund. If approved, this request would establish appropriations of \$2,350,000 in the Capital Outlay fund for Capital Project 1027586, Tijuana River Valley REPI Habitat Restoration in FY 2024-25. The funding source is existing grant funding received from the United States Navy, Naval Base Coronado (\$2,350,000). This funding has already been dedicated to the County Department of Parks and Recreation (DPR). Prior planning work for the project has been completed and was funded by \$520,168 in grant funding from the California Department of Fish and Wildlife. There will be no change in net General Fund cost and no additional staff years.

Current costs for annual operations and maintenance are included in the FY 2024-25 Operational Plan in DPR and are provided by existing DPR staff, funded by existing General Purpose Revenue (GPR) in DPR. Operations and maintenance costs are \$8,500, and there will be no additional ongoing costs associated with today's recommendation. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

N/A

3. **SUBJECT: SET A HEARING FOR JUNE 25, 2025:
PUBLIC HEARING TO CONFIRM FISCAL YEAR 2025-26 LEVIES IN
THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT AND
LANDSCAPE MAINTENANCE DISTRICT ZONES NO. 1 - RANCHO
SAN DIEGO AND NO. 2 - JESS MARTIN PARK AND RELATED CEQA
EXEMPTION (DISTRICTS: ALL)**

OVERVIEW

Special districts are created to provide new or enhanced local services and infrastructure to specific communities. The special districts in today's action were created to fund community parks and streetlights in select unincorporated areas of the region. Services are primarily funded by property owners and paid through assessments that are collected through the tax roll, reducing administrative costs from billing and payment collection. District boundaries, services, and maximum rates are determined by voter approval or as a condition of development at the time of formation. The method for calculating how much each parcel pays is established in the ordinance adopted at the time of formation and may be based on a variety of factors, commonly including the type of land use or parcel acreage. The rate cannot exceed the maximum amount in the adopted ordinance without voter approval from affected property owners. At the time of formation, residents in some districts voted to include cost escalators in their ordinances, which allow the maximum rate to increase each year to keep pace with inflation. The most commonly used cost escalator is the Consumer Price Index (CPI), which measures the cost of consumer goods.

Board of Supervisors Policy B-29 directs departments to recover full cost, to the extent legally possible for services provided to agencies or individuals outside the County of San Diego organization under grants, contracts, or for which fees may be charged. To determine if revenues were adequate for services or if rates should be adjusted, (County) staff reviewed budgets for:

1. San Diego County Street Lighting District;
2. Landscape Maintenance District Zone (LMDZ) No. 1 - Rancho San Diego; and
3. LMDZ No. 2 - Jess Martin Park.

Staff determined the proposed rates for Fiscal Year (FY) 2025-26 are needed to continue to fund services and to ensure compliance with Board Policy B-29. Some of these rates are proposed to increase while others are proposed to remain at the current rate. These rates are also necessary to maintain financial reserves to fund future services, facility repairs, emergency repairs, improvements, and replacements.

- 1. San Diego County Street Lighting District:** This district is managed by the County Department of Public Works (DPW) and funds the operations and maintenance of public streetlights across the unincorporated areas of San Diego County. The proposed annual assessment rate for this district will remain at the current amount of \$2.00 per single-family residence. The current assessment is sufficient to continue to fund operation and maintenance of streetlights for the next fiscal year.
- 2. Landscape Maintenance District Zone No. 1 - Rancho San Diego:** This is managed by the County Department of Parks and Recreation (DPR) to fund ongoing park operations, maintenance, and improvements within the unincorporated community of Rancho San Diego in District 4. The proposed annual assessment rate will increase by 3% from \$39.75 to \$40.93 per single-family residence. Although the San Diego Area CPI rose 3.12% due to inflation in 2024, according to the U.S. Bureau of Labor Statistics, the voter-approved maximum annual rate increase is set at 3% which is included on each property tax bill. The additional revenue will support increased costs for ongoing services. Without the additional revenue, services would be reduced, resulting in suspended maintenance and more costly future repairs. The proposed rate is within the maximum in the ordinance and does not require voter approval from affected property owners for this action.
- 3. Landscape Maintenance District Zone No. 2 - Jess Martin Park:** This district is managed by DPR to fund ongoing park operations, maintenance of amenities, and construction of minor capital improvements at Jess Martin Park in the unincorporated community of Julian in District 2. The proposed annual assessment rate will remain at the current amount of \$47.82 per single-family residence. The voters did not approve an annual cost escalator at the time of the district's formation; however, the Board did approve an allocation of County General Purpose Revenue (GPR) to offset the benefit from park visitors who do not reside in the district. A vote from affected property owners is not required for this action because there is no proposed rate increase.

Today's request is to adopt resolutions to confirm these assessments and authorize levies for these three special districts administered by DPW and DPR. Upon adoption, the assessments will be placed on the tax roll for FY 2025-26. The deadline to place these assessments on the FY 2025-26 tax rolls is August 10, 2025.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. Find that the proposed project is categorically exempt from the California Environmental Quality Act (CEQA) as specified under Section 15301(b) of the State CEQA Guidelines because the activity in question addresses funding mechanisms for maintenance of existing streetlight and landscape facilities and services involving negligible or no expansion of existing or former use.
2. Accept and approve the Engineer's Reports for the San Diego County Street Lighting District and Landscape Maintenance District Zones No. 1 - Rancho San Diego and No. 2 - Jess Martin Park.
3. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER IMPROVEMENTS FOR THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT and set a hearing for June 25, 2025. (Attachment D)
4. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1, and set a hearing for June 25, 2025. (Attachment E)
5. Adopt a Resolution entitled: RESOLUTION OF INTENTION TO ORDER OPERATION, MAINTENANCE AND IMPROVEMENTS FOR LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2, and set a hearing for June 25, 2025. (Attachment F)

If, on May 21, 2025, the Board takes the actions recommended in Items 1-5, then on June 25, 2025, a public hearing will be conducted, and the following recommendations will be considered:

6. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN THE SAN DIEGO COUNTY STREET LIGHTING DISTRICT. (Attachment G)
7. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 1. (Attachment H)
8. Adopt a resolution entitled: RESOLUTION CONFIRMING DIAGRAM AND ASSESSMENTS IN LANDSCAPE MAINTENANCE DISTRICT ZONE NO. 2. (Attachment I)

EQUITY IMPACT STATEMENT

Today's action continues the County of San Diego's (County) commitment to provide programs and services that enhance communities. Assessments and special taxes fund services for special districts which improve the health, safety, and economic interests of local communities. Levying charges on the Fiscal Year (FY) 2025-26 tax rolls for the County and San Diego County Street Lighting District will have a direct impact on communities throughout the unincorporated areas

of the county. The levies for these three districts fund street lighting and community park services to residents of approximately 110,000 parcels.

SUSTAINABILITY IMPACT STATEMENT

Today's action supports the County of San Diego's (County) Sustainability Goals to protect the health and wellbeing of residents, provide just and equitable access to County services, and make investments in energy efficiency by continuing to fund the operation, maintenance, and improvements of streetlights and parks. Streetlights enhance the health and safety of all residents and visitors who use County roads. Regular streetlight maintenance protects the health and wellbeing of everyone in the region and supports economic sustainability by preventing more costly maintenance treatments in the future. The Street Lighting District also supports the County's goal to invest in energy efficiency and reduce greenhouse gas emissions through the conversion of streetlight assets to light emitting diode (LED) fixtures. Specific LED fixtures are installed within dark sky designated communities to reduce light pollution and maintain compliance with the County's Dark Sky Ordinance. The nine County parks included in this action provide access to outdoor recreation and nature. Funding the operation and maintenance of these parks aligns with the County's sustainability goals to promote the health and wellbeing of the community and allow equitable access to County facilities.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2025-26 CAO Recommended Operational Plan in the Department of Public Works and Department of Parks and Recreation. There is no proposed change in the assessment for the San Diego County Street Lighting District and Landscape Maintenance District Zone No. 2 - Jess Martin Park.

