

Water Quality Fees Stakeholder Meeting

Thursday, June 10, 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](#)
3. WDPF Non-Cannabis Program Expenditures (Attachment 2)
4. WDPF Program Budget Detail (Attachment 3)
5. Summary of Potential Fee Changes (Attachment 4)
6. Fees in Development
 - a. Storm Water Industrial
7. Next Steps
 - a. August 5 – Final Stakeholder Meeting
 - b. September 21 – Board Meeting

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

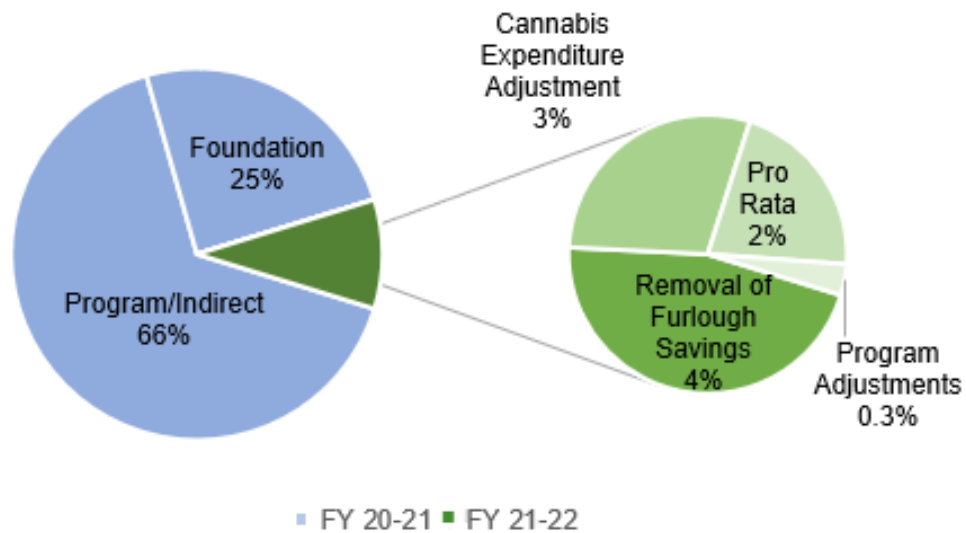
Waste Discharge Permit Fund (0179)	FY 2020-21 Fee Setting Budget	FY 2021-22 May Revise Budget	Net Difference	Percent Change
Budget Allocation	\$165,807	\$177,130	\$11,323	6.8%

FY 2021-22 Budget Cost Drivers	Increase Amount	Percent Change
State Operations	(\$201)	-0.1%
Removal of Furlough Salary Savings	\$7,405	4.5%
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%
Totals	\$11,323	6.8%

Program	FY 2020-21 (prior year) Deferral
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 Non-Cannabis Program Expenditures

Description	Amount	Percentage
FY 20-21 Continuation: Program/Indirect	\$108,515	65.9%
FY 20-21 Continuation: Foundation	\$40,603	24.6%
FY 21-22 New: Removal of Furlough Savings	\$7,195	4.5%
FY 21-22 New: Cannabis Expenditure Adjustment	\$4,552	2.8%
FY 21-22 New: Pro Rata	\$3,319	2.1%
FY 21-22 New: Program Adjustments	\$561	0.3%
Totals:	\$164,745	100%



**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 ¹	BCP Changes	Staff Cost & Program Adjustments ²	FY 21-22 Allocation Budget ¹	FY 21-22 Revenue Forecast	Adjusted Revenue Increase / (Decrease) ³	FY 21-22 Adjusted Total Revenue ⁴	Average Program Percent Change ⁵	FY 22-23 (BY+1)	FY 23-24 (BY+2)
WDR	\$37,170	\$0	\$3,582	\$40,752	\$36,057	\$4,695	\$40,752	13.0%	4.0%	4.0%
Land Disposal	\$13,237	\$0	\$1,294	\$14,530	\$14,196	\$334	\$14,530	2.4%	4.0%	4.0%
WQC (401 Cert)	\$15,335	\$0	\$1,073	\$16,407	\$14,285	\$2,122	\$16,407	14.9%	4.0%	4.0%
Storm Water	\$33,473	\$951	\$3,897	\$38,321	\$33,823	\$4,499	\$38,321	13.3%	4.0%	4.0%
NPDES	\$36,025	\$0	\$3,464	\$39,489	\$36,172	\$3,317	\$39,489	9.2%	4.0%	4.0%
CAF	\$5,686	\$0	\$555	\$6,240	\$5,555	\$686	\$6,240	12.3%	4.0%	4.0%
Ag Lands (ILRP)	\$8,193	\$0	\$812	\$9,005	\$8,200	\$805	\$9,005	9.8%	4.0%	4.0%
SUBTOTAL:	\$149,118	\$951	\$14,676	\$164,745	\$148,288	\$16,457	\$164,745	-	-	-
Cannabis	\$16,689	\$0	(\$12,044)	\$4,644	\$4,644	\$0	\$4,644	0%		
TOTAL:	\$165,807	\$951	\$2,631	\$169,390	\$152,932	\$16,457	\$169,390	-	-	-

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

² Includes reallocation for employee compensation, retirement, health care costs and pro rata.

³ Recommended revenue level adjustments.

⁴ Net revenue levels after recommended adjustments.

⁵ Net percentage change impact after recommended adjustments.

<u>BCP Changes</u>	<u>Amount</u>	<u>Description</u>
Stormwater	\$951	21-22 BCP Industrial Stormwater Discharge Compliance
	\$951	

FY 2021-22 Waste Discharge Permit Fund Potential Fee Changes

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, 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).

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.

Cannabis Cultivation

- **Per Acre Surcharge** – Staff is proposing to assess a surcharge to Tier 2 enrollees of \$100 per disturbed acre greater than one acre to reflect the corresponding increased workload.
- **Indoor Cultivation Sites** – Staff is proposing to split the current singular category into two fee categories to reflect the difference in workload associated with the various types of indoor cultivation sites.

Discharge Type	Application Fee	Annual Fee
Waste Hauler	\$654	\$654
Municipal Sewer	\$654	\$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 staff workload.

General Waste Discharge Requirements for Winery Process Water (Winery General Order)

At the July 6, 2021 board meeting, Fee Unit staff will be proposing a new fee schedule for dischargers enrolled in the Winery General Order that was adopted on January 20, 2021. The proposed fee schedule is based on the enrollment tiers specified in the Winery General Order and volume of process water discharged by the facility.

Facility Process Water Flow (gal/yr)	Enrollment Tier	Fee Amount
>10,000 to 30,000	Tier 1	\$750
>30,000 to 100,000	Tier 2	\$1,000
>100,000 to 300,000	Tier 2	\$1,200
>300,000 to 600,000	Tier 3	\$2,000
>600,000 to 1 million	Tier 3	\$3,000
>1 million to 3 million	Tier 4	\$7,000
>3 million to 7 million	Tier 4	\$13,000
>7 million to 15 million	Tier 4	\$19,000

Staff is also proposing fee reductions for dischargers enrolled in the following programs:

- Local Agency Oversight – 50 percent fee reduction
- Approved Sustainability Program – 10 percent fee reduction