



## California Stormwater Quality Association®

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4/17/12 Bd. Mtg. Item 5  
Resource Alignment  
Deadline: 4/13/12 by 12 noon

April 13, 2012

Mr. Charles Hoppin, Chair  
State Water Resources Control Board



Subject: Staff presentation of a draft report assessing and aligning priorities, resources and performance targets

Dear Mr. Hoppin:

On behalf of the NPDES stormwater permittee members of the California Stormwater Quality Association (CASQA), thank you for the opportunity to comment on staff's draft report assessing and aligning priorities, resources, and performance targets (Resource Alignment Evaluation Report, April 3, 2012) that was noticed and made public on April 10<sup>th</sup>. CASQA is very supportive of the State Water Board developing the assessment and report as such efforts are more than a healthy exercise, they are an investment in the long-term success of the organization.

We believe it is instructive to review the path to the subject report:

On September 19, 2011, when the State Water Board adopted Resolution 2011-0042 containing emergency regulations revising the core regulatory fee schedules for FY 11-12, CASQA testified in strong support of Board member Doduc's recommendation to add a resolve provision to the Resolution directing staff to prepare a plan to generate the subject report.

On October 18, 2011, the work plan proposed by staff in a State Water Board meeting specifically excluded stormwater from Phase I of the work and Phase II was unscheduled. At that meeting, CASQA requested stormwater be included in Phase I and Board Member Doduc moved to adopt the proposed Resolution adopting the work plan but with changes to the work plan to include irrigated runoff and stormwater in Phase 1, and to engage stakeholders early.

As noted in the Executive Summary of the April 3, 2012 draft report:

*"On October 18, 2011 the State Water Resources Control Board (State Water Board) adopted resolution No. 2011-052 approving a work plan to develop a report that assesses and aligns the State Water Board's and Regional Water Quality Control Boards' (Water Boards) priorities and resources with specific performance targets. The goal of the report is to describe the link between the fees collected and expenditures, and to align Water Board resources, priorities, and workload outputs."*

Given the limited time between notification and comment deadline, we have not been able to conduct a comprehensive review of the subject report but we have three general questions we would appreciate clarification on at next Tuesday's State Water Board meeting.

**1. Differences between revenues reported to Water Quality Fee Stakeholder Group and those listed in the subject report** – The Resource Alignment Evaluation Report states "Figure 23 demonstrates that the sources and uses of funding are generally aligned. In other words, the sources of fees and other funds going to each program can largely be attributed to expenditures within those programs."

However, there does seem to be a discrepancy between what this report says about the revenues to the State's stormwater program and what has been reported to the Water Quality Fee Stakeholder Group each year – see attached table. This new report focuses much more on expenditures than revenues, but Appendix A does provide some revenue numbers that we have extracted for the attached table. The numbers in the subject report show stormwater revenues averaging around \$16 million a year over the last few years, while what has been reported to the Water Quality Fee Stakeholder Group each year has been about \$20 million a year.

*Question No. 1: Why is there such a large difference between the two reporting mechanisms?*

**2. Differences between revenues reported in two places in the subject report** – Additionally, within the subject report, except for the FY 11-12 projection, the total annual funding sources figures in Table 19 do not match those same figures for stormwater in Appendix A.

*Question No. 2: Why would those be different, and which figures are correct?*

**3. Expenditures exactly matching revenues** – The subject report states stormwater expenditures have also been in the \$16 million range for the last number of years (top of page 10 – graph and top of page 16 – statement). These expenditure numbers are closer to what has been reported to the Water Quality Fee Stakeholder Group each year than on the revenue side (see attached table). But in the subject report, the expenditures (Table 1) are exactly the same as the funding source revenues (Appendix A) for each year – to the dollar.

*Question No. 3: How is this possible?*

These questions raise concerns that the Resource Evaluation Alignment Report has not met the goal set for it by the State Water Board to “describe the link between the fees collected and expenditures”. As a result, the stormwater permittees stand by their assertion that a ‘credit’ is due to the stormwater program. We continue to stand ready to assist the Board in assessing options to apply this credit against future permit fees. Thank you in advance for asking staff to consider these questions and for providing answers in the April 17 State Water Board meeting.

Please contact Geoff Brosseau, our Executive Director at (650) 365-8620 if you have any questions or would like to discuss our comments further.

Sincerely,



Richard Boon, Chair - California Stormwater Quality Association

cc: Fran Spivy-Weber, Vice-Chair, State Water Board  
Tam Doduc, Member, State Water Board  
Tom Howard, Executive Director, State Water Board  
Caren Trgovcich, Chief Deputy Director, State Water Board  
Darrin Polhemus, Deputy Director, State Water Board  
Miles Burnett, Assistant Deputy Director, State Water Board  
David Ceccarelli, Fee Unit Manager, State Water Board  
Bruce Fujimoto, Stormwater Section Manager, State Water Board  
CASQA Executive Program Committee and CASQA Board of Directors

<b>NPDES Storm Water (\$000)</b>				
	<b>Fee Stakeholder Group reports (each January - February)</b>		<b>Resource Alignment Evaluation Report (April 3, 2012)</b>	
<b>Fiscal Year</b>	<b>Revenue</b>	<b>Expenditures</b>	<b>Revenue</b>	<b>Expenditures</b>
2002-03	\$11,886	\$8,627	\$12,487	
2003-04	\$13,825	\$12,763	\$12,612	
2004-05	\$18,279	\$13,069	\$13,608	
2005-06	\$18,476	\$13,720	\$13,718	
2006-07	\$21,235	\$16,499	\$15,191	
2007-08	\$19,148	\$17,641	\$16,480	\$16,480
2008-09	\$20,565	\$18,250	\$16,717	\$16,717
2009-10	\$20,164	\$16,303	\$15,155	\$15,155
2010-11*	\$20,626	\$18,987	\$14,615	\$14,615
2011-12 **			\$16,050	\$16,050

\* Fee Stakeholder Group figures forecasted

\*\* Resoure Alignment Evaluation Report figures projected