

Revised Projected Costs of Waiver Program to Small, Medium and Large
Farming Operations

Compliance with water quality requirements will add to growers' costs. The waiver program has been structured to keep costs as low as possible by building on existing programs such as University of California Cooperative Extension's Farm Water Quality short courses and the Central Coast Vineyard Team's Positive Point System, by providing an option for group (cooperative) monitoring in lieu of much more costly individual monitoring, by allowing flexibility in choice and timing of management practice implementation, and by developing a streamlined enrollment and reporting process. Costs listed below are estimates based on information obtained from University of California researchers, farm advisors and other technical assistance professionals, local laboratories, NRCS practice cost share lists, and Regional Board CCAMP staff's best professional judgment. Cost estimates do not include replacement time, or administrative, consultant or legal fees.

1. Education Requirement and Costs

Each discharger must complete 15 hours of farm water quality education and develop a farm water quality management plan. Costs of education range from free to between \$45 and \$160 for a farm water quality short course (\$45 if partially supported through grant funding; \$160 if fully supported by participants). Plans can be developed during short courses or by using an on-line templates. The Regional Board has certified six additional classes that provide water quality credit to growers. Most classes have very low or no costs associated with them.

2. Cooperative Monitoring Costs

The cost allocation structure in Table 1 is suggested only; in implementing a cooperative monitoring program, the agricultural industry, in consultation with the Regional Board, will develop a final cost allocation formula. Monitoring costs have been developed by estimating costs for a region-wide network of 50 monitoring sites which are monitored for nutrients and other general parameters 12 times per year, for water toxicity four times per year, and for sediment toxicity and benthic invertebrate assemblages once per year. The monitoring budget includes an additional twenty-five percent to be devoted to follow-up monitoring in problem areas. Cost are distributed among operations using a base fee plus a per acre assessment.

Table 1. Suggested Cost Allocation Structure

Monitoring Registration Annual Dues	Base Amount	Addl Per Acre Amount
Type 1 (high threat)	\$200	\$2.00
Type 2 (medium threat)	\$125	\$1.25
Type 3 (low threat)	\$50	\$0.50

Type 1 High threat to water quality (e.g., tailwater that discharges to surface water, few or no BMPs implemented)

Type 2 Medium threat to water quality (e.g., operations that contain tailwater, but do not have BMPs in place to reduce water and fertilizer use)

Type 3 Low threat to water quality (e.g., completed farm water quality plan, BMPs in place, including irrigation efficiency, nutrient budgeting, erosion control, pesticide management)

3. Management Practice Costs

The cost of management practices is highly variable. Many operations are already implementing a number of beneficial practices, such as row arrangement, field leveling, conversion to drip irrigation and others, for economic or production reasons. Such operations will be given “credit” for what they have already done.

After reviewing cost share guidelines used by the Natural Resources Conservation Service and cost-benefit analyses developed by University of California Cooperative Extension, staff concluded that trying to estimate potential overall costs to small, medium and large operations would not be very meaningful. The relationship between costs and water quality benefit is not clear. Some very beneficial practices may cost little, or even result in cost savings over time, while others represent considerable investment, but may be undertaken for other than water quality reasons. The waiver program is designed to be flexible, so that growers may choose the best combination of practices for their operations in consideration of their financial constraints. The information provided below is for a few representative practices only, and is not intended to be exhaustive.

Table 2. Projected Costs for Waiver Compliance

	Small (10 acres)	Medium (100 acres)	Large (1000 acres)
Education Costs			
Education and Plan Development	\$0- \$160 (one time only)	\$0 - \$160 (one time only)	\$0 - \$160 (one time only)
Fees			
Waiver Fee	None at this time	None at this time	None at this time
*Annual Cooperative Monitoring Costs (suggested only)			
Type 1 (High threat)	\$ 220.00	\$ 400.00	\$2200.00
Type 2 (Medium threat)	\$ 137.50	\$ 250.00	\$1375.00
Type 3 (Low threat)	\$ 55.00	\$ 100.00	\$ 550.00

Management Practice Costs (from NRCS cost share guidelines)			
Irrigation water management (uniform application, scheduling, timing, amount)	\$ 20/ac	\$ 20/ac	\$ 20/ac
Nutrient management (crop N budget, soil tests, timing apps)	\$ 20/ac	\$ 20/ac	\$ 20/ac
Tailwater recovery system	\$25,000	\$25,000 +	\$25,000 +
Vegetated waterway	\$2000/ac	\$2000/ac	\$ 2000/ac
Sediment control basin	\$ 5000	\$ 5000 +	\$ 5000 +
Cover crop	\$ 200/ac	\$ 200/ac	\$ 200/ac
Pest management (considering pest and beneficial populations, timing of apps)	\$ 20/ac	\$ 20/ac	\$20/ac
Underground outlet	\$ 20/LF	\$ 20/LF	\$ 20/LF
Filter strip	\$ 400/ac	\$ 400/ac	\$ 400/ac

- There is a strong likelihood that the first two years of cooperative monitoring may be funded through Agricultural Water Quality Grants Program, which could result in costs much lower than what is in the table.