



## **Agricultural Lands Fees Stakeholder Meeting**

**Monday, July 22, 2019 at 9:30 – 11:30 am**

**Coastal Hearing Room – Second Floor  
CalEPA Headquarters  
1001 I Street, Sacramento, CA 95814**

**Call-In Number: (888) 808-6929  
Participant Code: 3167024**

**To join the Skype meeting, click [here](#)**

**Fee Branch [Email](#)**

### **AGENDA**

1. Welcome and Introductions
2. Guiding Principles for Setting Fees for Waste Discharge Permit Fund (WDPF)  
Programs (Attachment 1)
3. Agricultural (Ag) Lands Historical Program Data
  - a. Acres Enrolled by Ag Lands Coalition/Group (Attachment 2)
  - b. Revenue by Region for Ag Lands Coalition/Group (Attachment 3)
  - c. Enrolled Acres and Allocated Staff (PY) by Region (Attachment 4)
4. Fee Schedule Methodology Options
  - a. Approved Third-Party Groups (Attachment 5)
  - b. Individual Enrollment (Attachment 6)
5. Open Discussion
6. Next Steps

## Guiding Principles for Setting Fees for WDPF Programs

These are the guidelines the State Water Board uses to develop and modify the fee schedules for all WDPF programs. They are based on a number of factors, including, in part, the authority provided by Water Code section 13260 and direction from the Department of Finance:

1. **Zero-Sum Budget (if some pay less, others will need to pay more)** – The Water Board allocates a proportional amount of the WDPF budget based on allocated staff PYs to each program and must set fees targeted to that revenue amount. Any changes to the fee methodology or individual fee amount must result in the same total revenue amount.
2. **Recovery of Total Program Costs** – Fees are collected to support all program activities not just the actual staff time spent on an individual facility or permit in any given year. This allows for the State Water Board to support program activities for which there are no current direct fee payers, including the development of new permits, enrollment of new dischargers, and other program priorities. In addition, staff does not track time spent on individual dischargers and doing so would likely result in fee increases.
3. **Statewide Fees** – Fees are set to support all program activities statewide, in all regions and at the State Board. Setting a statewide fee helps to mitigate possible year-over-year swing in fees (see #4) related to the reprioritization and reallocation of staff. For example, dischargers in a region with one or two allocated staff might go from paying a low annual fee to paying a significantly higher annual fee if reprioritization results in more staff being allocated to that region. Implementing region-based fees would also be administratively complicated and will require additional staff time, likely resulting in a higher fee.
4. **Fees should be set to minimize yearly swings** – Stakeholders have requested that the State Water Board adjust fees annually in a way that will avoid significant yearly swings to allow dischargers the ability to better budget for fees, especially for those operating on a calendar other than the state fiscal year.
5. **Indirect and Foundational Program costs are added on top of direct program expenditures** – These costs are added to all WDPF programs proportional to their allocated WDPF budget. Indirect costs generally include overhead and administrative expenses. Foundational (formerly Redirected) Program costs cover program support for which there are no direct fee payers, like TMDL and Basin Planning, enforcement, and monitoring programs, including Surface Water Ambient Monitoring Program (SWAMP), Groundwater Ambient Monitoring and Assessment Program (GAMA) and beach monitoring.

**State Water Resources Control Board  
Acres Enrolled by Ag Lands Coalition/Group**

Region	Customer ID	Billing Name	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
3	3 RW0106334	CENTRAL COAST WATER QUALITY PRESERVATION	406,979	417,351	418,645	418,645	418,751
4	4A569500001	VENTURA COUNTY AGRICULTURE GROUP	78,694	82,189	65,117	81,807	81,807
4	4B199500002	NURSERY GROWERS ASSOCIATION - LA	1,675	1,683	1,854	1,997	1,997
5	5A34AG00001	CA RICE COMMISSION COALITION	431,000	421,000	536,000	436,000	499,000
5	5A34AG00002	SACRAMENTO VALLEY WQ COALITION	1,288,680	1,340,216	1,330,502	1,332,327	1,319,710
5	5B10AG00002	WESTLANDS WATER DISTRICT	500,319	490,495	492,157	487,526	492,072
5	5B24AG00002	WESTSIDE SAN JOAQUIN COALITION	459,441	435,922	433,324	432,505	421,580
5	5B39AG00001	SAN JOAQUIN/DELTA WQ COALITION	360,156	386,452	413,126	516,357	512,036
5	5B39IR00002	GRASSLANDS DRAINAGE AREA COALITION	-	-	-	83,913	83,923
5	5B50AG00001	EAST SAN JOAQUIN WATER QUALITY	714,163	696,156	698,701	705,683	700,099
5	5C10AG00002	BUENA VISTA COALITION	32,486	30,788	32,696	34,090	34,031
5	5C10AG00003	KINGS RIVER WATERSHED COALITIO	764,712	761,019	769,530	761,479	729,529
5	5C15AG00001	KERN RIVER WATERSHED COALITION	522,833	522,776	529,494	528,687	528,340
5	5C15IR00001	CAWELO WATER DISTRICT	34,373	34,524	34,876	33,818	34,454
5	5C54AG00001	KAWEAH BASIN WATER QUALITY ASS	162,655	163,422	157,335	158,842	159,722
5	5C54AG00002	TULE BASIN WATER QUALITY COALI	218,594	225,018	232,012	224,596	226,686

