



# Water Quality Fees Stakeholder Meeting

Thursday, March 7, 2024 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)

## **AGENDA**

1. Welcome and Introductions
2. FY 2022-23 Waste Discharge Permit Fund (WDPF) Review
  - a. Expenditures and Revenue by Program (Attachment 1)
  - b. Program Position Data (Attachment 2)
3. WDPF Fund Condition Statement (Attachment 3)
4. WDPF Budget Cost Drivers (Attachment 4)
  - a. Budget Change Proposals:
    - i. [Gualala River TMDL Stipulated Settlement Agreement](#)
    - ii. [Information Security and Privacy Office Staffing](#)
    - iii. [Resource Needs to Address Impacts on Project Permitting Resulting from Recent Supreme Court Decisions](#)
5. WDPF Program Budget Detail (Attachment 5)
6. Potential Fee Changes
  - a. Confined Animal Facilities
  - b. Water Reclamation Requirements
7. Open Discussion
8. Next Steps
  - a. June 13 Stakeholder Meeting

**WDPF Expenditures and Revenue by Program**  
**FY 2022-23**  
**(\$000)**

Program	Expenditures				Revenue	
	State Operations	Foundational	Pro Rata	Total	Revenue	Revenue Percentage by Program
NPDES	\$27,740	\$11,237	\$2,274	\$41,252	\$41,122	23%
Stormwater	\$28,006	\$12,160	\$2,432	\$42,071	\$42,698	24%
WQC	\$12,000	\$4,697	\$949	\$17,646	\$14,829	8%
WDR	\$26,148	\$11,123	\$2,243	\$39,515	\$42,824	24%
Land Disposal	\$9,094	\$4,001	\$778	\$13,873	\$15,362	9%
CAF	\$4,400	\$1,200	\$350	\$5,950	\$6,157	3%
Ag Waivers	\$6,950	\$1,601	\$573	\$9,125	\$8,885	5%
Cannabis	\$4,700	\$1,300	\$367	\$6,367	\$5,572	3%
<b>TOTAL</b>	<b>\$119,038</b>	<b>\$47,319</b>	<b>\$9,966</b>	<b>\$175,799</b>	<b>\$177,449</b>	<b>100%</b>

**Waste Discharge Permit Fund (WDPF)  
Total Positions by Program and Classification  
FY 2022-23**

<b>NPDES Wastewater</b>	
<b>Classification</b>	<b># of PYs</b>
Assistant Chief Counsel	0.2
Associate Governmental Program Analyst	0.2
Attorney	0.1
Attorney III	1.2
Attorney IV	1.7
Engineering Geologist	2.5
Environmental Scientist	5.0
Information Technology Associate	1.0
Information Technology Manager I	1.0
Information Technology Specialist I	2.0
Information Technology Specialist III	1.0
Sanitary Engineering Associate	1.2
Senior Engineer	0.7
Senior Environmental Scientist (Spec)	0.4
Senior Environmental Scientist (Sup)	1.0
Senior Water Resources Control Engineer	14.0
Supervising Engineering Geologist	0.2
Supervising Water Resources Control Engineer	0.7
Water Resources Control Engineer	62.7
<b>Total PYs</b>	<b>96.8</b>

<b>Ag Lands</b>	
<b>Classification</b>	<b># of PYs</b>
Associate Governmental Program Analyst	1.8
Engineering Geologist	7.1
Environmental Scientist	12.6
Senior Engineer	0.5
Senior Environmental Scientist (Spec)	0.8
Senior Environmental Scientist (Sup)	2.5
Senior Water Resources Control Engineer	1.0
Water Resources Control Engineer	5.6
<b>Total PYs</b>	<b>31.9</b>

<b>Land Disposal</b>	
<b>Classification</b>	<b># of PYs</b>
Associate Governmental Program Analyst	0.7
Attorney IV	0.3
Engineering Geologist	10.5
Environmental Scientist	1.0
Sanitary Engineering Associate	0.6
Senior Engineer	4.9
Senior Environmental Scientist (Sup)	0.2
Senior Water Resources Control Engineer	0.8
Supervising Engineering Geologist	0.9
Supervising Water Resources Control Engineer	0.5
Water Resources Control Engineer	8.8
<b>Total PYs</b>	<b>29.2</b>

