

Wastewater Permit Fees Stakeholder Advisory Committee

Meeting 10

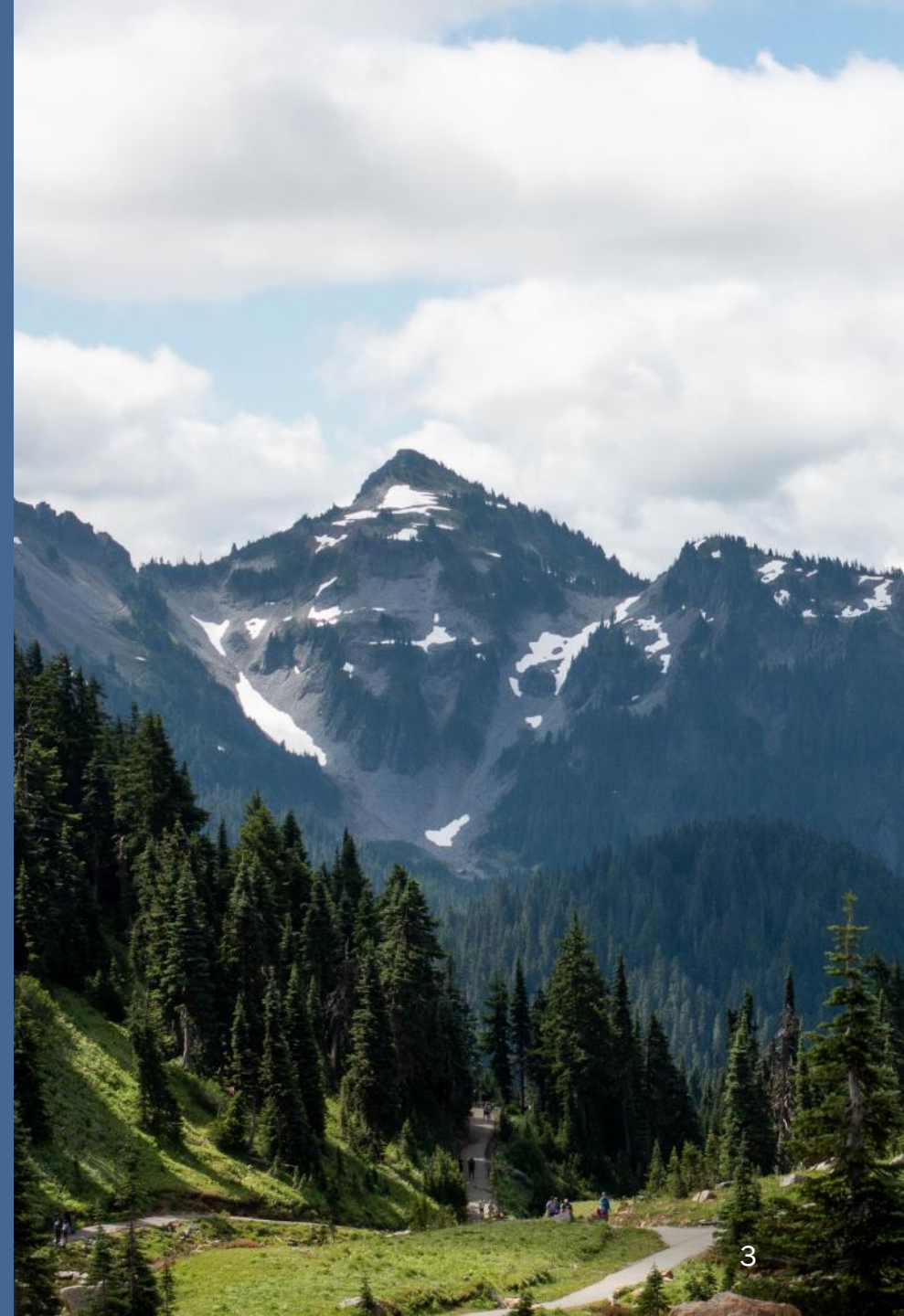
June 24, 2024

Meeting Agenda

- 1 Welcome and Group Introductions
- 2 Revisit Purpose Statement and 2022 Recommendations
- 3 Status of Staff Hiring and Permit Backlog
- 4 Permit Fee Revenue and Future Rulemaking
- 5 Flow Based Rate Concepts
- 6 Next Meeting, Roundtable