5	5C54IR00001	WESTSIDE WATER QUALITY COALITI	100,918	99,761	99,883	98,136	101,506
7	7A135007001	IMPERIAL ID	-	-	446,020	469,972	437,014
7	7A335002001	COACHELLA VALLEY IRRIGATED LANDS	-	43,213	42,549	40,776	39,671
7	7B335000001	PALO VERDE OUTFALL COALITION	93,378	93,512	93,680	-	-
7	7B135000001	BARD WD	-	6,731	6,724	-	-
9	9 000003185	SAN DIEGO REGIONAL IRRIGATED LANDS GROUP	-	-	-	24,000	26,422
9	9 000003193	DE LUZ AGRICULTURAL GROUP	-	-	-	670	680
9	9 000003194	FROG ENVIRONMENTAL INC	-	-	-	1,380	1,392
9	9 000003197	UPPER SANTA MARGARITA IRRIGATED LANDS GROUP	-	-	-	1,860	1,890
Totals Acres:			6,171,056	6,252,228	6,834,225	6,875,066	6,852,312

**State Water Resources Control Board  
Revenue by Region for Ag Lands Coalition/Group**

<b>Per Acre Fee:</b>	<b>\$0.75</b>	<b>\$0.75</b>	<b>\$0.75</b>	<b>\$0.87</b>	<b>\$0.95</b>
<b>Fiscal Year:</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>
Region 3	\$305,234	\$313,013	\$313,984	\$364,221	\$397,813
Region 4	\$60,277	\$62,904	\$50,228	\$72,909	\$79,614
Region 5	\$4,192,748	\$4,205,662	\$4,319,727	\$5,075,544	\$5,550,554
Region 7	\$70,034	\$107,592	\$441,730	\$444,351	\$452,851
Region 9	\$0	\$0	\$0	\$24,282	\$28,865
Total Revenue:	\$4,628,292	\$4,689,171	\$5,125,669	\$5,981,307	\$6,509,696

**State Water Resources Control Board  
Enrolled Acres and Allocated Staff (PY) by Region  
FY 2018-19**

Region	Enrolled Acres	Allocated Staff (PY)
1 - North Coast	-	1
2 - San Francisco Bay	-	-
3 - Central Coast	502,555	4.2
4 - Los Angeles	83,804	1
5 - Central Valley	5,842,688	18.2
6 - Lahontan	-	-
7 - Colorado River Basin	476,685	1
8 - Santa Ana	-	-
9 - San Diego	30,384	1
SB - DWQ	N/A	1.7
Totals:	6,936,116	28.1

## Agricultural Lands Regulatory Program- Fee Schedule Methodology Options for Approved Third-Party Groups

### NOTES:

- All fee amounts indicated below are based on the current FY 2018-19 fee schedule and do not reflect any potential fee amount changes for FY 2019-20.
- For the purposes of the fee schedule, a Third-Party Group is defined as a group approved by the Regional Water Board or Regional Board Executive Officer to manage fee collection and payment to the State Water Board.

### Option 1 – Management Plans

Management Plan Tier	Per Acre Fee
<b>A</b>	\$1.05
<b>B</b>	\$0.89
<b>C</b>	\$0.76

### Option 1 Definitions:

**A** – Discharger or group of dischargers that are required to develop an Irrigation and Nitrogen Management Plan (INMP), per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group, **and** must also develop a plan, such as a Pesticide/Toxicity Management Plan (PTMP), to address known surface water impacts.