**Waste Discharge Permit Fund (WDPF)  
Total Positions by Program and Classification  
FY 2022-23**

<b>Stormwater</b>	
<b>Classification</b>	<b># of PYs</b>
Assistant Chief Counsel	0.5
Attorney III	0.6
Attorney IV	0.9
C.E.A.	0.3
Engineering Geologist	8.8
Environmental Scientist	24.1
Environmental Program Manager I (Sup)	0.4
Research Data Specialist II	1.0
Sanitary Engineering Associate	2.2
Senior Engineer	1.5
Senior Environmental Scientist (Spec)	2.0
Senior Environmental Scientist (Sup)	7.0
Senior Water Resources Control Engineer	9.2
Staff Services Analyst	1.0
Supervising Engineering Geologist	0.5
Supervising Water Resources Control Engineer	1.8
Water Resources Control Engineer	40.3
<b>Total PYs</b>	<b>102.1</b>

<b>Cannabis</b>	
<b>Classification</b>	<b># of PYs</b>
Associate Governmental Program Analyst	5.0
Engineering Geologist	4.8
Environmental Scientist	7.0
Personnel Specialist	1.0
Senior Engineer	1.0
Senior Environmental Scientist (Sup)	0.9
Senior Legal Analyst	1.0
Senior Water Resources Control Engineer	2.0
Staff Services Analyst	1.0
Water Resources Control Engineer	3.0
<b>Total PYs</b>	<b>26.7</b>

<b>Confined Animal Facilities</b>	
<b>Classification</b>	<b># of PYs</b>
Engineering Geologist	5.9
Environmental Scientist	1.2
Senior Engineer	1.0
Senior Water Resources Control Engineer	1.1
Supervising Engineering Geologist	0.3
Supervising Water Resources Control Engineer	0.6
Water Resources Control Engineer	5.3
<b>Total PYs</b>	<b>15.4</b>

**Waste Discharge Permit Fund (WDPF)  
Total Positions by Program and Classification  
FY 2022-23**

<b>WDR</b>	
<b>Classification</b>	<b># of PYs</b>
Assistant Chief Counsel	0.4
Associate Governmental Program Analyst	1.3
Attorney	0.6
Attorney III	0.5
Attorney IV	3.8
Engineering Geologist	22.4
Environmental Program Manager I (Sup)	0.3
Environmental Scientist	7.5
Information Technology Specialist I	1.0
Principal Water Resources Control Engineer	0.5
Sanitary Engineering Associate	1.5
Senior Engineer	4.7
Senior Environmental Scientist (Spec)	0.2
Senior Environmental Scientist (Sup)	2.9
Senior Water Resources Control Engineer	8.0
Supervising Engineering Geologist	1.9
Supervising Water Resources Control Engineer	1.2
Water Resources Control Engineer	40.6
<b>Total PYs</b>	<b>99.3</b>

<b>Water Quality Certification</b>	
<b>Classification</b>	<b># of PYs</b>
Associate Governmental Program Analyst	0.5
Attorney	1.0
Engineering Geologist	6.2
Environmental Program Manager I (Sup)	1.5
Environmental Scientist	31.5
Senior Engineer	1.0
Senior Environmental Scientist (Spec)	0.8
Senior Environmental Scientist (Sup)	6.4
Senior Water Resources Control Engineer	1.5
Water Resources Control Engineer	7.7
<b>Total PYs</b>	<b>58.1</b>

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

	FY 22-23	FY 23-24 (Forecast)	FY 24-25 No Fee Changes (Forecast)	FY 24-25 With Fee Changes (Forecast)
<b>FEE PROGRAM</b>				
<b>Beginning Balance</b>	\$9,477	\$10,675	\$7,289	\$7,289
Prior Year Adjustments <sup>1</sup>	(\$1,539)	\$0	\$0	\$0
<b>Adjusted Beginning Balance</b>	<b>\$7,938</b>	<b>\$10,675</b>	<b>\$7,289</b>	<b>\$7,289</b>
<b>Revenue</b>				
Regulatory Fees	\$177,454	\$187,944	\$187,944	\$200,354
Other <sup>2</sup>	\$931	\$689	\$689	\$689
Operating Transfers from Coronavirus Relief Fund	\$0	\$0	\$0	\$0
Revenue Transfer from WDPF to General Fund AB 84 per GC Section 20825.1 (c).	\$155	\$0	\$0	\$0
<b>Total Fee Program Revenue</b>	<b>\$178,540</b>	<b>\$188,633</b>	<b>\$188,633</b>	<b>\$201,043</b>
<b>Expenditures</b>				
Water Board State Operations	\$160,986	\$175,741	\$184,473	\$184,473
Local Assistance <sup>3</sup>	\$1,800	\$1,800	\$1,800	\$1,800
Other State Operations <sup>4</sup>	\$13,017	\$14,478	\$14,081	\$14,081
<b>Total Fee Program Expenditures</b>	<b>\$175,803</b>	<b>\$192,019</b>	<b>\$200,354</b>	<b>\$200,354</b>
GAIN/ (LOSS)	\$2,737	(\$3,386)	(\$11,721)	\$689
<b>Fee Program Ending Balance</b>	<b>\$10,675</b>	<b>\$7,289</b>	<b>(\$4,432)</b>	<b>\$7,978</b>
<b>FUND RESERVE</b>	6.1%	3.8%	-2.2%	4.0%

