



Wastewater Permit Fees Stakeholder Advisory Committee

Kickoff Meeting

Friday, July 15th, 2022

Welcome!

Logistics:

- Breaks every hour
- Food lunch and snacks
- Space restrooms and emergency exits





Morning: Context & Purpose

- Group Introductions
- Context: Clean Water Act and Ecology's delegated authority
- Introduce the municipal wastewater discharge permit backlog
- Committee scope authorized by SB 5585
- Deliverables required by SB 5585
- Problem definition: how has the backlog impacted your organization?
- How we work together: review & adopt committee ground rules and decision making

Kickoff Goals

- Context
- Cohesion
- Foundational info
- Prepare for action

Afternoon

Municipal Wastewater Permit Workload and Staffing

- Permits and the backlog
 - What is involved in "permit writing"
 - The current permitting workload & how it has changed
 - Eliminating the backlog without overstaffing
 - Ecology's estimate of staffing needs
 - What other information do you need?

Looking ahead

- Related processes: rulemaking, budget requests
- Broad timeline & next meeting
- Roundtable

Kickoff Goals

- Context
- Cohesion
- Foundational info
- Prepare for action



Please tell us your:

- Name
- Organization
- Role
- One thing you're looking forward to in this process



Advisory Committee Context

History, the Clean Water Act, and Ecology's delegated authority



Federal

- 1948 Water Pollution Control Act
- 1970s Clean Water Act

- Established NPDES structure (discharges to surface waters)
- Required secondary treatment by 1977
- Addressed conventional and (later) toxic pollutant



Washington State

- 1945 Pollution Control Commission and enactment of RCW 90.48
 - AKART (all known, available, and reasonable methods of treatment) and state review of plans for sewage systems and treatment facilities.
- 1972 Legislation requiring permits for municipal wastewater treatment plant discharges
 - State Waste Discharge Permit (discharges to ground water and surface water)
- 1973 NPDES program delegated to Dept. of Ecology (EPA retains oversight)
- Ecology promulgates rules in WAC



Requirements – Federal and/or State

Permits **Biosolids General Sewer Plans Engineering Reports Technical Assistance**

Plans and Specifications

Inspections

Operator Certification

Pretreatment

Financial Assistance



Relationship between WWTPs and Ecology





Quick history of the permit backlog

- Fee cap hurt revenue
- Revenue gap, over time, through inflation, led to staffing shortage
- Staff couldn't keep up



Fee cap lags inflation





State of Permit Issuance

- Data as of late 2021
- Now 66%
- This is despite drawing upon \$2 M annually to supplement the fee revenue
- All permit fee revenue goes toward permit management

62% of Permits Are Expired





Muni Wastewater Permit Fee Revenue and Cost Gaps

- Current revenue from municipal wastewater permit fees: \$4.8 million/year
- Cost of work currently performed: \$6.8 million/year
- Estimated total cost of a fully responsive program: **\$9-10 million/year**

Current fee revenue	Work currently performed using other funds	Anticipated additional costs of a fully responsive program Total		
\$4.8 million	\$2 million	+/- \$3 million		\$9-10 million
\$2.16 per household/year			~\$4-4.	50 per household/year



Purpose, Directive, and Scope

SB 5585, scope, statutory targets, timeline, and key values



Purpose: SB 5585 & RCW 90.48.165

- RCW 90.48.165 requires the municipal wastewater permit program to be self-funded
- SB 5585 directs Ecology to conduct a stakeholder advisory committee to determine an equitable fee structure that fully recovers program costs and reduces the backlog

Committee Goal

 Submit recommendations to the Department of Ecology that will identify fees needed to fully recover expenses to administer municipal wastewater permits so that the permit backlog is reduced



Committee Scope

- Legislative directives from SB 5585
- Fees for municipal wastewater discharge individual permits based on residential equivalent (Section (3)(a) of <u>WAC 173.224.040</u>)
 - Over 83% of permits
 - Over 97% of revenue

PERMIT TYPES - GOV	# OF PERMITS		
Municipal NPDES Individual	199		
Municipal to ground SWDP Individual	45		
Reclaimed Water Individual	11		
TOTAL	255		