A rate increase is proposed for Landscape Maintenance District Zone No. 1 - Rancho San Diego that will increase the assessment rate by 3% from \$39.75 to \$40.93. There is no proposed increase for the San Diego County Street Lighting District or Landscape Maintenance District Zone No. 2 - Jess Martin Park. If approved, this request will result in costs and revenue of approximately \$295,104 for the Street Lighting District, \$191,372 for LMDZ No. 1 - Rancho San Diego, and \$99,843 for LMDZ No. 2 Jess Martin Park. The funding source for this request is property owner paid assessments and a portion of annual countywide property tax revenues that was allocated by formula to special districts as a result of Proposition 13 (1978) and subsequent legislation, including Assembly Bill 8 (1979). There will be no change in net General Fund cost and no additional staff years.

The proposed assessment levies are evaluated annually in an amount sufficient to recover the full cost as required by Board Policy B-29. Accordingly, there is no projected unrecovered cost, and a waiver of Board Policy B-29 is not needed. The funding source is assessment levies on property owners within the identified districts and General Purpose Revenue.

If the Board of Supervisors does not adopt the resolutions, the proposed assessments cannot be placed on the tax rolls for FY 2025-26. Without the funds generated by the assessments, services for street lighting would be reduced, including suspending maintenance projects related to light and pole repair. In the two Landscape Maintenance District Zones, the reduction of services and deferred maintenance includes, but is not limited to, a reduction of hardscape and walkway maintenance, minimal planting of new trees and shrubs, reduction of playground, skatepark, and ball field maintenance, and adjustment of operational hours.

BUSINESS IMPACT STATEMENT

N/A

4. SUBJECT: ADOPT A RESOLUTION APPROVING A LIST OF PROJECTS PROPOSED TO BE FUNDED BY SENATE BILL 1 FOR FISCAL YEAR 2025-26 AND RELATED CEQA EXEMPTION (DISTRICTS: ALL)

OVERVIEW

The Department of Public Works (DPW) maintains approximately 2,000 centerline miles of roads in unincorporated San Diego County (County). Centerline miles measure total road length, regardless of lane count or width. Between 2012 and 2016, the County's Pavement Condition Index (PCI)-an industry-standard road rating system-declined from 70 to 60, primarily due to reduced maintenance caused by rising construction costs and declining gas tax revenues from more fuel-efficient vehicles.

Over the past eight years, road conditions in the County's maintenance have significantly improved through Senate Bill 1 (SB1) funding and associated resurfacing projects, bringing the current PCI to 69. DPW anticipates receiving \$59.9 million in SB1 revenue for FY (Fiscal Year) 2024-25 and \$62.9 million for FY 2025-26 to continue road improvements. To secure this funding, the Board of Supervisors (Board) must annually adopt a resolution approving proposed project locations and submit it to the California Transportation Commission (CTC) by July 1, 2025. In FY 2025-26, DPW estimates that SB1 revenue will fund approximately 91% of the resurfacing program.

For FY 2025-26, DPW has identified 95.54 centerline miles for resurfacing, detailed in Attachment A, Exhibit A1 and summarized in the table below. These locations were selected through a data-driven prioritization process to maximize resources for the public's benefit. The prioritization process considers data from pavement management software, operational needs identified by physical inspections, and recommendations from the community. The road list was also balanced proportionally to the total centerline miles within each Supervisorial District.

FY 2025-26 Centerline Mileage and SB1 Funding Estimates

District	1	2	3	4	5
Mileage	5.95	38.66	4.98	8.03	37.91
SB1 Funding	\$3.9M	\$25.6M	\$3.2M	\$5.3M	\$24.9M

DPW uses best management practices when preserving the County-maintained road network that includes industry standard resurfacing methods to extend the life of the roads and prevent more costly resurfacing treatments in the future. This includes using pavement management software that models and predicts the rate of deterioration of roads. To supplement this data, DPW staff performs routine inspections of roads in need of repair that are identified by the pavement management software or the community through a variety of sources such as the Tell Us Now! mobile app and toll-free hotlines. DPW also solicits feedback from all the planning groups within the unincorporated areas of the county. This information is used by DPW to conduct detailed design work to finalize project scope, coordinate with stakeholders, and adjust work

based on funding levels and current market pricing. Once design is complete, DPW will seek Board authorization and coordinate with the Department of Purchasing and Contracting to advertise and award construction contracts. These improvements will enhance road conditions and prevent costly future repairs in the unincorporated region.

This request seeks Board adoption of a resolution approving the FY 2025-26 SB1-funded project list for submission to the CTC. Following approval, DPW will begin design work, cost estimation, and conflict identification for the listed segments. DPW will return to the Board later to request approval for advertising and awarding multiple construction contracts for the refined project list. The resurfacing projects are anticipated to start in late 2026 and finish up by the end of 2027.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

1. Find in accordance with Section 15301 of the California Environmental Quality Act (CEQA) Guidelines that the proposed project is categorically exempt from CEQA review because it involves the maintenance of existing public roads involving no or negligible expansion of existing use.
2. Adopt a resolution entitled: RESOLUTION OF THE SAN DIEGO COUNTY BOARD OF SUPERVISORS APPROVING A LIST OF PROJECTS PROPOSED TO BE FUNDED BY SB1 FOR FISCAL YEAR 2025-26.

EQUITY IMPACT STATEMENT

The Department of Public Works develops a list of roads each year requiring maintenance that is balanced proportionally to the total centerline miles within each Supervisorial district. Approximately 55% of the roads on the Fiscal Year 2025-26 maintenance list are located within underserved communities as defined in the most recent version of CalEnviroScreen (4.0) and Healthy Places Index (3.0) GIS layer. The projects will provide significant benefits to the residents, including enhancements to the Americans with Disabilities Act pedestrian ramps and drainage improvements that will improve access and mobility for non-motorized road users. Road resurfacing facilitates transit and allows cars and buses to travel to underserved communities to bring workers to job centers. County of San Diego construction contracts are also publicly advertised and competitively bid, helping to stimulate the local economy.

SUSTAINABILITY IMPACT STATEMENT

Maintaining San Diego County (County) roads has benefits to sustainability in terms of the economy, environment, social, health, and well-being and prevents more costly maintenance treatments in the future, thereby supporting fiscal sustainability. Asphalt concrete rehabilitation activities use 25% recycled asphalt from old, deteriorated roads, saving thousands of tons of aggregate each year and supporting the County's sustainability goal to reduce pollution and waste through recycling. Well-maintained roads allow vehicle owners to use fewer resources for vehicle maintenance and operation providing social sustainability benefits. Drainage improvements, such as rehabilitating culverts, curbs, and gutters contribute to the County's sustainability goals to improve water quality and extend the useful life of facilities, by protecting County-maintained roads from costly and resource-intensive repairs. The installation of Americans with Disabilities Act compliant pedestrian ramps proposed in this action supports walkability, mass transit access, and contributes to County sustainability goals to protect the

health and well-being of everyone in the region, reduce greenhouse emissions, and transition to a green, carbon-free economy.

FISCAL IMPACT

There is no fiscal impact associated with today's recommendation to adopt a resolution approving a list of projects proposed to be funded by Senate Bill 1 (SB1) for Fiscal Year (FY) 2025-26. Funds for this request are included in the FY 2025-26 CAO Recommended Operational Plan in the Department of Public Works, Detailed Work Program. If approved, this request will result in costs and revenue of \$62.9 million in FY 2025-26. The funding source is State SB1 gas tax revenue, which will be used to fund design and construction, including contingencies. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

Road resurfacing to improve the condition of the roads facilitates the transit of goods and eases the movement of commuters to jobs, schools and shopping centers in underserved communities. County of San Diego construction contracts are also publicly advertised and competitively bid and help stimulate the local economy. All workers employed on public works projects must be paid prevailing wages determined by the California Department of Industrial Relations, according to the type of work and location of the project.