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

		<b>FY 22-23 (Forecast)</b>	<b>FY 23-24 No Fee Changes (Forecast)</b>	<b>FY 23-24 With Fee Changes (Forecast)</b>
<b>FINES &amp; PENALTIES</b>				
<b>Beginning Balance</b>	\$3,458	\$4,327	\$4,215	\$4,215
<b>Revenue</b>				
Penalty Assessments	\$1,146	\$900	\$900	\$900
<b>Total F&amp;P Revenue</b>	<b>\$1,146</b>	<b>\$900</b>	<b>\$900</b>	<b>\$900</b>
<b>Expenditures</b>				
Water Recycling <sup>5</sup>	\$165	\$472	\$481	\$481
Regional Water Planning <sup>5</sup>	\$112	\$540	\$541	\$541
<b>Total F&amp;P Expenditures</b>	<b>\$277</b>	<b>\$1,012</b>	<b>\$1,022</b>	<b>\$1,022</b>
<b>GAIN/ (LOSS)</b>	\$869	(\$112)	(\$122)	(\$122)
<b>Fines &amp; Penalties Ending Balance</b>	<b>\$4,327</b>	<b>\$4,215</b>	<b>\$4,093</b>	<b>\$4,093</b>
<b>WDPF FUND BALANCE</b>	<b>\$15,002</b>	<b>\$11,504</b>	<b>(\$339)</b>	<b>\$12,071</b>

- <sup>1</sup> Most adjustments represent unspent contract dollars that revert to the Fund.
- <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 the State Controller’s Office.
- <sup>5</sup> Legislative Augmentation. Funded by revenue received from fines and penalties.

**WDPF Budget Cost Drivers  
FY 2024-25  
(\$000)**

<b>Waste Discharge Permit Fund</b>	<b>FY 2023-24 Fee-Setting Budget</b>	<b>FY 2024-25 Governor's January Proposed Fee-Setting Budget</b>	<b>Net Difference</b>	<b>Percent Change</b>
Governor's Proposed Budget	\$187,763	\$200,354	\$12,591	6.7%

<b>FY 2024-25 Budget Cost Drivers</b>	<b>Increase Amount</b>	<b>Percent Change</b>
State Operations <sup>1</sup>	\$5,692	3.0%
Pro Rata	(\$1,140)	-0.6%
24-25 BCP Gualala River TMDL Stipulated Settlement Agreement <sup>2</sup>	\$1,706	0.9%
24-25 BCP Information Security and Privacy Office Staffing <sup>2</sup>	\$215	0.1%
24-25 BCP Resource Needs to Address Impacts on Project Permitting Resulting from Recent Supreme Court Decisions <sup>3</sup>	\$6,118	3.3%
<b>Totals</b>	<b>\$12,591</b>	<b>6.7%</b>

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

<sup>2</sup> Allocated to all WDPF programs.

<sup>3</sup> Allocated to the Water Quality Certification (401) program. For FY 25-26 there will be an allocation to the Stormwater program.



**WDPF Program Budget Detail  
FY 2024-25  
(\$000)**

A	B	C	D (B-C)	E (C+D)	F
WDPF Program	FY 24-25 Fee-Setting Budget <sup>1</sup>	FY 24-25 Revenue Forecast	Forecasted Revenue Increase / (Decrease)	FY 24-25 Total Adjusted Revenue	Average Program Percent Change
WDR	\$48,634	\$46,018	\$2,617	\$48,634	5.7%
Land Disposal	\$15,598	\$15,328	\$270	\$15,598	1.8%
WQC (401 Cert)	\$25,058	\$17,944	\$7,114	\$25,058	39.6%
NPDES Stormwater	\$43,717	\$43,383	\$334	\$43,717	0.8%
NPDES Wastewater	\$46,355	\$45,447	\$908	\$46,355	2.0%
CAF	\$6,780	\$6,411	\$369	\$6,780	5.8%
Ag Lands (ILRP)	\$9,972	\$9,413	\$559	\$9,972	5.9%
Cannabis	\$4,239	\$4,000	\$239	\$4,239	6.0%
<b>TOTAL:</b>	<b>\$200,354</b>	<b>\$187,944</b>	<b>\$12,410</b>	<b>\$200,354</b>	

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