

# Environmental Protection Commission of Hillsborough County

## Cost Recovery and Budget Workshop



EPC Board Meeting

May 20, 2010

# Cost Recovery Project Timeline

- 2003 - Last comprehensive revision of EPC fees
- Spring 2009 - Staff studied EPC's User Fees and decided to delay any increases for at least one year
- Summer 2009 - EPC Board adopts BOCC Policy on "Users Fees and Cost Recovery Policy" requiring that fees keep up with cost
- March 2010 - it was requested that staff schedule a workshop during a monthly EPC meeting

# Background Facts

Putting cost recovery options in the perspective of our budget

- 2011 Budget calls for \$716,000 reduction in GR funds plus 12 furlough days
- Between 2007 & 2011 we will have lost 43 positions or over 25% of our staff
- EPC funds about half of all agency services through grants, contracts & fees, or to put it another way at EPC every GR dollar received is doubled in value
- If User/Service Fees don't keep pace with inflation a larger portion of services over time will be subsidized by all taxpayers
- Agency economic strategies

# Cost Recovery Strategy

**March 2010** - At the March EPC meeting we proposed an inflation adjustment on existing fees to comply with County Policy and proposed a list of six new fees

## **New Strategy**

1. Propose CPI inflation adjustment on existing fees for \$266,000
2. Propose Air and Wastewater compliance fees for \$220,000
3. Delay all other proposed new fees for at least one year

# Proposed NEW COMPLIANCE FEES

- Air Minor Source Compliance Fees  
Compliance fee ranges from exempt - \$1,000 per year
- Wastewater Source Compliance Fees  
Compliance fee ranges from \$150 - \$1,000 per year

## Fees NOT PROPOSED at this time

- Noise Enforcement Investigative Fee
- Comprehensive Plan Amendment Review Fee
- Brownfields Redevelopment Review Fee
- Groundwater Assessment Report Review Fee

# Cost Recovery Options

- Option A** Propose 20% CPI inflation adjustment on existing fees to comply with County Policy, and seek new Air and Wastewater compliance fees
- Option B** Propose 20% CPI inflation adjustment on existing fees to comply with County Policy (no action on proposed new fees for at least one year)

# What Have We Done?

## FY07- FY11

- Reorganized and consolidated services
- Approximately 40 fewer employees including 6 managers & 3 director-level positions (nearly 25% reduction)
- Reduced agency vehicles by 33%
- Collaboration with County with IT/ Communications services
- Privatizing where it makes sense
- Marketing EPC services to other organizations
- Innovation (i.e. office on wheels)
- Sterling Management process efficiencies
- Continuing to bring one dollar in outside grants, contracts and fees for every dollar spent from general fund

# FY 11 Budget Strategy

1. Look for long-term solutions by eliminating temporary measures like furlough days (12 furlough days in FY11 budget)
2. Seek greater coordination with county support services
3. Implement cost recovery as proposed today
4. Fund new initiatives (e.g. Sustainability Program) outside the general fund
5. Provide \$716K general fund relief as required in the approved EPC budget

# **If Cost Recovery is not approved, EPC Staff will not be able to:**

1. Eliminate furlough days without deeper core program cuts (4 or more positions)
2. Restore priority positions such as any of the twelve compliance inspectors lost in the last 3 years
3. Provide needed funds to contract out for specialized services lost through reductions-in-force (i.e. Water Supply Project oversight)

# FY11 Service Losses with No Relief

- Agency Closed for 2.5 Weeks
- 250 Wastewater Compliance Inspections
- Agency Oversight on Water Supply Projects by TBW
- Geographical Information Systems (GIS) Data System Development and Support for Staff and Public
- 600 Water Monitoring Test Reviews
- Full-time Administrative Support For Two of the Operational Divisions Affecting File Reviews and Telephone Service
- Ability to Respond as an Agency on DRIs and Plan Amendments
- Additional 15% Capacity in Laboratory Sampling Capabilities
- In-house Database Capability

# Staff Recommendation

## Option A

- Update existing fees as per Board Policy with a 20% CPI Inflation Adjustment to eliminate 12 furlough days
- Seek new Air and Wastewater compliance fees to restore priority positions, and provide funds for contract services
- Set Public Hearing to amend Chapter 1-6 Services – Fee Schedule for June 16, 2010