Welcome and Group Introductions





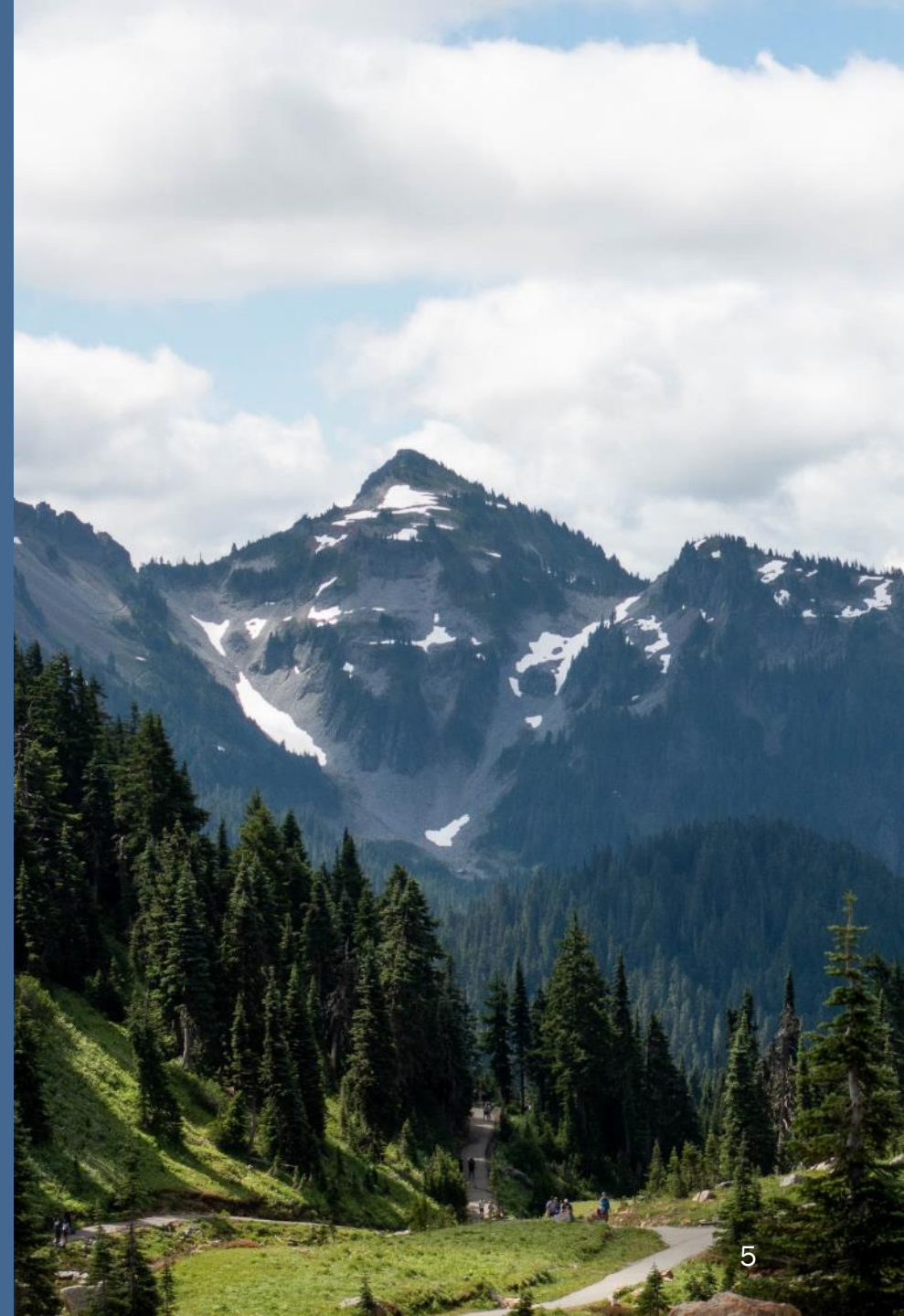
Introductions

Please tell us your:

- Name
- Organization
- Role



Revisit Purpose Statement and 2022 Recommendations



Advisory 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.

Our statutory performance targets

Reduce the permit backlog to 40% by 2025 and 20% by 2027

2022 Recommendations

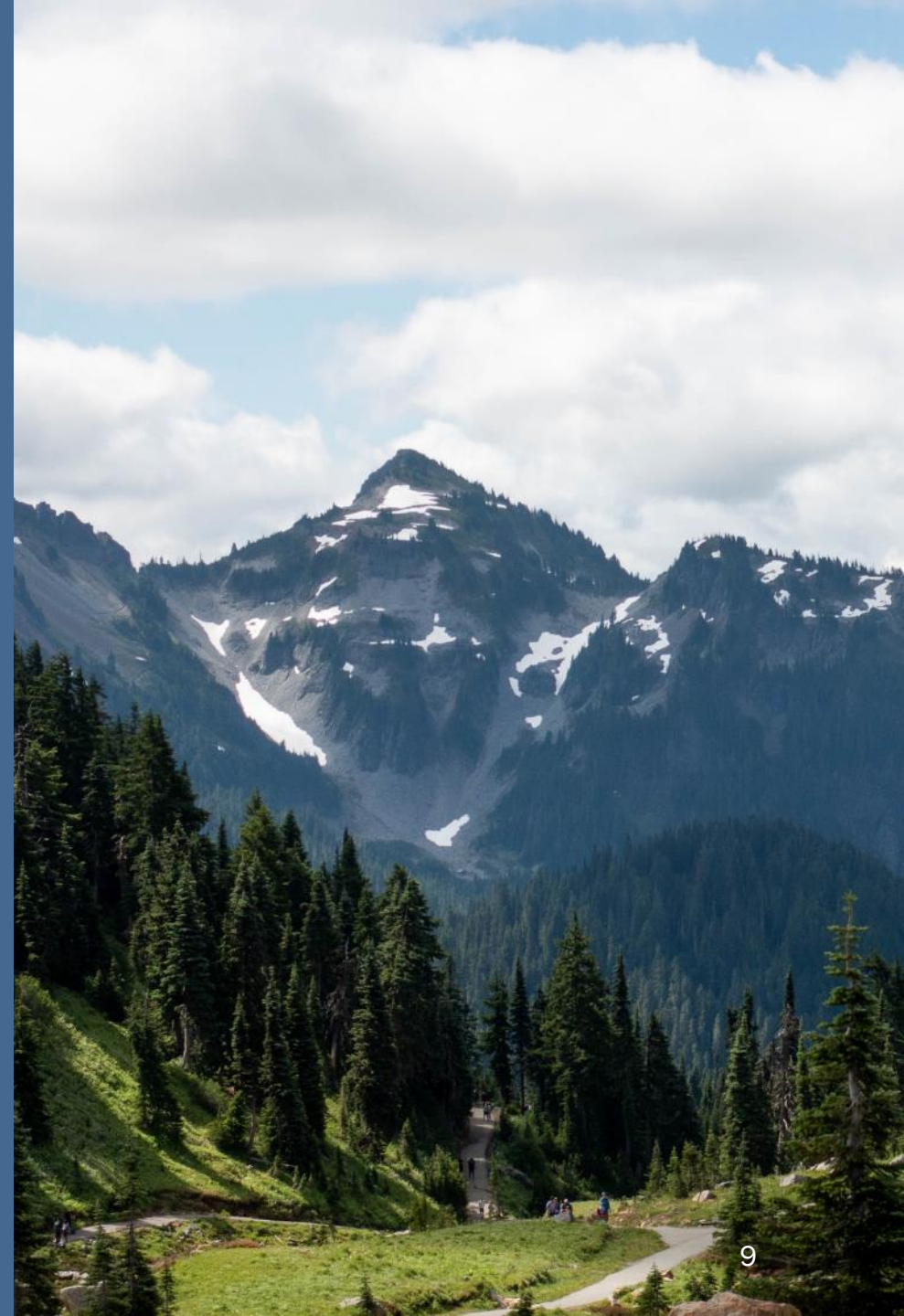
- Workload Analysis
 - 1:10 staff to permit ratio
- Fee Schedule
 - Use REs for fiscal year 2024 and 2025
 - Increase to \$3.43 per RE - DONE
 - Phase in additional increases
 - Interest in flow-based fee options
- Annual Check-ins for 2023-2027