Our statutory performance targets

- Reduce the permit backlog to 40% by 2025 and 20% by 2027
- Why is the target a 20% backlog, rather than eliminating the backlog altogether?
 - WQP and EPA see a backlog of up to 20% as an achievable and meaningful benchmark
 - Situations occur when it makes sense to reissue a permit slightly past expiration date; for example, coordinating around a TMDL completion
 - Reducing the backlog to less than 20% is disproportionately expensive with diminishing returns
- We do not have flexibility about these targets



Key Values of the Process

- Permittees are supported prompt technical assistance, ensure timely engineering reviews, access to funding, etc.
- People doing the work are not overwhelmed
- Environment is protected



Timeline & Deliverables

Advisory Committee Timeline & Deliverables



Deliverable #1: Workload Analysis

- Assess the staffing level necessary in the WQ permit fee program to support adequate levels of service to permittees
- Includes: FTE level & corresponding revenue level

Deliverable #2: Fee Schedule Recommendation

Recommend a fee structure for the program to reduce municipal wastewater permit backlogs and recover the cost of administering the permits.

Deliverable #3: Communication Materials (optional)

Collaboratively create materials for consistent messaging and necessary background to explain the fee increase to stakeholders.

Problem Statements

How has the understaffing and backlog impacted your organization? What is one problem you see that we have today because of that backlog?

Break 10 minutes



Problem Statements (continued)

Look over the group's list.

Additions? Corrections? Observations?



Problem Statements



Meeting Logistics

- Biweekly Meetings
- Facilitation team send out agenda meeting materials 1 week before each meeting
- Facilitation team send out follow up tasks and meeting minutes within 2 business days after the meeting
- Meeting materials, agenda, and committee information available on our <u>EZView committee webpage</u>



Ground Rules and Decision Making

Review and adopt

Lunch



30 minutes



The backlog and the future

Afternoon Part 1

Building a vision of the future

• What do we get if we remove the backlog and provide a higher service level?



Permit Management

What is involved in managing permits, how it has changed, Ecology's process improvement



Permit management – more than writing

- Core work includes:
 - Engineering reviews
 - Reviewing monitoring data
 - Reviewing written reports
 - Technical assistance to operators and community leaders
 - Compliance inspections
 - Community engagement/follow up on complaints



Permit management – it takes a team

- Each permit may have an assigned permit manager
- Proper management requires a team
 - Permit Manager
 - Staff Engineer (if not already assigned to manage permit)
 - Permit/Data Administrator
 - Compliance Specialist
 - Operator Outreach Specialist
 - Regional and Statewide Technical Experts
 - General Administrative Support



Permit writing process

- Starts shortly after last permit was issued
- General process:
 - Receive and review application request corrections
 - Gather data from application, DMRs, permit studies, engineering documents, mixing zone studies, environmental studies
 - Collaborate with other Ecology experts (TMDL leads, Sediments, WET testing, Biosolids)
 - Analyze available data to inform decisions
 - Draft fact sheet and permit documents



Permit writing process - reviews

- Multiple levels of reviews for accuracy and defensibility
 - At least one peer review
 - Courtesy review by permittee to catch factual errors
 - Internal management review (supervisor and section manager)
 - Public comment period
- Additional QA/QC reviews
 - Compliance specialist review for compliance-related issues
 - Data administrator review/set-up of monitoring and submittals
 - Document specialist review formatting for errors and accessibility
 - Other special topic reviews Pretreatment and/or Hydrogeologist



Permit writing challenges

- Addressing WQ impairments and TMDLs
- Evolution of water quality standards and CECs
- Adapting to community changes and aging infrastructure
- Increased public participation
- Staff turnover/retirements
- Tool development/training



Process improvement efforts

Fall 2020 – convened municipal permit writers group to look for ways to get caught up on permitting

- We couldn't find any one thing that would change the situation much
- We concluded the backlog was primarily a result of staffing levels
- Resulted in the SB 5585 agency request legislation



Process improvement efforts

Group recommendations:

- A centralized lead for permit tools
- More training
- Better collaboration
- Time with permittees

efficiency

effectiveness

- Less competition for staff time with grants review (responding to this with more staff)
- Help build the pool of WWTP operators