5. **SUBJECT: APPROVE AND RATIFY FISCAL YEAR 2024-25 REVENUE AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR BEACH AND BAY WATER QUALITY MONITORING PROGRAM AND RELATED CEQA EXEMPTION (DISTRICTS: 1, 3, & 5)**

OVERVIEW

Since 1999, the County of San Diego (County), Department of Environmental Health and Quality (DEHQ) has entered into a State revenue agreement annually with California State Water Resource Control Board (SWRCB) to receive funds to implement the State-mandated dry weather Beach and Bay Water Quality Monitoring Program (Program) throughout the region. Due to the timing of when the revenue agreement is received from the State, ratification is required by Board of Supervisors (Board) Policy B-29. This Program collects samples and tests ocean water, conducts public education and outreach, posts signs advising the public when water does not meet California State health standards, and posts beach water contact closures when beach water is impacted by sewage or chemical spills. Up-to-date beach water quality information is also made available to the public at www.sdbeachinfo.com so that beach users can make informed decisions about where and when to enter the water.

California State law provides requirements for beach water quality testing and public notification when test results indicate an increased risk of illness during water contact. The State law establishes criteria to identify the beach water testing locations and the frequency of monitoring for water quality. The law also sets the process for providing information to the public on beach water quality conditions and issuing water contact closures for sewage impacts. The criteria identify beaches: 1) that are visited by more than 50,000 people per year and 2) that are adjacent to a storm drain that flows during dry weather. In San Diego county, these locations are located north of Coronado. Beaches that meet these criteria must be monitored at least weekly during the

dry weather season from April 1 through October 31, the period that they are most visited. Monitoring must be conducted by the local health officer, Director of Environmental Health, or designee during a given fiscal year in which the Legislature has appropriated sufficient funds for local agencies to perform this work during the dry weather months. During the wet weather period from November 1 to March 31, which are not mandated periods for testing, DEHQ continues to monitor the beaches, but reduces sample locations. Monitoring in wet weather months is needed as beaches in our region are used year-round.

Funding for this Program is made available by SWRCB through its Public Beach Safety Grant Program, which consists of federal and State monies distributed across the State. Since 1999, DEHQ has annually entered into a revenue agreement with the State to receive funds to implement the Program. The total cost of the Program for Fiscal Year 2024-25 is approximately \$865,459, which is funded through multiple funding sources since the State and federal funds received as part of the Public Beach Safety Grant Program do not cover the full cost of the Program.

The revenue agreement will fund \$351,703 made available through the Public Beach Safety Grant Program, which consists of \$186,278 federal funds passing through the State and \$165,425 State funds. In addition to the funding received through the revenue agreement with the SWRCB, DEHQ also receives a fixed amount of ongoing 1991 Health Realignment revenue from the State, which is used to support and cover costs associated with public health, mental health, and social services program responsibilities transferred from the State. DEHQ analyzes these Health Officer programs annually to identify how to allocate 1991 Health Realignment funds to cover the gaps in Health Officer programs in the annual operation plan. In FY 24-25, DEHQ will use \$277,419 of 1991 Health Realignment revenue and \$236,337 General Purpose Revenue. This accounts for expenditures not allowable under the revenue agreement, such as support costs, which are capped under the State revenue agreement. This also covers non-mandated portions of the extended testing the County does, such as monitoring during wet weather months, from November 1 to March 31.

A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* is requested in the amount of \$513,756 for Program costs not covered by the revenue agreement and to implement a year-round Program throughout the coastal shoreline. In addition, ratification is requested as required by Board Policy B-29, as delayed receipt of the State revenue agreement prevented DEHQ from bringing this agreement to the Board at least 60 days before the effective date of the agreement, July 1, 2024, and work began before the agreement was in place. The County received a final revenue agreement from the SWRCB on April 2, 2025, for the period of July 1, 2024, through August 15, 2025.

Today's action, if approved by the Board, will waive Board Policy B-29 and adopt a resolution that authorizes the DEHQ Director, or their designee, to execute a revenue agreement with the SWRCB in the amount of \$351,703 for the period of July 1, 2024, through August 15, 2025 to fund the Beach and Bay Water Quality Monitoring Program and authorize DEHQ to receive the funds.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

1. In accordance with Section 15061(b)(3) of the California Environmental Quality Act (CEQA) Guidelines, find that it can be seen with certainty that there is no possibility this activity may have a significant effect on the environment and that it is therefore exempt from CEQA. In addition, in accordance with CEQA Guidelines Section 15378(b)(4) of the CEQA, find that this activity does not involve a commitment to any specific project which may result in a potentially significant physical impact on the environment, and it is, on this additional basis, exempt from CEQA.
2. Waive Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery*, which requires full cost recovery for revenue contracts as well as docketing revenue contracts with the Board at least 60 days prior to the effective date of the contract.
3. Adopt a Resolution entitled: RESOLUTION AUTHORIZING EXECUTION OF A REVENUE AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD FOR BEACH AND BAY WATER QUALITY MONITORING PROGRAM FOR FISCAL YEAR 2024-25.
4. Authorize the Director, Department of Environmental Health and Quality, or their designee, to execute any extensions, amendments, or revisions thereof that do not materially impact or alter either the program or funding level.

EQUITY IMPACT STATEMENT

The Department of Environmental Health and Quality protects and promotes a healthy environment for the residents and visitors of the region by ensuring safe, sustainable communities and preserving and enhancing the natural environment in which people live. The funding received through the revenue agreement with the State Water Resources Control Board for the Beach and Bay Water Quality Monitoring Program will ensure that the public is informed of potential health risks related to water contact when testing indicates that bacteria levels exceed State health standards. Funding from the revenue agreement is provided to equitably monitor ocean water quality in all areas of the county with storm drains that receive discharge that empties to the beach during dry weather and beaches that are visited by more than 50,000 people per year.

SUSTAINABILITY IMPACT STATEMENT

The Beach and Bay Water Quality Monitoring Program contributes to many of the County of San Diego's Sustainability Goals: protect health and wellbeing; engage the community; and protect ecosystems, habitats, and biodiversity. The proposed actions contribute to the Sustainability Goal No. 4 and No. 1 by ensuring that the public is informed of potential health risks related to water contact, which allows residents and visitors to make informed decisions about whether or not to enter the water while enjoying the natural resources found in the 70 miles of coastline with the region. Safe access to beaches promotes exercise and positive physical and mental health. The proposed actions also contribute to the County's Sustainability Goal No. 6 as poor water quality at beaches not only threatens the health of swimmers and beachgoers, but also hurts our ocean-dependent economy, such as tourism and recreation.

Additionally, education and outreach efforts lead to strong connections between people and beaches. These benefits impact beach visitors of all ages, abilities, and financial resources.

FISCAL IMPACT

Funds for this request are included in the Fiscal Year 2024-25 Operational Plan in the Department of Environmental Health and Quality (DEHQ). Current fiscal year Beach and Bay Water Quality Monitoring program costs and revenue are budgeted as \$865,459. If approved, this request will result in securing a revenue agreement of \$351,703 with the State Water Resources Control Board. A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* is requested in the amount of \$513,756 for program costs not covered by the revenue agreement, including County support costs, which are capped under the State revenue agreement, and for wet weather monitoring. The funding source for these unrecovered costs is General Purpose Revenue (\$236,337) and 1991 Health Realignment revenue from the State (\$277,419). Subsequent year costs and revenues will be included in future year Operational Plans for DEHQ. There will be no change in net General Fund cost and no additional staff years.

BUSINESS IMPACT STATEMENT

Water quality testing needs to be conducted in a timely manner to ensure the protection of public health and to monitor for water quality impacts at public beaches and bays. When bacteria levels in the water at beaches and bays exceed State health standards, business, tourism, and recreational activities in the county can be negatively affected due to a decline in beachgoers recreating and frequenting businesses.

6. **SUBJECT: ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED
TO FEES IN THE DEPARTMENT OF AGRICULTURE, WEIGHTS AND
MEASURES EFFECTIVE FISCAL YEAR 2025-26 AND CEQA
EXEMPTION (5/7/2025 - FIRST READING; 5/21/2025 - SECOND
READING UNLESS ORDINANCE IS MODIFIED ON SECOND
READING) (DISTRICTS: ALL)**

OVERVIEW

On May 7, 2025 (08), the Board of Supervisors set a Hearing and took action to further consider and adopt the Ordinance on May 21, 2025

This is a request for the County of San Diego (County) Board of Supervisors (Board) to adopt the cost recovery proposal for the Department of Agriculture, Weights and Measures (AWM), which includes fees and hourly rates for services related to Agricultural Export, Certified Farmers' Market, Industrial Hemp Cultivation, Hazardous Materials Inventory, Price Accuracy, and Weights and Measures Devices programs.

