

# Water Quality Fees Stakeholder Meeting

Thursday, August 5, 2021 at 9:00 – 11:00 am

Webcast and Zoom Meeting Only

***NO PHYSICAL MEETING LOCATION***



Live Webcast [Here](#)

Fee Branch [Email](#)

## **AGENDA**

1. Welcome and Introductions
2. Waste Discharge Permit Fund (WDPF) Budget Cost Drivers (Attachment 1)
  - a. [FY 2021-22 Budget Change Proposal - Industrial Stormwater Discharge Compliance](#)
  - b. [FY 2021-22 Budget Change Proposal - Federally Designated National Pollutant Discharge Elimination System-Commercial Industrial and Institutional Stormwater Permitting Program](#)
3. Program Budget Detail (Attachment 2)
4. Summary of Proposed Fee Changes by Program (Attachment 3)
5. Division of Water Quality – Cost of Compliance
6. Open Discussion
7. Next Steps
  - a. September 21 – Board Meeting

**State Water Resources Control Board  
WDPF Budget Cost Drivers (\$000)**

<b>Waste Discharge Permit Fund (0179)</b>	<b>FY 2020-21 Fee Setting Budget</b>	<b>FY 2021-22 Enacted Budget</b>	<b>Net Difference</b>	<b>Percent Change</b>
Budget Allocation	\$165,807	\$182,216	\$16,409	9.9%

<b>FY 2021-22 Budget Cost Drivers</b>	<b>Increase Amount</b>	<b>Percent Change</b>
State Operations	(\$201)	-0.1%
Removal of Furlough Salary Savings	\$7,405	4.5%
Pay Letter – Salary	\$4,480	2.7%
FY 21-22 FL Stormwater Community, Industrial and Institutional	\$606	0.4%
FY 21-22 BCP Industrial Stormwater Discharge Compliance	\$951	0.6%
FY 19-20 BCP Wildfire Mitigation (SB901)	(\$248)	-0.1%
Pro Rata	\$3,416	2.1%
<b>Totals</b>	<b>\$16,409</b>	<b>9.9%</b>

<b>Program</b>	<b>FY 2020-21 (prior year) Deferral</b>
WDR	2.9%
Land Disposal	-
WQC (401 Cert)	5.6%
Storm Water	3.0%
NPDES	3.8%
CAF	2.2%
Ag Lands (ILRP)	3.4%
Average	3.2%

**WDPF Program Budget Detail (\$000)  
FY 2021-22**

A	B	C	D	E (B+C+D)	F	G (E-F)	H (F+G)	I	J	K
WDPF Program	FY 20-21 Fee Budget <sup>1</sup>	BCP Changes	Staff Cost & Program Adjustments <sup>2</sup>	FY 21-22 Allocation Budget <sup>1</sup>	FY 21-22 Revenue Forecast	Adjusted Revenue Increase / (Decrease) <sup>3</sup>	FY 21-22 Adjusted Total Revenue <sup>4</sup>	Average Program Percent Change <sup>5</sup>	FY 22-23 (BY+1)	FY 23-24 (BY+2)
WDR	\$37,170	\$0	\$4,556	\$41,727	\$35,736	\$5,991	\$41,727	16.8%	4.0%	4.0%
Land Disposal	\$13,237	\$0	\$1,641	\$14,878	\$14,254	\$624	\$14,878	4.4%	4.0%	4.0%
WQC (401 Cert)	\$15,335	\$0	\$1,465	\$16,800	\$14,363	\$2,437	\$16,800	17.0%	4.0%	4.0%
Storm Water	\$33,473	\$1,557	\$5,252	\$40,282	\$34,117	\$6,165	\$40,282	18.1%	4.0%	4.0%
NPDES	\$36,025	\$0	\$4,408	\$40,433	\$36,147	\$4,286	\$40,433	11.9%	4.0%	4.0%
CAF	\$5,686	\$0	\$704	\$6,389	\$5,537	\$853	\$6,389	15.4%	4.0%	4.0%
Ag Lands (ILRP)	\$8,193	\$0	\$1,055	\$9,248	\$8,003	\$1,245	\$9,248	15.6%	4.0%	4.0%
<b>SUBTOTAL:</b>	\$149,118	\$1,557	\$19,082	\$169,757	\$148,156	\$21,601	\$169,757	-	-	-
Cannabis	\$16,689	\$0	(\$12,014)	\$4,675	\$4,675	\$0	\$4,675	0%		
<b>TOTAL:</b>	<b>\$165,807</b>	<b>\$1,557</b>	<b>\$7,068</b>	<b>\$174,432</b>	<b>\$152,831</b>	<b>\$21,601</b>	<b>\$174,432</b>	-	-	-

<sup>1</sup> Includes redirected expenditures for foundational programs like Basin Planning, TMDL, monitoring and enforcement.