2022 Recommendations

- Request for Additional Information
 - Philosophy for fee rate setting
 - More data on workload for writing and managing permits
 - Strategy to stay ahead of permits getting more complex
 - Progress update on implementing efficiencies
 - Track revenue with inflation and RE growth
 - Consider individual permits for smaller facilities
 - Explore actual flow data as basis for fees



Status of Staff Hiring and Permit Backlog



New Permit Staff Hiring

Region	# of New Staff	Status
CRO	3	1 filled, 2 vacant
ERO	4	2 filled, 2 vacant
SWRO	6	6 filled
NWRO	0	n/a
HQ	2	2 filled
Total	15	11 filled, 4 vacant

Permits Reissued Since 2023

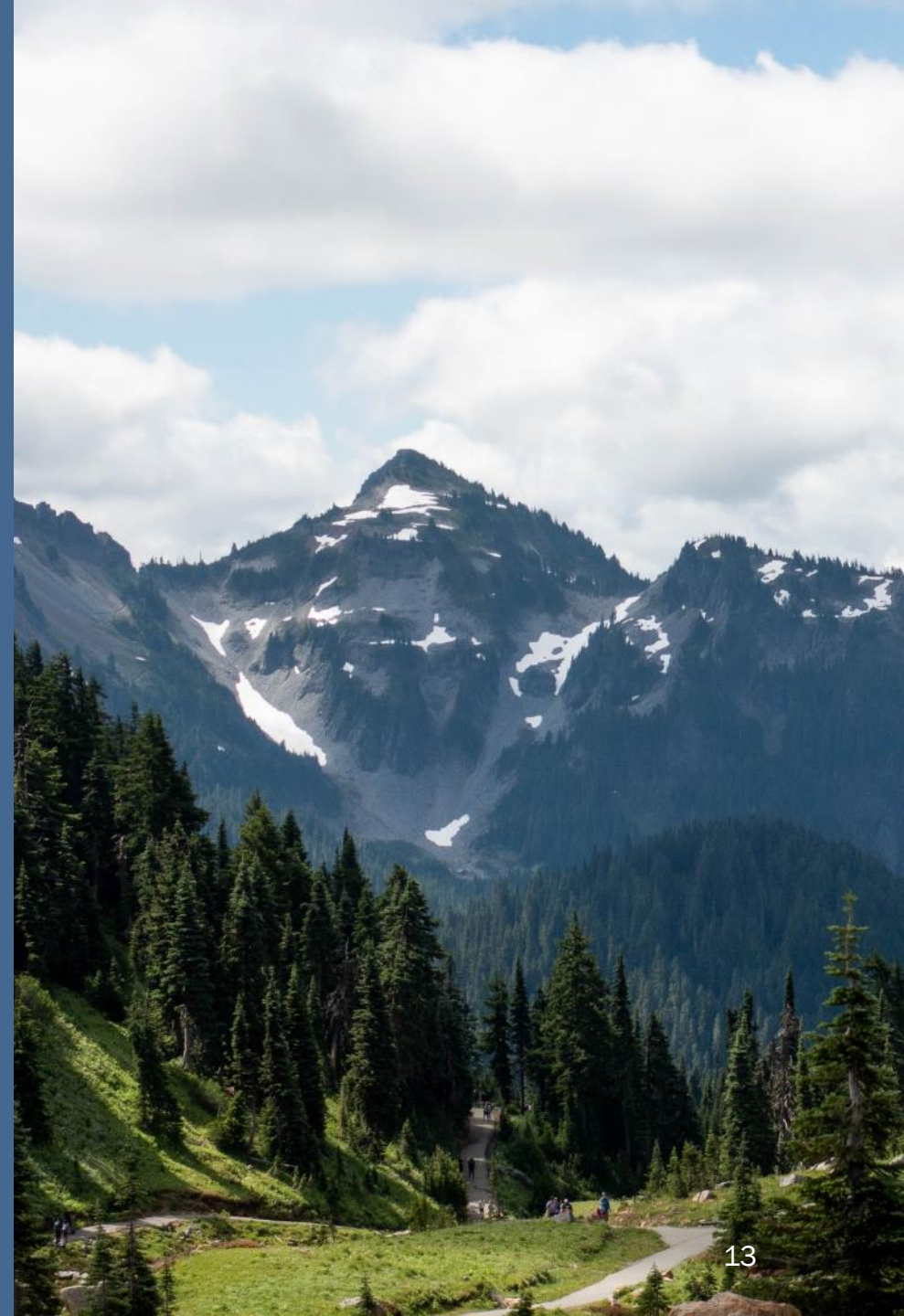
- Nine permits issued in 2023
 - 5 SWRO, 4 NWRO
- Six permits issued in 2024 as of 6/19/2024
 - 3 SWRO, 2 CRO, 1 NWRO

