



FY 2019-20 Water Quality Fees Stakeholder Meeting

DATE:	Thursday, March 14, 2019
TIME:	9:00-11:00 am
LOCATION:	CalEPA Headquarters Building Sierra Hearing Room, 2 nd Floor 1001 I Street Sacramento, CA 95814
WEBCAST LINK:	https://video.calepa.ca.gov/
QUESTIONS:	FeeBranch@waterboards.ca.gov – Questions received prior to and during the meeting will be addressed during the meeting unless otherwise requested.

AGENDA

1. Welcome and Introductions
2. Waste Discharge Permit Fund (WDPF) Budget Cost Drivers (Attachment 1)
 - a. [BCP for Wildfire Prevention and Recovery Legislation](#)
 - b. [BCP for Sewer Service Provision for Disadvantaged Communities](#)
3. WDPF Recent Program Fee Increases (Attachment 2)
4. Potential Fee Changes
 - a. Storm Water – Special Districts
 - b. NPDES – Desalinization
 - c. Cannabis – Indoor Grow Sites
5. Stakeholder Activity Update
 - a. Confined Animal Facilities
 - b. Agricultural Lands Regulatory Program
6. Division of Water Quality – Programs Update
7. Open Discussion

WDPF Budget Cost Drivers
FY 2019-20
(\$000)

A	B	C	D	E (B+C+D)	F	G (E-F)	H (F+G)	I	J	K (G+J)	L (F+K)	M	N	O
WDPF Program	FY 18-19 Fee Budget ¹	BCP Changes*	Staff Cost & Program Adjustments ²	FY 19-20 Allocation Budget	FY 19-20 Revenue Forecast	Forecasted Revenue Increase / (Decrease)	FY 19-20 Total Revenue	Average Program Percent Change	Revenue Adjust for 4% Fund Reserve ³	Adjusted Revenue Increase / (Decrease) ⁴	FY 19-20 Adjusted Total Revenue ⁵	Adjusted Average Program Percent Change ⁶	FY 20-21 (Budget Year +1)	FY 21-22 (Budget Year +2)
WDR	\$33,410	\$1,820	\$1,496	\$36,725	\$29,827	\$6,898	\$36,725	23.1%	\$0	\$6,898	\$36,725	23.1%	4.0%	4.0%
Land Disposal	\$14,132	(\$102)	(\$501)	\$13,529	\$14,019	(\$490)	\$13,529	-3.5%	\$0	(\$490)	\$13,529	-3.5%	4.0%	4.0%
WQC (401 Cert)	\$12,405	(\$92)	(\$24)	\$12,288	\$10,400	\$1,888	\$12,288	18.2%	\$0	\$1,888	\$12,288	18.2%	4.0%	4.0%
Storm Water	\$32,086	(\$243)	\$465	\$32,309	\$33,213	(\$904)	\$32,309	-2.7%	\$0	(\$904)	\$32,309	-2.7%	4.0%	4.0%
NPDES	\$33,036	\$10	\$217	\$33,263	\$29,412	\$3,851	\$33,263	13.1%	\$0	\$3,851	\$33,263	13.1%	4.0%	4.0%
CAF	\$5,138	(\$41)	\$375	\$5,472	\$4,926	\$546	\$5,472	11.1%	\$0	\$546	\$5,472	11.1%	4.0%	4.0%
Ag Lands (ILRP)	\$7,832	(\$58)	(\$12)	\$7,762	\$6,975	\$786	\$7,762	11.3%	\$0	\$786	\$7,762	11.3%	4.0%	4.0%
SUBTOTAL:	\$138,039	\$1,294	\$2,016	\$141,349	\$128,773	\$12,576	\$141,349		\$0	\$12,576	\$141,349			
Cannabis	\$18,124	(\$134)	(\$85)	\$17,905	\$9,135	\$8,770	\$17,905	96.0%	\$0	\$8,770	\$17,905	96.0%	4.0%	4.0%
TOTAL:	\$156,163	\$1,160	\$1,931	\$159,254	\$137,909	\$21,345	\$159,254		\$0	\$21,345	\$159,254			

Footnotes:

- ¹ Includes redirected expenditures for programs like Basin Planning, TMDL, monitoring and enforcement.
- ² Includes resource reallocation for employee compensation, retirement, health care costs, space optimization and pro rata.
- ³ Adjustments to revenue levels while maintaining a prudent reserve.
- ⁴ Recommended revenue level adjustments.
- ⁵ Net revenue levels after adjustments.
- ⁶ Net percentage change impact after recommended adjustments.

***BCP Changes:**

All WDPF Programs	(\$1,196)	18-19 BCP - CalEPA Space Optimization
WDR	\$1,831	19-20 BCP - Wildfire Prevention and Recovery (SB 901)
WDR & NPDES	\$525	19-20 BCP - Sewer Service Provision for Disadvantaged Communities (SB 1215)
	<u>\$1,160</u>	

WDPF Fee Paying Programs Recent Program Fee Increases

Program	FY 2016-17		FY 2017-18		FY 2018-19		FY 2019-20		
	Needed Increase	Adopted Increase	Needed Increase	Adopted Increase	Needed Increase	Adopted Increase	Prior Year Deferral	Additional Needed	Projected Increase
WDR	3.0%	-	10.2%	-	18.6%	9.5%	9.1%	14.0%	23.1%
Land Disposal	-	-	-	-	-	-	-	-	-
WQC (401 Cert)	32.4%	20.0%	22.1%	20% ¹	18.1%	9.2%	8.9%	9.3%	18.2%
Storm Water	-	-	-	-	-	-	-	-	-
NPDES	3.3%	-	6.8%	-	19.6%	10.0%	9.6%	3.5%	13.1%
CAF	-	-	9.8%	-	12.2%	6.2%	6.0%	5.1%	11.1%
Ag Land (ILRP)	3.1%	-	22.3%	16% ²	17.4%	8.9%	8.5%	2.8%	11.3%
Cannabis									

¹ Average increase over all categories.

² Related to BCP for 5 PYs