



# Water Quality Fees Stakeholder Meeting

Wednesday, June 11, 2025 at 9:00 – 11:00 am

Webcast and Zoom Meeting Only

***NO PHYSICAL MEETING LOCATION***

Live Webcast: <https://video.calepa.ca.gov>

Fee Branch Email: [FeeBranch@waterboards.ca.gov](mailto:FeeBranch@waterboards.ca.gov)

## **DIVISION OF ADMINISTRATIVE SERVICES – FEES AGENDA**

1. Welcome and Introductions
2. Waste Discharge Permit Fund (WDPF) Budget Cost Drivers (Attachment 1)
  - a. [FY 25-26 Budget Proposal for Legal Resources to Respond to Federal Actions](#)
3. WDPF Program Budget Detail (Attachment 2)
4. WDPF Fund Condition (Attachment 3)
5. Potential Fee Structure Changes
  - a. Water Quality Certification
6. Open Discussion
7. Next Steps
  - a. July 31 Stakeholder Meeting

**WDPF Budget Cost Drivers**  
**FY 2025-26**  
**(\$000)**

	<b>FY 2024-25 Fee Setting Budget</b>	<b>FY 2025-26 Governor's May Revise Fee Setting Budget</b>	<b>Net Difference</b>	<b>Percent Change</b>
<b>Waste Discharge Permit Fund</b>				
Budget Allocation	\$201,873	\$187,343	(\$14,530)	-7.2%

<b>FY 2025-26 Budget Cost Drivers</b>	<b>Amount</b>	<b>Percent Change</b>
State Operations <sup>1</sup>	(\$3,874)	-1.9%
25-26 Legal Resources to Respond to Federal Actions	\$200	0.1%
Pro Rata	(\$1,476)	-0.7%
Section 4.05 Government Efficiencies Reductions	(\$4,274)	-2.1%
Section 4.12 Vacancy Savings and Position Elimination Adjustment	(\$5,106)	-2.5%
<b>Totals</b>	<b>(\$14,530)</b>	<b>-7.2%</b>

<sup>1</sup> Control Section Item 9800 Employee Compensation, 3.60 Retirement and Healthcare Cost.

**WDPF Program Budget Detail**  
**FY 2025-26**  
**(\$000)**

A	B	C	D (B-C)	E
WDPF Program	FY 25-26 Projected Fee Setting Budget <sup>1</sup>	FY 25-26 Revenue Forecast	Forecasted Revenue Increase / (Decrease)	Proposed Percent Fee Change
WDR	\$45,885	\$46,980	(\$1,095)	-2.3%
Land Disposal	\$14,706	\$15,079	(\$373)	-2.5%
WQC (401 Cert)	\$22,454	\$22,454	\$0	0.0%
NPDES Stormwater	\$41,282	\$42,117	(\$836)	-2.0%
NPDES Wastewater	\$43,674	\$44,413	(\$739)	-1.7%
CAF	\$6,392	\$6,789	(\$396)	-5.8%
Ag Lands (ILRP)	\$9,344	\$9,926	(\$581)	-5.9%
Cannabis	\$3,605	\$3,605	\$0	0.0%
<b>TOTAL:</b>	<b>\$187,343</b>	<b>\$191,363</b>	<b>(\$4,020)</b>	

<sup>1</sup> Includes redirected expenditures for foundational programs like Basin Planning, TMDL, monitoring, enforcement, employee compensation, retirement, healthcare costs and pro rata.

**WDPF Fund Condition  
(\$000)**

	<b>Actual FY 23-24</b>	<b>FY 24-25 (Forecast)</b>	<b>FY 25-26 No Fee Changes (Forecast)</b>	<b>FY 25-26 With Fee Changes (Forecast)</b>
<b>FEE PROGRAM</b>				
<b>Beginning Balance</b>	\$11,545	\$22,433	\$22,973	\$22,973
Prior Year Adjustments <sup>1</sup>	(\$3,531)	\$0	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$8,014</b>	<b>\$22,433</b>	<b>\$22,973</b>	<b>\$22,973</b>
<b>Revenue</b>				
Regulatory Fees	\$188,049	\$190,000	\$191,363	\$187,536
Other <sup>2</sup>	\$3,216	\$3,884	\$1,000	\$1,000
<b>Total Fee Program Revenue</b>	<b>\$191,265</b>	<b>\$193,884</b>	<b>\$192,363</b>	<b>\$188,536</b>
<b>Expenditures</b>				
Water Board State Operations	\$160,601	\$177,638	\$173,101	\$173,101
Local Assistance <sup>3</sup>	\$1,800	\$1,800	\$1,800	\$1,800
Other State Operations <sup>4</sup>	\$14,445	\$13,906	\$12,442	\$12,442
<b>Total Fee Program Expenditures</b>	<b>\$176,846</b>	<b>\$193,344</b>	<b>\$187,343</b>	<b>\$187,343</b>
GAIN/ (LOSS)	\$14,419	\$540	\$5,020	\$1,193
<b>Fee Program Ending Balance</b>	<b>\$22,433</b>	<b>\$22,973</b>	<b>\$27,993</b>	<b>\$24,166</b>
<b>FUND RESERVE</b>	<b>12.7%</b>	<b>11.9%</b>	<b>14.9%</b>	<b>12.9%</b>
<b>Fines &amp; Penalties<sup>5</sup></b>				
Fines & Penalties Revenue	\$3,979	\$4,736	\$4,657	\$4,657
Fines & Penalties Expenditures	\$143	\$979	\$979	\$979
<b>Fines &amp; Penalties Ending Balance</b>	<b>\$3,836</b>	<b>\$3,757</b>	<b>\$3,678</b>	<b>\$3,678</b>
<b>WDPF FUND BALANCE</b>	<b>\$26,269</b>	<b>\$26,730</b>	<b>\$31,671</b>	<b>\$27,844</b>

<sup>1</sup> Most adjustments represent unspent contract dollars that revert to the fund and/or prior year encumbrance adjustments.

<sup>2</sup> Other revenue includes interest from the state's pooled money investment fund and escheat from unclaimed checks.

<sup>3</sup> Local Assistance for Beach Monitoring

<sup>4</sup> Other state operations includes appropriations for Cal/EPA, FI\$CAL, Pro Rata, and Supplemental Pension Payments.

<sup>5</sup> Fines and penalties revenue and expenditures cannot be accessed by the fee programs and therefore are not included in the fee balances. The revenue balance is included in the WDPF fund balance for accounting purposes only.