

Drinking Water & ELAP Fees Stakeholder Meeting

Friday, August 6, 2021 at 9:00 – 11:00 am

Webcast and Zoom Meeting Only

NO PHYSICAL MEETING LOCATION

Live Webcast [Here](#)

Drinking Water Fees [Email](#)



AGENDA

1. Welcome and Introductions
2. Drinking Water Budget Cost Drivers (Attachment 1)
 - a. [FY 2021-22 Budget Change Proposal – Amador County Local Primacy Return](#)
 - b. [FY 2021-22 Budget Change Proposal -- Water Resilience and Drought Package](#)
3. Drinking Water-Impact of Proposed Fees (Attachment 2)
4. ELAP Budget Cost Drivers (Attachment 3)
5. ELAP-Impact of Proposed Fees (Attachment 4)
6. Open Discussion
7. Next Steps
 - a. September 21 – Board Meeting

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

Safe Drinking Water Account (0306)	FY 2020-21 Fee Budget	FY 2021-22 Enacted Budget	Net Difference	Percent Change
Budget Allocation	\$28,479	\$34,617	\$6,138	21.6%

FY 2021-22 Budget Cost Drivers	Increase Amount	Percent Change
State Operations	(\$53)	-0.2%
Removal of Furlough Salary Savings	\$1,425	5.0%
Pay Letter-- Salary	\$1,076	3.8%
FY 21-22 BCP - Local Primacy Return	\$206	0.7%
FY 21-22 BCP - Water Resilience and Drought Package	\$1,960	6.9%
Pro Rata	\$1,524	5.4%
Totals	\$6,138	21.6%

Projected Fee Increases	FY 2021-22	FY 2022-23	FY 2023-24
Fee Increase	26.6%	9.5%	3.9%
Fund Reserve	5.0%	7.5%	10.0%

**State Water Resources Control Board
Drinking Water
Impact of Proposed Fees**

Community Water System Fees

Size	Water System	Service Connections	Current Fees	With Increase	Net Increase
Minimum	Disadvantaged Community Water System	Less than or equal to 100	\$110	\$250	\$140
Minimum	Community Water System	Less than or equal to 41/59*	\$275	\$500	\$225
Average	Community Water System	5,030	\$22,066	\$27,903	\$5,837
Largest 5 Average	Community Water System	354,473	\$549,815	\$693,829	\$144,014

*Minimum fee charged to Community Water Systems with up to 41 service connections under the current fee schedule and up to 59 service connections under the proposed fee schedule.

Other Water System Fees

Water System Type	Current Fee	With Increase
Non-transient Noncommunity Water System	\$2.20 per person served, but not less than \$502	\$2.78 per person served, but not less than \$635
Transient Noncommunity Water System	\$880	\$1,112
Wholesaler	\$6,600 plus \$1.50 per each MG	\$8,342 plus \$1.90 per each MG

**State Water Resources Control Board
Environmental Laboratory Improvement Fund Budget Cost Drivers (\$000)**

Environmental Laboratory Improvement Fund (0179)	FY 2020-21 Fee Budget	FY 2021-22 Enacted Budget	Net Difference	Percent Change
Budget Allocation	\$3,847	\$4,348	\$501	13.0%

FY 2021-22 Budget Cost Drivers	Increase Amount	Percentage Change
State Operations	(\$210)	-5.5%
Removal of Furlough Salary Savings	\$202	5.3%
Pay Letter	\$201	5.3%
Pro Rata	\$308	8.0%
Totals	\$501	13.0%

Projected Fee Increases	FY 2021-22	FY 2022-23	FY 2023-24
Fee Increase	15.9%	4.7%	4.1%
Fund Reserve	0.0%	5.0%	10.0%

**State Water Resources Control Board
Environmental Laboratory Improvement Fund
Impact of Proposed Fees**

	Fee Type	Current Fee	Proposed Fee	Percent Increase
Accreditation Fee (Annual)	Base Fee	\$2,500	\$3,100	24%
	FOA Fee			
	1-10	\$300	\$500	67%
	11-49	\$1,000	\$1,150	15%
	50-99	\$3,000	\$3,450	15%
	100-149	\$5,000	\$5,750	15%
	150-249	\$7,000	\$8,050	15%
	250-349	\$9,000	\$10,350	15%
	350+	\$11,000	\$12,650	15%
Out-of-State Labs Only	Reciprocity Fee	\$5,000	\$5,000	0%
Assessment Fee (Once Every 2 Years)	Main Lab Fee	\$5,000	\$5,000	0%
	Satellite Lab Fee	\$2,500	\$2,500	0%

Example of 2-Year Average Fee Impact

Small Lab with 1-10 FOAs using ELAP for Assessment: 15.1%

Large Lab with 350+ FOAs not using ELAP for Assessment: 16.67%

Amendment Application Fee

Currently, a laboratory applying for amendment accreditation pays a non-refundable Administrative Fee of \$200. Staff proposes removing the Administrative Fee and instead charging a non-refundable Amendment Application Fee with a fee of \$1,500 for amendment applications with 49 or fewer FOAs, and \$2,500 for 50 or greater FOAs.

Amendment Assessment Fee

Labs using ELAP for assessing amendment additions of FOAs to their accreditation currently are charged \$1,000 regardless of when during a lab's accreditation cycle an amendment is applied for. Staff proposes tiered Amendment Assessment Fees: 1) A standalone amendment assessment fee of \$5,000 when amendments are made outside of the renewal application, or 2) when an amendment is added on to a renewal assessment \$1,000 (plus the standard renewal \$5,000 assessment fee for a total of \$6,000).