This proposal provides the resources needed for AWM to continue providing services that support public health and safety, a resilient food supply, agricultural trade, consumer confidence, and a sustainable environment for the region. Through these services, the County balances community, economic, and environmental interests to enhance the quality of life for residents

and visitors. AWM has over 30 diverse programs that conduct over 350,000 inspections annually regionwide. Fee-related programs ensure the acceptance of about 10,000 agricultural export shipments at destination, the integrity of produce sold at 40 Certified Farmers' Markets, and the verification of price accuracy at over 4,500 different retail locations.

Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Exceptions require specific Board approval. The last cost recovery proposal was unanimously approved by the Board on May 22, 2024 (4). Since that time, AWM has continued to provide services at the approved rates.

The fees proposed today for Fiscal Year (FY) 2025-26 (Attachments A and B, Ordinances) are necessary to address cost changes, such as increased salaries and benefits costs and to ensure full cost recovery, except where the Board has previously directed the County's support to offset fees such as the Agricultural Export, Certified Farmers' Market, and Industrial Hemp Cultivation fees. It is consistent with the Board's commitment to a resilient food supply, continuing agricultural trade, enhanced consumer confidence, and a sustainable environment, and to serve as required matching funds for State supplemental funding. Today's cost recovery proposal considers the impacts of potential reductions in revenues that AWM receives from the State and federal funding sources by ensuring that proposed fees account for any reductions in revenues or reallocation of County funding to allow continuity of mandated programming. The cost recovery proposal also reflects standard assumptions made by the County and may not fully address cost increases based on future negotiated labor agreements, due to the timing of the fee package and the labor negotiations currently underway. Increased costs during FY 2025-26 due to approved labor negotiations will be reflected in future cost recovery packages. The department will require alternative funding identified as part of the FY 2025-26 CAO Recommended Operational Plan to cover potential increased costs from negotiated labor agreements.

Approximately 86% of the department's costs are fixed, such as salaries and benefits, retirement contributions, enterprise-wide services, and facilities, while 14% of the department's costs are determined by the department based on operational needs, such as services and supplies. This cost recovery proposal reflects known costs as accurately as possible and ensures full cost recovery and continued delivery of programs and services to our customers and communities. By reviewing and updating fees annually, AWM can recover costs in a consistent and predictable manner, while also providing stakeholders an opportunity to plan for smaller, more incremental fee increases.

AWM evaluated 77 fees for this cost recovery proposal and proposes to increase 24 fees and leave 53 fees unchanged. Of the 53 unchanged fees, 44 are capped by the State, of which 38 are for Weights and Measures device annual registration, and six are for Pesticide Regulation annual business registration. Of the remaining nine, five are related to services infrequently requested by customers, and four of the fees remain unchanged due to operational efficiencies. A State surcharge for the Certified Unified Program Assessment will be implemented for the registrants in AWM's Hazardous Materials Inventory Program.

The AWM fee adjustments in this proposal will generate \$139,715 in additional revenue next fiscal year, equivalent to a \$7.00 or 5.2% increase on average per fee. AWM receives County and State funding to partially recuperate the cost of eligible agricultural programs, a portion of

which, along with savings from operational efficiencies, was applied to these programs to mitigate cost increases. The County General Purpose Revenue (GPR) support in the amount of \$174,699 serves as required matching funds for State supplemental funding and is consistent with the Board's commitment to and support for agriculture in the region as stated in Board Policy I-133: *Support and Encouragement of Farming in San Diego County*.

In FY 2023-24, the total cost of all agricultural programs was \$22.9 million. Local growers paid a fee total of \$363,000, or 2%, and out-of-county agricultural operators a fee total of \$1.2 million, or 4% of the total cost. For the remaining 94% of the total cost, the County provided \$7.9 million, or about 35%, while State and federal contributions of \$13.5 million covered about 59%. State law mandates that counties provide fiscal support as a matching fund to receive the State supplemental funding. This State funding fluctuates annually and is a separate, dedicated revenue source to supplement, not supplant, the available County funding for eligible agricultural programs. The total amount of \$297,460 in State supplemental funding is applied to limit fee increases for State-mandated agricultural programs in this cost recovery proposal.

Recognizing that many customers are managing economic uncertainties due to possible interruptions to their business operations and rising input costs, AWM continues to leverage the essential use of technology and business process streamlining to limit cost increases, improve customer service, and promote regulatory compliance. AWM has obtained additional cost containment in the Certified Farmers' Market Program by utilizing support staff instead of technical staff and implementing a standard operating procedure for all communications with customers. Additionally, efficiencies were obtained through expedited data entry and certificate issuance in our Agricultural Export Program. These business process improvements include streamlining the customer assignment and review process for grower certification. Efficiencies are also seen due to staff proficiency in previously implemented cost containment measures such as the use of existing mobile inspection apps, field inspection tools, consolidation of activities with dedicated staff, combining field inspections, and the use of resource documents that reduce paperwork, billable time, and training hours and increase industry engagement for improved compliance and the need for fewer re-inspections. Increased staff proficiency with technological innovations and newly implemented business processes, along with past efficiencies, has provided AWM customers with savings of \$715,000 over the past five fiscal years. New cost savings and past cost savings continue to be applied to cost proposals to reduce cost increases. Without these operational efficiencies implemented in these past five fiscal years, fees would have needed to increase an additional 5% on average each fiscal year.

Today's proposal requests four actions from the Board.

The first action is for the Board to find this proposal exempt from the California Environmental Quality Act (CEQA) as specified under Section 15273(a) of the CEQA Guidelines. The second action is to set a hearing for May 21, 2025, for consideration and adoption of the ordinance. The third action is to approve a waiver of Board Policy B-29 for a total of \$174,699 for operational costs of the Agricultural Export, Certified Farmers' Market, and Industrial Hemp Cultivation Programs, which will be funded by existing GPR in AWM. The fourth action is to approve the introduction of the ordinance for the first reading of AWM's cost recovery proposal and the amendments in the County Administrative Code Section 364.3 relating to the fees and hourly rates on May 7, 2025.

If the Board approves the four actions on May 7, 2025, after making the necessary findings, the Board, on May 21, 2025, will be requested to consider and adopt the ordinance amending Section 364.3 of the County Administrative Code, relating to fees charged by AWM. In accordance with Board Policy B-29, AWM will review fees annually and return to the Board with any changes.

If this cost recovery proposal is not approved, AWM would require one-time alternative County funding in the amount of \$139,715 to maintain services at their current level. If the cost recovery proposal is not approved and no alternative County funding is provided, AWM would experience operational impacts, including reduced effectiveness in regulatory functions, decreased community outreach aimed at fostering understanding of regulations and thus promoting compliance, and these reduced services may increase the risk of not meeting State mandates. These operational impacts would also have a reduction in services that would impact customers by reducing our ability to focus on innovation and streamlining processes that enhance efficiency in meeting operational goals. In addition, there will be a cumulative impact on customers, and the changes in future fee updates will be compounded based on the need to cover the increases in this proposal, plus future year budget adjustments.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Consider and adopt the Ordinance amending the San Diego County Administrative Code, relating to fees charged by the Department of Agriculture, Weights and Measures (second reading): **ORDINANCE AMENDING SECTION 364.3 OF THE SAN DIEGO COUNTY ADMINISTRATIVE CODE, RELATING TO FEES CHARGED BY THE DEPARTMENT OF AGRICULTURE, WEIGHTS AND MEASURES.**

EQUITY IMPACT STATEMENT

The Department of Agriculture, Weights and Measures (AWM) strives to preserve, enhance, and promote quality of life, health and safety, economic equity, access to healthy food, a diverse local economy, and environmental sustainability through our regulatory programs and services. AWM uses County-approved methodologies to ensure that regulated businesses receiving AWM's services are responsible for the associated costs, rather than the public. This proposal supports food security in underserved communities by providing access to locally grown fresh produce and promoting business continuity for small-scale farmers. It also supports consumer confidence and a fair and equitable marketplace by verifying customers are being charged correct prices at retail businesses that use point-of-sale stations to ensure fair business practices.

