

Environmental Health Services Rate Study 2024

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Why Are We Doing a Rate Study?

- **Environmental Health Services (EHS) is required to conduct a rate study at least every five years (BOH Code 2.06.008)**
 - Last rate study was conducted in 2019
- **EHS is required to cover all the costs of its regulatory programs through permit fees (per KC Policy)**
 - This includes labor, rent, equipment, supplies, and all other costs of doing business
 - State law ensures the fees are not more than the cost of providing the service (RCW 70.05.060 (7))



We Hear King County Residents and Businesses Telling Us They Need:

- **Low permit costs**
- **Fast permit turnaround times**
- **Responsiveness to public health concerns and complaint investigations**
- **Technical assistance and education on BOH code compliance**



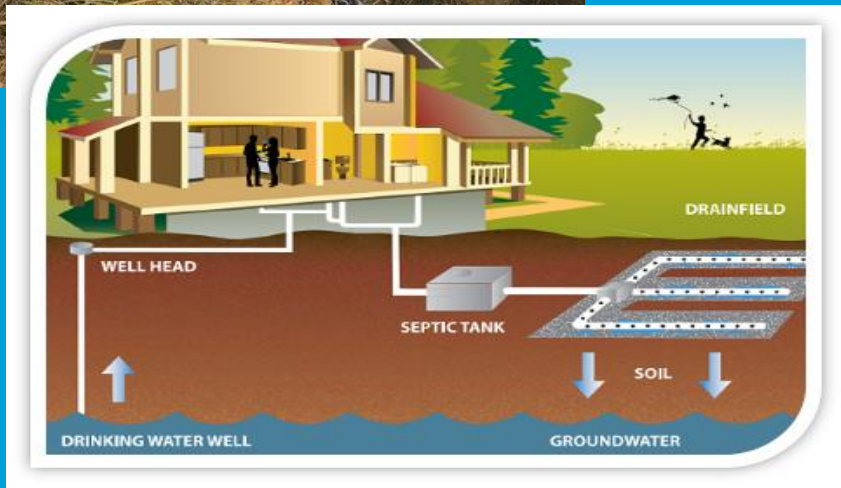


Rate Study Goals

- Evaluate:
 - Accuracy of permit costs
 - Efficiency and effectiveness of services
- Limit costs where possible

Methods

- Time and effort study
- Review and validate demand forecasts
- Financial modeling
- Equity analysis
- Customer feedback/survey



What Are Customers Paying For?

- EHS issues permits for food businesses, pools, on-site sewage systems, solid waste facilities, and pet businesses
- The permit fee is the cost customers pay for EHS services



How Do You Calculate a Permit Fee?



Summary of EHS Rate Study Proposal

- Increase the hourly rate of EHS services: 5.7% - 5.9%
- Round service hours to ¼ hour to reduce errors and improve customer process
- Increase specific service hours for two pet business permit types: pet daycares and commercial kennels

What Are the Proposed Changes?



- 5.7% - 5.9% increase to hourly rates

- Rounding adjustment
- Increasing time for 2 permit types

What Do the Changes Mean for Customers?

Example 1:

- Annual permit for a sushi restaurant seating 40 people
 - 2024 cost: \$927
 - 2025 cost: \$972



Example 2:

- Application for a new on-site septic system (one-time cost)
 - 2024 cost: \$1,222
 - 2025 cost: \$1,296