**B** – Discharger or group of dischargers that must develop either an INMP (per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group) **or** PTMP, but not both, as determined by the Regional Water Board or the Executive Officer.

**C** – Discharger or group of dischargers that are determined by the Regional Water Board or the Executive Officer to not be required to develop an INMP and a PTMP.

### Option 2 – Irrigation and Nitrogen Management Plan

INMP Tier	Per Acre Fee
<b>A</b>	\$0.97
<b>B</b>	\$0.78

### Option 2 Definitions:

**A** – Discharger or group of dischargers that are required to develop an Irrigation and Nitrogen Management Plan (INMP), per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group.

**B** - Discharger or group of dischargers that are determined by the Regional Water Board or the Executive Officer to not be required to develop an INMP (per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group).

### Option 3 – Agricultural Activities

Agricultural Activity Tier	Per Acre Fee
A	\$0.97
B	\$0.78

### Option 3 Definitions:

**A** – All agricultural activities except those identified in Agricultural Activity Tier B.

**B** - Discharger or group of dischargers whose agricultural activities are managed wetlands, irrigated pastures, or those belonging to the California Rice Commission 3<sup>rd</sup> party group.

### Option 4 – Per Acre Fee (Current Structure)



## Agricultural Lands Regulatory Program- Fee Schedule Methodology Options for Individual Enrollment

### NOTE:

- All fee amounts indicated below are based on the current FY 2018-19 fee schedule and do not reflect any potential fee amount changes for FY 2019-20.
- For purposes for the fee schedule, Individual Enrollment refers to a discharger that is not a member of an approved Third-Party Group.

### Option 1 – Management Plans

Management Plan Tier	Option 1A New Structure	Option 1B Current Tier Structure
<b>A</b>	\$26.25 per acre 0-300 acres plus \$13.13 per acre over 300 acres	Current tiered fee structure plus 10.5%
<b>B</b>	\$22.25 per acre 0-300 acres plus \$11.13 per acre over 300 acres	Current tiered fee structure less 6.3%
<b>C</b>	\$19.00 per acre 0-300 acres plus \$9.50 per acre over 300 acres	Current tiered fee structure less 20.0%

### Option 1 Definitions:

**A** – Discharger or group of dischargers that are required to develop an Irrigation and Nitrogen Management Plan (INMP), per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group, **and** must also develop a plan, such as a Pesticide/Toxicity Management Plan (PTMP), to address known surface water impacts.

**B** – Discharger or group of dischargers that must develop either an INMP (per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group) **or** PTMP, but not both, as determined by the Regional Water Board or the Executive Officer.

**C** – Discharger or group of dischargers that are determined by the Regional Water Board or the Executive Officer to not be required to develop an INMP and a PTMP.

**Option 2 – Irrigation and Nitrogen Management Plan**

<b>INMP Tier</b>	<b>Option 2A New Structure</b>	<b>Option 2B Current Tier Structure</b>
<b>A</b>	\$24.25 per acre 0-300 acres plus \$12.13 per acre over 300 acres	Current tiered fee structure plus 2.1%
<b>B</b>	\$19.50 per acre 0-300 acres plus \$9.75 per acre over 300 acres	Current tiered fee structure less 17.9%

**Option 2 Definitions:**

**A** – Discharger or group of dischargers that are required to develop an Irrigation and Nitrogen Management Plan (INMP), per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group.

**B** - Discharger or group of dischargers that are determined by the Regional Water Board or the Executive Officer to not be required to develop an INMP (per the precedential requirements of Order WQO 2018-0002, In the Matter of Review of Waste Discharge Requirements General Order No. R5-2012-0116 for Growers Within the Eastern San Joaquin River Watershed that are Members of the Third-Party Group).

**Option 3 – Agricultural Activities**

<b>Agricultural Activity Tier</b>	<b>Option 3A New Structure</b>	<b>Option 3B Current Tier Structure</b>
<b>A</b>	\$24.25 per acre 0-300 acres plus \$12.13 per acre over 300 acres	Current tiered fee structure plus 2.1%
<b>B</b>	\$19.50 per acre 0-300 acres plus \$9.75 per acre over 300 acres	Current tiered fee structure less 17.9%

**Option 3 Definitions:**

**A** – All agricultural activities except those identified in Agricultural Activity Tier B.

**B** - Discharger or group of dischargers whose agricultural activities are managed wetlands, irrigated pastures, or those belonging to the California Rice Commission 3<sup>rd</sup> party group.

**Option 4 – Per Acre Fee (Current Structure)**