<sup>2</sup> Includes reallocation for employee compensation, retirement, health care costs and pro rata.

<sup>3</sup> Recommended adjustments to revenue levels while maintaining a prudent reserve.

<sup>4</sup> Recommended revenue level adjustments.

<sup>5</sup> Net revenue levels after recommended adjustments.

<u>BCP Changes</u>	<u>Amount</u>	<u>Description</u>
Stormwater	\$951	21-22 BCP Industrial Stormwater Discharge Compliance
Stormwater	\$606	21-22 FL Stormwater Community, Industrial and Institutional
	\$1,557	

## FY 2021-22 Waste Discharge Permit Fund Summary of Proposed Fee Changes by Program

**NOTE:** The proposed changes described below are only concepts at this time and are based on the data currently available. With the exception of the Winery General Order fees, which were adopted on July 6, 2021, all final changes will be included in the agenda item for the September 21, 2021 board meeting at which staff will propose the FY 2021-22 fee schedule for the Board's consideration. To be notified when the final agenda item is released and of regular stakeholder information, please be sure you are signed up for the "Fee Regulations – Water Quality" email list at: [https://www.waterboards.ca.gov/resources/email\\_subscriptions/swrcb\\_subscribe.html](https://www.waterboards.ca.gov/resources/email_subscriptions/swrcb_subscribe.html).

### **Storm Water**

- **Construction** – In an effort to spread the fees more equitably among dischargers, staff is proposing to increase the total number of disturbed acres upon which the maximum fee is based from 150 acres to 200 acres.
- **Notice of Non-Applicability (NONA) – No Discharge** – Staff is proposing a one-time application fee of \$200 for entities submitting a NONA and claiming the "No Discharge" option. The application fee is to cover staff time associated with reviewing the NONA and the required No Discharge Technical Report.
- **No Exposure Certification (NEC)** – Staff is proposing to increase the application fee for NEC dischargers from \$150 to \$200 and reduce the annual fee from \$150 to \$75 to reflect the difference in staff workload associated with reviewing applications and ongoing annual workload.
- **Commercial Industrial and Institutional (CII)** - Staff is proposing to incorporate the CII permit into the existing Industrial fee category as the discharge is classified as industrial and the staff workload is similar to that of the Industrial General Permit.

### **NPDES General Permits – Category 4**

- Staff is proposing to add a new fee of \$250 for discharges that require minimal or no treatment systems to meet limits and are authorized by the Regional Water Board to augment ambient streamflow conditions to support aquatic organisms during times of low streamflow where conditions threaten survival of aquatic organisms.

### **Water Quality Certification (WQC)**

- **(H) Wildfire Mitigation** – Staff is proposing to reduce the per mile fee from \$43.00 to \$40.00 for overhead electrical lines, identified as high risk or high threat in the wildfire mitigation plan (in compliance with SB901) to reflect updated mileage data.

### **Cannabis Cultivation**

- **Tier 1 and Tier 2 Fee Increases** - Staff is proposing to increase fees for all Tier 1 and Tier 2 risk designations by \$90.
- **Tier 2 Per Acre Surcharge** – Staff is proposing to assess a surcharge to all Tier 2 dischargers for each acre two or more to reflect the associated staff workload. Staff is also proposing a maximum surcharge cap of \$20,565 or 230 acres.

Acres	Per Acre Surcharge
2 to 50	\$185
51 to 100	\$100
101+	\$50

- **Conditionally Exempt Indoor Cultivation Sites** – Staff is proposing to split the current singular category into two fee categories based on discharge type to reflect the difference in associated staff workload and implement an annual fee to reflect the associated ongoing staff workload.

Discharge Type	Application Fee	Annual Fee
Waste Hauler	\$690	\$690
Municipal Sewer	\$690	\$185

- **Conditionally Exempt Outdoor Cultivation Sites** – Staff is proposing a new annual fee of \$185 for dischargers with conditionally exempt outdoor cultivation sites. The annual fee is to cover associated ongoing staff workload.