SUSTAINABILITY IMPACT STATEMENT

The proposed actions will ensure the continuity of programs and services that contribute to the County of San Diego's (County) Sustainability Goals: provide just and equitable access to County services, protect health and wellbeing; and protect ecosystems, habitats, and biodiversity. The proposed actions contribute to County Sustainability Goal No. 1 to provide just and equitable access to County services by involving and considering stakeholder feedback in the cost recovery process and using available resources to improve access to services and positive outcomes. The proposed actions also contribute to County Sustainability Goal No. 4 to protect the health and wellbeing of residents and visitors of the entire region, including underserved communities, and benefit individuals as well as the community at large by protecting the food supply, ensuring price accuracy, and ensuring that operations are handling hazardous materials

safely. Ensuring the continuity of the Agricultural Export Program ensures that AWM can protect the region from agricultural pests and disease and protect local habitats and biodiversity.

FISCAL IMPACT

The proposed fee increases are included in the Fiscal Year (FY) 2025-26 CAO Recommended Operational Plan in Agriculture, Weights and Measures (AWM). If approved, this request will result in additional costs and revenue of \$139,715 in FY 2025-26 in Agricultural Export, Certified Farmers' Market, Industrial Hemp Cultivation, Hazardous Materials Inventory, Verification of Agriculture, Price Accuracy, and Weights and Measures Devices programs. The funding source is fees paid by AWM customers. There will be no change in net General Fund cost and no additional staff years.

A waiver of Board of Supervisors (Board) Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* is requested since the proposed fees for Agricultural Export, Certified Farmers' Market, and Industrial Hemp Cultivation do not cover all operating costs. The total unrecovered cost per Board Policy B-29 for FY 2025-26 is approximately \$174,699, and if approved, these programs will be partially funded with existing General Purpose Revenue (GPR) in AWM. The County GPR support serves as required matching funds for State supplemental funding and is consistent with the Board's commitment to and support for agriculture in the region, as stated in Board Policy I-133: *Support and Encouragement of Farming in San Diego County*. AWM will return to the Board with any future necessary fee adjustments, including identification of any unrecovered costs and funding reductions. There will be no additional staff years.

BUSINESS IMPACT STATEMENT

If approved, these recommendations would enable the Department of Agriculture, Weights and Measures to continue providing the necessary services that support public health and safety, a resilient food supply, continuing agricultural trade, enhanced consumer confidence, a sustainable environment for the region, and support the region's \$1.66 billion agricultural industry.

7. **SUBJECT: ADMINISTRATIVE ITEM:**
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED
TO FEES AND DEPOSITS TO LAND DEVELOPMENT EFFECTIVE
FISCAL YEAR 2025-2026 AND CEQA EXEMPTION (5/7/2025 - FIRST
READING; 5/21/2025 – SECOND READING UNLESS ORDINANCE IS
MODIFIED ON SECOND READING) (DISTRICTS: ALL)

OVERVIEW

On May 7, 2025 (06), the Board of Supervisors set a Hearing and took action to further consider and adopt the Ordinance on May 21, 2025

This is a request for the Board of Supervisors (Board) to adopt the land development cost recovery proposal, which includes hourly rates, fees, and deposits for the processing of discretionary land development and building permit applications by Planning & Development Services (PDS), Department of Public Works (DPW), and Department of Parks and Recreation (DPR) (collectively "the Departments").

Using cost recovery funding, the Departments provide services that range in diversity and complexity and serve a wide variety of customers. Services include environmental and construction plan review, development project review, health and safety inspections of homes, and inspections of public infrastructure, such as roads, parks, and trails. The review of privately initiated land development and building permit applications ensures the safe design and construction of structures and infrastructure to protect the public. The Departments work in communities in the unincorporated area, conducting more than 35,000 inspections and processing more than 10,000 land development permits annually. This includes issuing of over 3,000 residential solar photovoltaic permits reducing dependence on fossil fuels. Through these services, the County of San Diego (County) balances environmental, community, and economic interests to enhance the quality of life for residents and visitors in the unincorporated area of the region.

Board of Supervisors Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Exceptions require specific Board approval. The last cost recovery package was unanimously approved by the Board on May 22, 2024 (06). Since that time, the Departments have continued to provide services at the approved rates.

The fees proposed today for Fiscal Year (FY) 2025-26 are necessary to address cost changes, such as increased salaries and benefits costs and to ensure full cost recovery, except where the Board has previously directed the waiver of fees. This fee packages assumes the elimination of the Homeowner Relief Act fee waiver program due to realignment of resources. The cost recovery proposal also reflects standard assumptions made by the County and may not fully address cost increases based on pending negotiated labor agreements, due to the timing of the fee package and the labor negotiations.

Approximately 80% of the department's costs are fixed, such as salary and benefits, retirement contributions, services, and facilities, while 20% of the department's costs are determined by the department based on operational needs, such as services and supplies. The proposed cost recovery proposal reflects known costs as accurately as possible to ensure full cost recovery, and continue delivering programs and services to customers and the communities. Regular cost recovery updates allow the Departments to recuperate costs in a consistent and predictable manner without having to request County-provided one-time funding, while also providing stakeholders an opportunity to plan for smaller, more manageable fee increases as stakeholders have requested.

The hourly billing rate, fee, and deposit changes are a result of the cumulative increase of the cost drivers such as salaries and benefits, services and supplies, and associated departmental and countywide costs. The largest driver is salaries and benefits, the primary factor driving adjustments to our cost recovery proposal and fee changes. In the upcoming year, the County of San Diego is realigning resources due to overall County funding sources not keeping pace with the cost of doing business.

The first proposed change is ending the Homeowner Relief Act fee waiver program, which will enable the County to reallocate \$820,000 of ongoing General Purpose Revenue. The second change involves incorporating \$300,000 in frontline customer counter support into our fee calculations, which was previously funded by General Purpose Revenue. These changes are realigning resources due to overall County funding sources not keeping pace with the cost of doing business.

As part of this fee proposal, the Departments evaluated 153 fees and propose to increase 138 fees and decrease 5 fees. Additionally, 10 fees are proposed not to change. The Departments evaluated 110 intake deposits and propose to increase 108 deposits. There is a proposed decrease to one intake deposit and one intake deposit is proposed not to change.

For PDS, the proposed average flat fee increase requested in this cost recovery proposal is equivalent to a 4.8% increase, the average intake deposit change is a 6.5% increase, and the average hourly rate change is a 5.9% increase. For DPW, the proposed average flat fee increase requested is equivalent to a 4.5% increase, the average intake deposit change is a 7.5% increase, and the average hourly rate change is a 8.4% increase. DPR does not use fees or deposits and is only proposing to update its hourly rates; the proposed average hourly rate change is an 10% increase.

These increases in PDS and DPW may not fully address cost increases based on future negotiated labor agreements, due to the timing of the fee package and the labor negotiations currently underway. Recognizing that many customers are incurring rising costs due to inflation, the Departments continue to focus on cost containment through innovation, efficiencies, and streamlining so that those savings can be applied where possible. The Departments have worked to contain costs and have applied approximately \$2,650,000 in operational savings from streamlining measures or efficiencies. PDS has implemented cost savings programs, such as online payments, electronic approvals, expansion of online permit applications, text message building inspection management, and utilization of a mobile field inspection application. DPW has implemented tools that automate work previously done manually, such as reports and stormwater inspection scheduling, self-service tools, and a mobile inspection application. For PDS, without this cost containment, building fees would have needed to increase an additional 8.8%, and planning and land development hourly rates would have increased an additional 4.0% on average. For DPW, the average intake deposit would have increased an additional 2.9%, and land development hourly rates would have increased an additional 4.3% on average without cost containment efforts.

Today's proposal requests five actions from the Board.