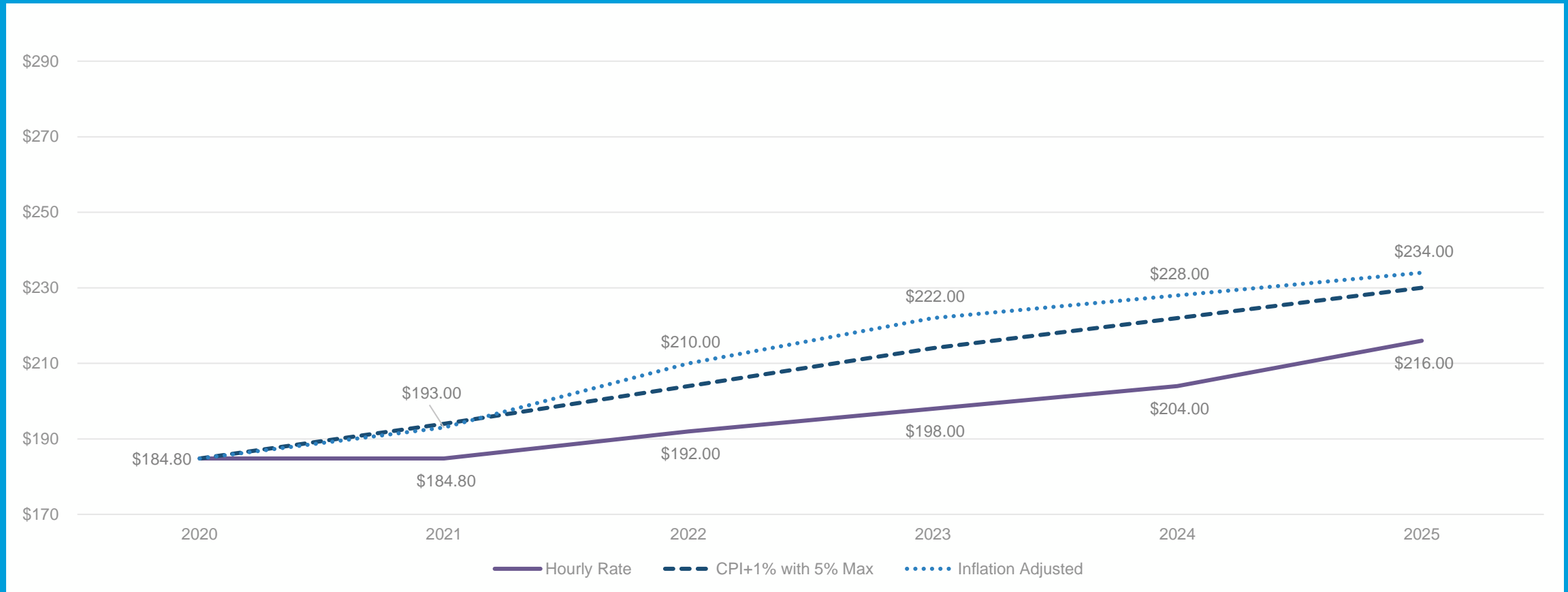


Food & Facilities Inflation Adjusted Rate vs Proposed Rate



Rate adjusted for inflation annually based on the CPI for Urban Wage Earners and Clerical Workers (CPI-W) for All items in Seattle-Tacoma-Bellevue, WA [not seasonally adjusted] + 1%

On-site Sewage, Pet Business, & Solid Waste Inflation Adjusted Rate vs Proposed Rate



Rate adjusted for inflation annually based on the CPI for Urban Wage Earners and Clerical Workers (CPI-W) for All items in Seattle-Tacoma-Bellevue, WA [not seasonally adjusted] + 1%

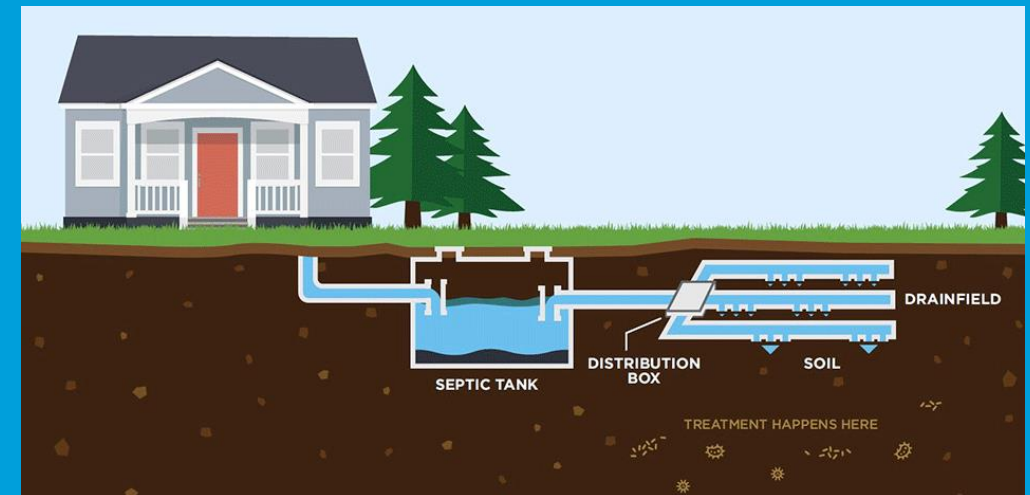
Food and Facilities

- **Proposed change:** 5.7% increase in hourly rate
- **What this means:** Permit fees increasing on avg. \$39, range \$(-18) to \$100
- **Landscape and how we are responding to feedback:**
 - Improving consistency in inspections – training and recruitment
 - Faster processing for customer service and permits
 - Increasing access to information and technical assistance



On-site Sewage Systems (OSS)

- **Proposed change:** 5.9% increase in hourly rate
- **What this means:** Permit fees increasing on avg. \$38, range \$(-20) to \$121
- **Landscape:**
 - Increased OSS failure rates
 - Increased complexity of land being developed
 - Demand for faster turnaround times for customers and to align with construction industry



Pet Business

- **Proposed change:** 5.9% increase in hourly rate
- **What this means:** Permit fees increasing on avg. \$29, range \$(-2) to \$103
- **Changes to service hours:** Only on Commercial Kennels and Pet Daycares in response to increased level of oversight need
- **Landscape:** Program is very small and currently does not have a stable funding structure
 - Studying options for future funding; will return to the Board in 2025-2026



Solid Waste

- Hourly rate increase: 5.9%
- **Landscape:** Increasing complexity of solid waste facility inspections and more time needed for program monitoring and inspections (particularly for larger facilities)



Operating Landscape



- Increased:
 - Labor and operating costs due to inflation
 - Demand for services
 - Complexity of needs and services
- Workforce changes
- Emerging needs: World Cup, emergency responses

Steps to Decrease Costs and Improve Services



- Reducing travel times through remote deployment
- Reducing office space
- Advancing technological solutions (permit system)
- Digitizing paper files, online services
- Reducing barriers for mobile food vendors
- Code revisions (on-site sewage systems)



Thank you!

For follow up questions, please contact Joy Carpine-Cazzanti:
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