Ecology's current staffing situation



Permitted Facilities – Washington State

306 permitted domestic wastewater facilities

Permit Type:

- 83 State Waste Discharge (SWD)
- 223 SWD & NPDES

16 Reclaimed Water permits



Permitted Facilities

306 permitted domestic wastewater facilities

- 46 Major facilities
- 260 Minor facilities
- 0.0035 215 MGD
- 46% in Eastern WA, 54% in Western WA



Permitted Facilities – Permit Fees

- Permit Fee Charged by Residential Equivalents:
 - 256 Municipal WWTP Permits
 - 13 Private WWTP Permits
- Permit Fee Charged by Flow:
 - 19 Gov (mostly State) WWTP Permits
 - 15 Private WWTPs Permits

Permitted Facilities





Backlog

- 103 current permits (34%)
- 203 expired permits (66%)

As of April 2022

• Permits expire in 5 years but remain in effect (as long as a timely and complete renewal application is received)



Permit Production



Fewer staff

- Fewer positions
- Turnover
- Hiring freeze

All work more complex

- Population Growth
- Regulatory issues
- Impaired waters
- Public involvement

Ecology focused on most urgent WWTP needs



Permit Production - Backlog





Facility Management

The other work of facility management (technical assistance, engineering reviews, inspections, responding to complaints) has increased in complexity and volume.



Washington State Water Pollution Control Revolving Fund



Staffing

- 19 FTEs (full-time positions) write permits and manage facilities statewide
 - Plus supervisors, permit administrators, database IT, roving operators, financial assistance providers, and other supporting staff
- 16 permitted facilities / FTE statewide
 - Differences between regional offices
 - 10/FTE in NWRO -> 38% backlog
 - 17/FTE in CRO -> 66% backlog
 - 20/FTE in ERO -> 76% backlog
 - 21/FTE in SWRO -> 79% backlog



Staffing and Backlog

Permitted Facilities / FTE



Potential Staffing Proposal

Use successful model as benchmark

• At the end of 2019, NWRO had a 14% backlog rate with 10 permitted facilities per FTE

Add 11.6 FTE front-line facility managers

• 30.6 FTEs for 306 facilities achieves 10 permitted facilities per FTE

Potential staffing strategy

- Permits expire and must be updated every 5 years
- We are NOT trying to hire more people than we will need for the long-term. We are trying to avoid overstaffing.
- We are aiming for a plateau. If we have enough staff for the long-term, the backlog will naturally be gone five years after we are staffed up. This will likely put us a little behind the target of 20% or less by 2027.



Timeframe for Reducing the Backlog

Starting assumptions (best-case scenario)

- We have the full spending authority and revenue to fully fund the WWTP workload
- We are able to fully staff up on July 1, 2023
- Staff require no training
- We don't fall further behind between now and July 2023



now



Timeframe for Reducing the Backlog, Pt. 2

With realistic assumptions, we likely don't hit our goals

We'll propose later this summer hiring some staff now - in advance of our fee rule and budget request - to get ahead of this





Trying to Avoid Overstaffing

- Trying to reduce the backlog without adding staff that we won't keep.
- If we are fully staffed, the backlog should near zero over five years, simply because we are reissuing 20% of all permits each year.
- If we try to reduce the backlog more quickly by hiring more people, we create a number of problems:
 - We will hire and train staff we can't keep very expensive and timeconsuming
 - We will have to raise rates faster to pay for a surge in permit reissuance
 - We will have an uneven workload in the future, and will fall behind when the spike of permits expire



Next Steps

- What questions does the group have?
- What additional information does the group need to adopt a workload analysis?
- Alternate ways to assess the need





Looking Ahead

Afternoon Part 2

Related processes

Budget Request Process



Advisory Committee Timeline & Deliverables



Deliverable #1: Workload Analysis

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Deliverable #2: Fee Schedule Recommendation

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Deliverable #3: Communication Materials (optional)

Collaboratively create materials for consistent messaging and necessary background to explain the fee increase to stakeholders.

Next Meeting

- Virtual meeting
- Monday, August 8th from 9-11 AM
- Follow up on items and information gathered in this meeting



Roundtable

Have any questions or comments? How are you feeling about this process moving forward?





Thank you!

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