The first action is for the Board to find the proposed project is exempt from the California Environmental Quality Act (CEQA) as specified under Section 15273(a) of the CEQA Guidelines.

The second action is for the Board to set a hearing for May 21, 2025, for consideration and adoption of an Ordinance amending Section 364.3 of the San Diego County Administrative Code, relating to fees and hourly rates charged.

The third action is to approve Board-directed fee waivers as part of Board Policy B-29 for approximately \$1,380,000, in PDS related to appeals, fees for rebuilding structures damaged or destroyed by a natural disaster, plan review and building fees for the Green Building Incentive Program, permit fees associated with the Urban Agricultural Incentive Zone program, fees associated with political signage permits, and abatement fees associated with graffiti removal.

These programs encourage health, safety, sustainability, and housing availability in the unincorporated region. The Green Building Incentive Program reduces plan check and permitting fees to encourage builders to use energy-saving materials when constructing homes. Waiving abatement fees associated with graffiti removal helps to reduce the impacts of graffiti on unincorporated communities by proactively removing blight, and the Urban Agricultural Incentive Zone program waives permitting fees associated with maintaining a property in active agricultural use for a period of five years to promote and protect agricultural uses and recognize the public benefits of agriculture. The Board has previously directed these fees to be waived and provided General Purpose Revenue or General Fund fund balance appropriations to facilitate access to the appeal process, assist homeowners impacted by natural disasters, and strengthen support and promotion of sustainable building practices and additional housing units.

The fourth action is to sunset the fee waiver for permit fees associated with the Homeowner/Business Owner Relief Act and the Homeowner and Business Owner Relief Act program. This includes minor permits, such as water heater replacements, reroofs, siding replacement, and window replacement.

The fifth action is to approve the introduction, read title, and waiver further reading of the ordinance amendments in the San Diego County Administrative Code Sections 362, 362.1, 362.2 and 362.3 relating to the fees, deposits, and hourly rates for the Land Development process on May 7, 2025. If the Board approves the five actions on May 7, 2025, after making necessary findings, the Board on May 21, 2025, will be requested to consider and adopt the ordinance amending Sections 362, 362.1, 362.2 and 362.3 of the San Diego County Administrative Code, relating to fee, deposits, and hourly rates for the Land Development process. In accordance with Board Policy B- 29, the Land Development team will review fees annually and return to the Board with any changes.

If this fee proposal is not approved, it would require one-time alternative County funding in the total amount of \$2,149,050 to maintain services at their current level. If the cost recovery proposal is not approved and no alternative County funding is provided, the Departments would have operational impacts including increased processing times, reduced ability to conduct community outreach and perform research and data analysis to support data-driven decision-making. Resources would be shifted away from innovation, customer support, and data analysis to front-line operations, and we anticipate a backlog would be created. This would impact customers by increasing overall costs to applicants as well as reduce our ability to focus on innovation, streamlining, and meeting operational goals. In addition, there will be a cumulative impact to customers and the changes in future fee updates will be compounded based on the need to cover the increases in this proposal, plus future year budget adjustments.

RECOMMENDATION(S)
CHIEF ADMINISTRATIVE OFFICER

Consider and adopt the following Ordinance (second reading) entitled:
ORDINANCE AMENDING PORTIONS OF THE ADMINISTRATIVE CODE RELATING
TO FEES AND DEPOSITS FOR THE DEPARTMENTS OF PLANNING& DEVELOPMENT
SERVICES, PUBLIC WORKS, AND PARKS AND RECREATION (Attachment A).

EQUITY IMPACT STATEMENT

The County of San Diego strives to preserve, enhance, and promote quality of life, health and safety, sustainability, equity, and environmental resources through the implementation of programs and services that enhance the community by increasing the well-being of our residents and our environments while simultaneously complying with mandatory federal, State, and local regulations governing the land development process. The Departments utilized approved County methodology to ensure all direct and indirect project costs are fully recovered. This ensures that privately initiated project applicants are paying for the full costs needed to recover department costs associated with their project while ensuring development is designed and built to be safe, striving to meet or exceed federal, State, and local building, sustainability, and energy standards and provide opportunities for growth and development that meet the needs of the communities. In some instances, fees have been waived by the Board of Supervisors to ensure equitable opportunities for all communities to increase housing availability. Reviewing and updating fees and hourly rates ensures only project costs are being paid for by applicants and general public dollars are not used to subsidize privately initiated development projects. The Departments also continue to identify ways to reduce departmental costs to provide services to the public with cost containment efforts savings of over \$2,650,000 annually.

Full cost recovery for privately initiated land development projects ensures that other tax dollars can be used for programs that improve equity throughout the organization.

SUSTAINABILITY IMPACT STATEMENT

The Departments proposed amendments to the hourly billing rates, fees, and deposits for services that are provided to the public will cover the full cost of services for the department's internal operations. The hourly billing rate, fee, and deposit changes are a result of the cumulative increase of the cost drivers such as salaries and benefits, services, and supplies, and associated departmental and countywide costs. The adjustments to the fees are based on available expenditure and revenue data, time studies, and service counts. Sustainability means efficiently using and effectively protecting natural resources, balancing economic growth, and ensuring just and equitable provision of public services, without compromising the ability of future generations to also flourish and thrive. The proposed actions support the County of San Diego's Strategic Initiative of Sustainability to align the County's available resources with services to maintain fiscal stability and that promote economic stability.

FISCAL IMPACT

The proposed increases to fees and deposits are included in the Fiscal Year (FY) 2025-26 CAO Recommended Operational Plan in Planning & Development Services (PDS), Department of Public Works (DPW), and Department of Parks and Recreation (DPR).

If approved, the proposed fee and deposit adjustments will result in additional estimated costs and revenue of \$1,700,000 in PDS, \$ 449,000 in DPW, and \$750 in DPR, effective FY 2025-26, a total amount of \$2,149,750. The funding source is fees paid by privately initiated land development projects and building permit applicants.

A waiver of Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) is requested to continue previously directed fee waivers, including appeal fees, plan review and permit fees for the Green Building Incentive Program, , Political Campaign Signage, Graffiti Abatement, and Urban Agriculture Incentive Zone program.

These items are proposed to be less than full cost recovery, and a waiver of Board Policy B-29 is requested since the proposed fees do not cover all operating costs. The total unrecovered cost of the items combined is approximately \$1,380,000 for FY 2025-26 and is proposed to be funded by existing and one-time General Purpose Revenue. In the future fiscal years, the Departments will return to the Board to identify the unrecovered cost and funding source. There will be no additional staff years needed as a result of the waiver.

BUSINESS IMPACT STATEMENT

These recommendations would enable Planning & Development Services, the Department of Public Works, and the Department of Parks and Recreation to continue to align fees to the actual costs of services provided to fee payers in each fee category. These fees, deposits, and hourly rates allow the Departments to continue to meet program objectives, provide a level of service expected by stakeholders and customers, and fully recover costs. When individuals pay for services they receive, it ensures those agencies or individuals benefiting from the services pay for those services rather than the general public which ensures that public tax dollars do not subsidize individual private projects.

8. **SUBJECT: ADMINISTRATIVE ITEM:
SECOND CONSIDERATION AND ADOPTION OF AN ORDINANCE:
COST RECOVERY PROPOSAL TO ADOPT ORDINANCES RELATED
TO FEES AND DEPOSITS IN THE DEPARTMENT OF
ENVIRONMENTAL HEALTH AND QUALITY EFFECTIVE FISCAL
YEAR 2025-26, WAIVE BOARD POLICY B-29, AND CEQA
EXEMPTION (05/07/2025 - FIRST READING; 05/21/2025 - SECOND
READING UNLESS ORDINANCE IS MODIFIED ON SECOND
READING) (DISTRICTS: ALL)**

OVERVIEW

On May 7, 2025 (07), the Board of Supervisors set a Hearing and took action to further consider and adopt the Ordinance on May 21, 2025.