Permit Backlog as of 6/19/2024

Category	Total	Current	Expired	Backlog
CRO	54	9	45	83%
ERO	91	12	79	87%
SWRO	95	19	76	80%
NWRO	71	44	27	38%
Statewide	311	84	227	73%



Permit Fee Revenue and Future Rulemaking



Permit Fee Revenue

Fiscal Year	Rate	REs	Total Revenue
FY23	\$2.16	2,319,011	\$5,009,063
FY24	\$3.43	2,346,673	\$8,049,088
Difference	\$1.27	27,662	\$3,040,025

Also adopted a minimum fee of \$250

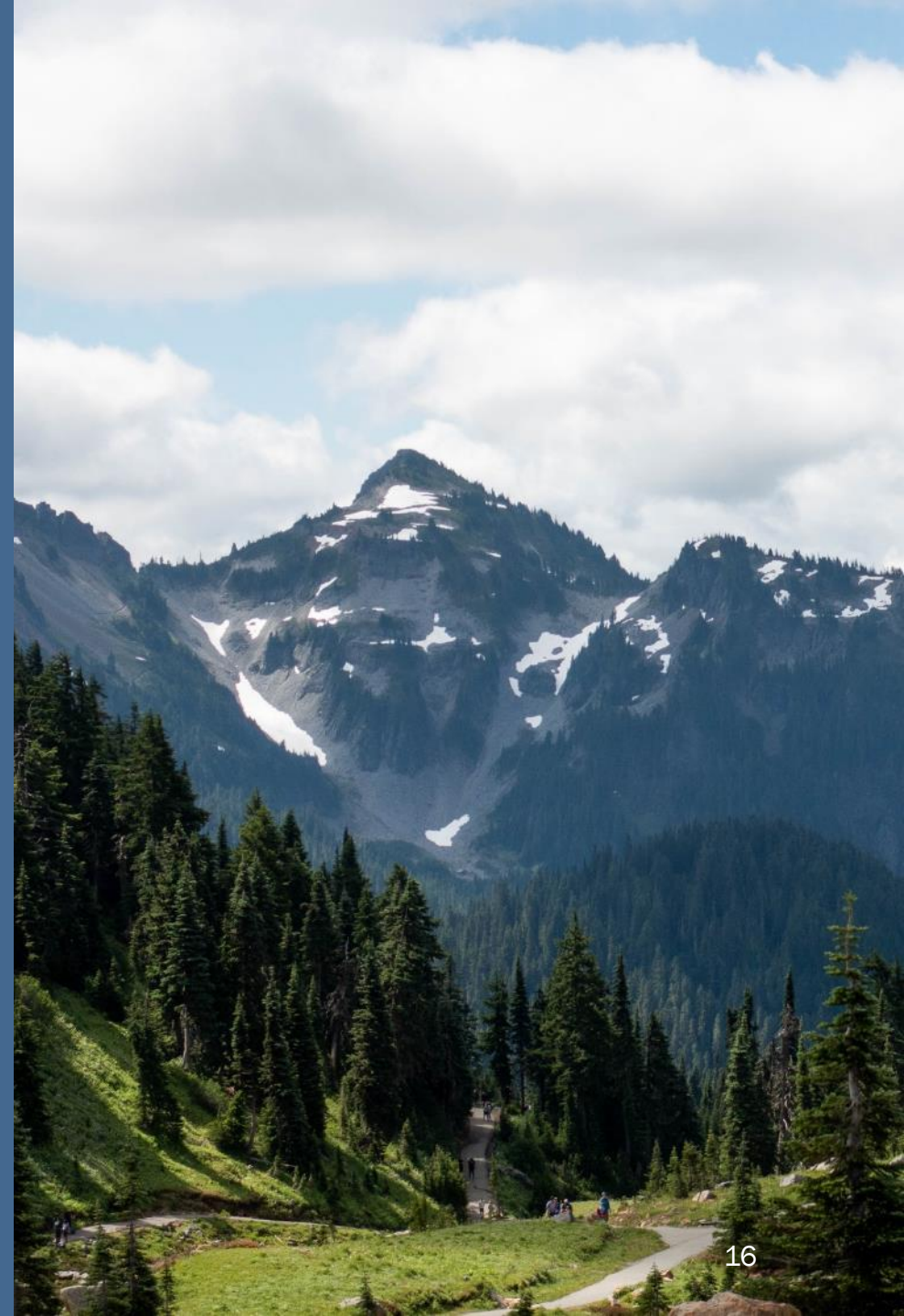
- We achieved our target of \$8 million in FY24.
- \$100,000 of new revenue attributable to increases in gross revenue (2%) and REs (1%)

Future Rulemaking

- Next rulemaking for permit fees in 2025-27
- Announcement - August 2024
- Proposal - March 2025
- Adoption – June 2025



Flow Based Rate Concepts – Actual v. Design



Actual Flow Approach

- Influent or effluent based
- Permits currently not set up consistently for one or both
- Need to define methodology – average over time?
- Can't create revenue projections without consistent data
- May require a change in some permits to reach consistency
- Could take 5+ years to get permit data aligned