This is a request for the County of San Diego (County) Board of Supervisors (Board) to adopt the Department of Environmental Health and Quality (DEHQ) cost recovery proposal, which includes fees, deposit and hourly rates for services associated with food, pools, housing, body art, massage, organized camps programs, wells, septic systems, site assessment and mitigation programs, hazardous materials programs, and the Solid Waste Local Enforcement Agency. This

proposal also includes fees for the radiological health program, services in the vector laboratory, and miscellaneous department fees, such as rates for specialized technical staff services.

DEHQ protects public health, the environment, and the community with over 40 programs that prevent disease, promote environmental responsibility, and enforce environmental and public health laws. DEHQ operates environmental health programs that regulate restaurants, public swimming pools, body art, substandard housing, septic systems, water wells, and hazardous materials. In addition, DEHQ serves as the Certified Unified Program Agency (CUPA) for hazardous materials and hazardous waste, the Solid Waste Local Enforcement Agency (LEA), and is delegated the duties to implement and enforce the authority of a mosquito abatement and vector control district. DEHQ works in communities across the region, conducting more than 70,000 inspections annually, including oversight of over 15,000 food facilities and around 15,000 businesses with hazardous materials. Through these services, DEHQ balances environmental, community, and economic interests to enhance the quality of life for residents and visitors.

Board Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) directs departments to recover the full cost of services provided to agencies or individuals. Exceptions require specific Board approval. The last cost recovery proposal was unanimously approved by the Board on May 22, 2024 (5). Since that time, DEHQ has continued to provide services at the approved rates. The Board also approved a B-29 waiver for fee waivers and use of departmental one-time funds in certain DEHQ programs, such as discretionary projects, and the food, body art, pools, septic, and hazardous material programs in Fiscal Year (FY) 2024-25.

Today's cost recovery proposal reflects standard assumptions made by the County and may not fully address cost increases based on future negotiated labor agreements, due to the timing of the fee package and the labor negotiations currently underway. Increased costs during FY 2025-26 due to approved labor negotiations will be reflected in future cost recovery packages. The Departments will require alternative funding identified as part of the Fiscal Year 2025-26 CAO recommended Operational Plan to cover potential increased costs from negotiated labor agreements.

The fees proposed today for FY 2025-26 (Attachments A and B, Ordinances) are necessary to address cost changes, such as increased salaries and benefits costs and to ensure full cost recovery, except where the Board has previously directed fee waivers, such as fee waivers for non-profit temporary event permits and charitable feeding permits, and the County's support to offset fees such as the food, body art, state small water system, well, and hazardous material programs. This fee package assumes the reduction and/or elimination of the DEHQ Permanent Food, Housing and Pools Facility Annual Permit Fee Reduction Program due to realignment of resources.

Approximately 82% of the department's costs are fixed, such as salary and benefits, retirement contributions, enterprise-wide services, and facilities, while 18% of the department's costs are determined by the department based on operational needs, such as services and supplies. This proposal reflects known costs and ensures full cost recovery for continued delivery of programs and services to customers and communities. By reviewing and updating fees annually, DEHQ

can recover costs in a consistent and predictable manner, while also providing stakeholders an opportunity to plan for smaller, more incremental fee increases as stakeholders have requested.

As part of this fee proposal, DEHQ evaluated 237 fees, hourly rates, and deposits, and proposes to increase 222 fees, decrease two fees, delete four fees, and modify two fees by adjusting the fee structure. Additionally, seven fees are proposed not to change. The fee adjustments in this proposal will generate \$1,619,316 in additional revenue next fiscal year, equivalent to a 5.0% increase on average per fee. This fee package includes the sunseting of non-profit fee reductions for permanent non-profit businesses that have food, housing, and pools annual permits, which will enable the County to reallocate \$200,000 of ongoing General Purpose Revenue to realign resources. This fee package includes the continuing of the fee waivers for Non-profit Temporary Event and Charitable Feed Organizations, as well as the state-mandated Veteran's fee waiver.

DEHQ continues to focus on cost containment through innovation, efficiencies, and streamlining processes to apply savings where possible. Since FY 2016-17, DEHQ has applied \$1,031,740 in ongoing savings from cost containment measures such as consolidating office space; expanding the online document library; converting to electronic applications; becoming accredited to provide mandated continuing education internally; developing plan check submittal templates for mobile food facilities, developing and implementing a mobile app to conduct temporary event inspections; implementing the plan check digital review portal; developing and implementing new data tracking methods and a report that allows for increased quality control in land use programs; creating digital inspection tracker and landfill gas monitoring files in the LEA program; streamlining hazardous materials processes; and combining PCR testing in the Vector program.

The practice of continuous improvement, implementing operational efficiencies, and prioritizing resources has positioned DEHQ to respond to evolving program and regulatory changes. In addition to the efforts made in prior years, this fiscal year DEHQ has \$131,784 in new operational savings from efficiencies or streamlining measures implemented since the last cost recovery proposal. The efficiencies applied include combining prior year efforts, along with the efficiencies implemented this year. DEHQ has been able to apply a total of \$1,163,524 in savings from all cost containment measures to this proposal, reducing costs by 2.7%.

Additionally, DEHQ is proposing to use \$1,047,193 in one-time restricted departmental funding to limit the fee increases and provide continued relief for businesses still impacted from the current economic conditions in the food, body art, organized camps, state small water system, well program and hazardous materials programs. This use of available funding will benefit nearly 129,000 customers and help reduce costs by 2.4%. Without cost containment efforts (2.7%) and use of one-time department funding (2.4%), fees would need to increase an additional 5.1%.

Today's proposal requires six actions from the Board. The first action is for the Board to find the adjustments to fees and charges are not subject to the California Environmental Quality Act (CEQA) in accordance with Section 15273(a) of the CEQA Guidelines. The second action is to approve a waiver of Board Policy B-29 related to fees not being full cost recovery for food, body art, organized camps, state small water system, well program and hazardous materials programs, and for reduced or waived fees for non-profit temporary event permits and charitable feeding permits. The third action is to approve the sunset of the Permanent Food, Housing and Pools

Facility Annual Permit Fee Reduction Program starting July 1, 2025. The fourth action is to find that the adjustments in fees and changes contained in the proposed ordinance are necessary to meet operations in FY 2025-26. The fifth action is to approve the first reading of DEHQ's cost recovery proposal on May 7, 2025. The sixth action is for the Board to set a hearing for May 21, 2025, for consideration and adoption of amendments to the San Diego County Code of Regulatory Ordinances.

If the Board approves the six actions above on May 7, 2025, after making the necessary findings, the Board, on May 21, 2025, will be requested to consider and adopt the ordinance amending the County of San Diego Code of Regulatory Ordinances relating to permit fees and procedures for businesses and health-regulated activities in DEHQ effective FY 2025-26. In accordance with Board Policy B-29, DEHQ will review fees annually and return to the Board with any changes.

If this cost recovery proposal is not approved, DEHQ would require one-time alternative County funding in the amount of \$1,619,316 to maintain services at their current level. If the cost recovery proposal is not approved and no alternative County funding is provided, DEHQ would experience operational impacts, such as a focus on complaints only response for food programs, increased processing or plan review times for land use projects, reduced ability to conduct community outreach, reduced ability to proactively assist unpermitted hazardous material facilities with obtaining compliance, and decreased opportunity to perform non-mandated functions such as research and data analysis to support data-driven decision-making. Resources would be shifted away from innovation and data analysis to front-line operations and a backlog in tasks such as extended review times in septic is anticipated. This would impact customers by increasing overall costs to applicants as well as reducing the ability to focus on innovation, streamlining, and meeting operational goals. In addition, there will be a cumulative impact to customers due to compounded future fee increases based on the need to cover the increases in this proposal plus future year budget adjustments.

RECOMMENDATION(S)

CHIEF ADMINISTRATIVE OFFICER

Consider and adopt the Ordinance amending the County Code of Regulatory Ordinances (second reading): **ORDINANCE AMENDING THE SAN DIEGO COUNTY CODE OF REGULATORY ORDINANCES TO ADJUST DEPARTMENT OF ENVIRONMENTAL HEALTH AND QUALITY REGULATORY PROGRAM FEES AND ASSOCIATED ORDINANCE REVISIONS.**

EQUITY IMPACT STATEMENT

The County of San Diego (County) strives to preserve, enhance, and promote quality of life, health and safety, sustainability, equity, and environmental resources through the implementation of programs and services that enhance the community by increasing the well-being of residents and the environment while simultaneously complying with mandatory federal, state, and local regulations. The Department of Environmental Health and Quality (DEHQ) utilized County-approved methodologies to ensure all direct and indirect costs are fully recovered. These recommendations will allow DEHQ to continue to provide important services to prevent disease, promote environmental responsibility, and ensure a level playing field for businesses.

SUSTAINABILITY IMPACT STATEMENT

The Department of Environmental Health and Quality's proposed amendments to the hourly billing rates, fees, and deposits for services that are provided to the public will cover the full cost of services for the department's internal operations. The hourly billing rate, fee, and deposit changes are a result of the cumulative increase of the cost drivers such as salaries and benefits, services and supplies, and associated departmental and countywide costs. Today's action supports the County of San Diego (County) Sustainability Goal No.1 which is to engage the community by offering diverse engagement opportunities to provide feedback on the programs described in this item moving forward. The adjustments to the fees are based on available expenditure and revenue data, time studies, and service counts. Sustainability means efficiently using and effectively protecting natural resources, balancing economic growth, and ensuring just and equitable provision of public services, without compromising the ability of future generations to also flourish and thrive. The proposed actions support the County Strategic Initiative of Sustainability Goal No.2 which is to provide just and equitable access to resource allocation to align the County's available resources with services to maintain fiscal stability.

FISCAL IMPACT

The proposed increases to fees are included in the Fiscal Year (FY) 2025-26 CAO Recommended Operational Plan in the Department of Environmental Health and Quality (DEHQ). If approved, the overall proposed fee adjustments will result in additional estimated costs and revenue of \$1,619,316, including additional estimated costs and revenue of \$334,326 in the food program, \$298,407 in the water program, \$485,791 in the housing program, \$498,062 in the hazardous materials program and \$2,730 in the radiological health program and services in the vector laboratory, effective FY 2025-26. The funding source is fees paid by DEHQ customers.

A waiver of Board of Supervisor's Policy B-29: *Fees, Grants, Revenue Contracts - Department Responsibility for Cost Recovery* (Board Policy B-29) is requested because the proposed fees do not cover all operating costs in the food, body art, organized camps, state small water systems, well program and hazardous materials program fees. The total unrecovered cost, per Board Policy B-29, for permit fees that are not full cost recovery is \$1,047,193, and if approved, will be funded with \$459,412 in restricted General Fund fund balance, \$111,200 in 1991 Health Realignment revenue, and \$476,581 from the Environmental Health Trust Fund.

Additionally, a waiver of Board Policy B-29 is requested to continue to implement Board direction to reduce fees for temporary event permits requested by non-profit organizations and fee waiver for charitable feeding permits. The total unrecovered cost per Board Policy B-29 for these Board directed waivers is approximately \$364,000 in DEHQ for FY 2025-26, and if approved, will be funded with existing General Purpose Revenue in DEHQ. Inclusive of all funding sources and programs, the total unrecovered cost per Board Policy B-29 for DEHQ in FY 2025-26 is \$1,411,193. In future fiscal years, DEHQ will return to the Board to identify any unrecovered costs and funding sources. There will be no additional staff years.

BUSINESS IMPACT STATEMENT

These recommendations would enable the Department of Environmental Health and Quality (DEHQ) to continue to align fees to the actual costs of services provided to fee payers in each fee category. These fees allow DEHQ to continue to meet program objectives, provide a level of service expected by stakeholders and customers, and fully recover costs.

9. SUBJECT: REVIEW OPTIONS TO PROMOTE AND EXPAND SUSTAINABLE CATTLE GRAZING IN THE UNINCORPORATED COUNTY (DISTRICTS: ALL)

OVERVIEW

Over the past couple of decades, the practice of cattle grazing in the County has gone through many changes, shaped largely by ever-evolving environmental regulations, land management priorities and a growing emphasis on sustainability. To build upon this progress, and to bolster our approach to addressing the region's pressing environmental challenges - increasing wildfire risks, soil health degradation, disruptions to watersheds and biodiversity loss - today's item aims to evaluate potential programmatic options that support the expansion of sustainable cattle grazing in the unincorporated areas of the County. In the context of this item, sustainable grazing generally refers to the purposeful management of cattle by local ranchers in a way that maintains or enhances ecological functions. This includes practices that improve soil nutrient cycling, enhance erosion control, stimulate vegetation growth and/or reduce dependency on synthetic fertilizers and other chemical inputs.

When implemented effectively, cattle grazing can serve as a cost-efficient and environmentally responsible land management strategy, offering a suite of co-benefits: suppression of invasive plant species, reduction of wildfire fuel loads, enhanced carbon sequestration and improved water infiltration. By better aligning grazing practices with the County's broader sustainability and wildfire resiliency goals, we can reposition grazing as more than simply an agricultural activity. It can and should be valued as a multifunctional land management tool, integral to maintaining ecosystem health and climate adaptation strategies. Moreover, supporting the expansion of sustainable grazing offers an opportunity to strengthen local food systems, bolster the economic viability of ranching operations for local farmers and promote a nature-based approach to addressing environmental issues.

By re-evaluating the role of cattle grazing in unincorporated areas, the County has a meaningful opportunity to support working landscapes and local ranchers, while advancing several key strategic initiatives. Sustainable grazing isn't just a niche agricultural practice - it can serve as a powerful tool in our broader response to complex environmental challenges facing the region. It's time we gave our local ranchers the recognition and support they deserve.

RECOMMENDATION(S)

SUPERVISOR JIM DESMOND

1. Direct the Chief Administrative Officer (CAO) to evaluate and present options to support the expanded use of cattle grazing as an ecosystem support strategy within the unincorporated areas of the County and report back with findings and recommendations within 180 days. This evaluation shall give consideration, but not be limited to:
 - a. Amending the County's Grading, Clearing, and Watercourses Ordinance (Ordinance) to recognize that well-managed cattle grazing can yield net environmental benefits, and as such may qualify for an exemption from the provisions of the Ordinance.
 - i. Exemption Criteria: Develop exemption criteria through a collaborative stakeholder engagement process. Participants should include representatives from the local ranching community (e.g., California Cattlemen's Association - San Diego, San Diego County CowBelles,

individual ranchers), the San Diego County Farm Bureau, environmental advocacy groups, and local fire protection agencies.

- ii. Consideration of Historical Agricultural Use: Develop exemptions for new grazing operations on lands with a documented history of agricultural use, even if such uses have not occurred within the last five years, thereby expanding eligibility beyond currently narrow limits. Acceptable evidence should be broad and inclusive, including items such as historical aerial imagery, business records, permit history, and other relevant documents.
- b. Identify and evaluate opportunities to expand and promote the use of County-owned properties for cattle grazing by local ranchers. Any such use should be consistent with the County's wildfire prevention strategies and broader sustainability goals, ensuring that grazing activities contribute positively to ecological health and wildfire risk reduction.

EQUITY IMPACT STATEMENT

The year-round threat of wildfires and other environmental challenges may disproportionately impact rural, low-income and/or underserved communities in the unincorporated areas where limited water infrastructure and other resources heighten vulnerabilities. Enhancing environmental outcomes through well-managed cattle grazing can help communities that face the greatest environmental risks.

SUSTAINABILITY IMPACT STATEMENT

Expanding sustainable cattle grazing in the County not only helps mitigate environmental challenges such as soil degradation, proliferation of invasive species, and wildfire risks, but it also supports local ranchers and strengthens our local food supply. Additionally, sustainable grazing can reduce the County's reliance on synthetic chemicals and help bolster our overall approach to climate resiliency. Sustainable grazing is well suited to help advance the region's long-term environmental, economic, and societal sustainability objectives.

FISCAL IMPACT

There is no fiscal impact associated with today's recommendations to direct staff to explore and options for expanding the use of cattle grazing. There will be no change in net General Fund costs and no additional staff years. There may be fiscal impacts associated with future related recommendations which staff would return to the Board for consideration.

BUSINESS IMPACT STATEMENT

N/A