Design Flow Approach

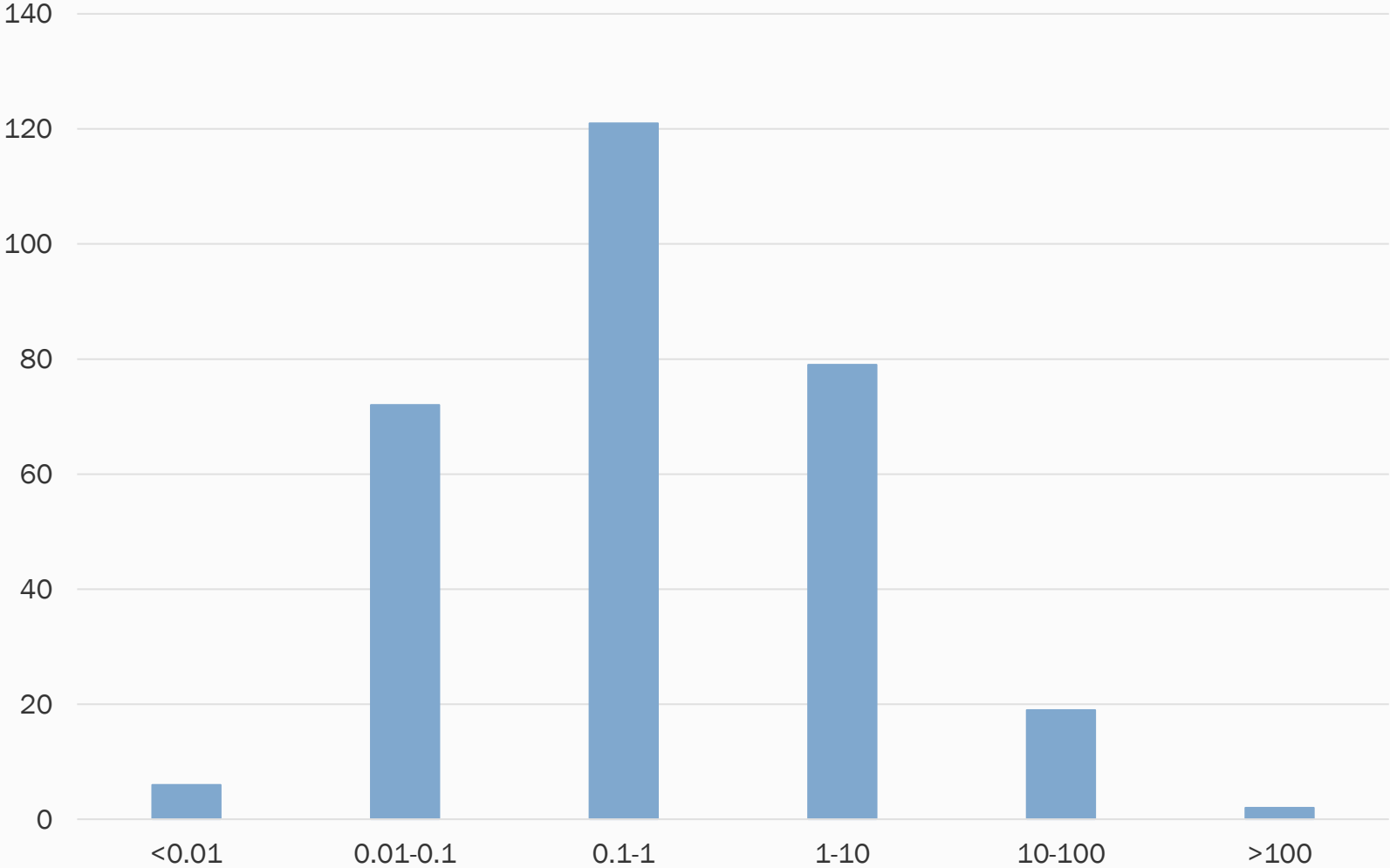
- Based on design flow in the permit
- Data exists but not all the same
- Need a standardized approach to apply to a fee structure
- Could be mocked up in near term
- Precedent exists in the Private and State-owned Facilities fee category

Design Flow Approach Example

- Private and State-Owned Facilities
- Flat fee based on design flow, or maximum daily flow, or monthly average permitted flow in million gallons per day

Tiered Flow-Based Fee	FY24 and FY25 Annual Permit Fee
0.1 MGD and greater	\$12,000
0.05 MGD - < 0.1 MGD	\$6,000
0.01 MGD - < 0.05 MGD	\$3,000
0.005 MGD - < 0.01 MGD	\$1,500
0.001 MGD - , 0.005 MGD	\$750
Less than 0.001 MGD	\$375

Count of WWTPs by Design Flow (MGD)

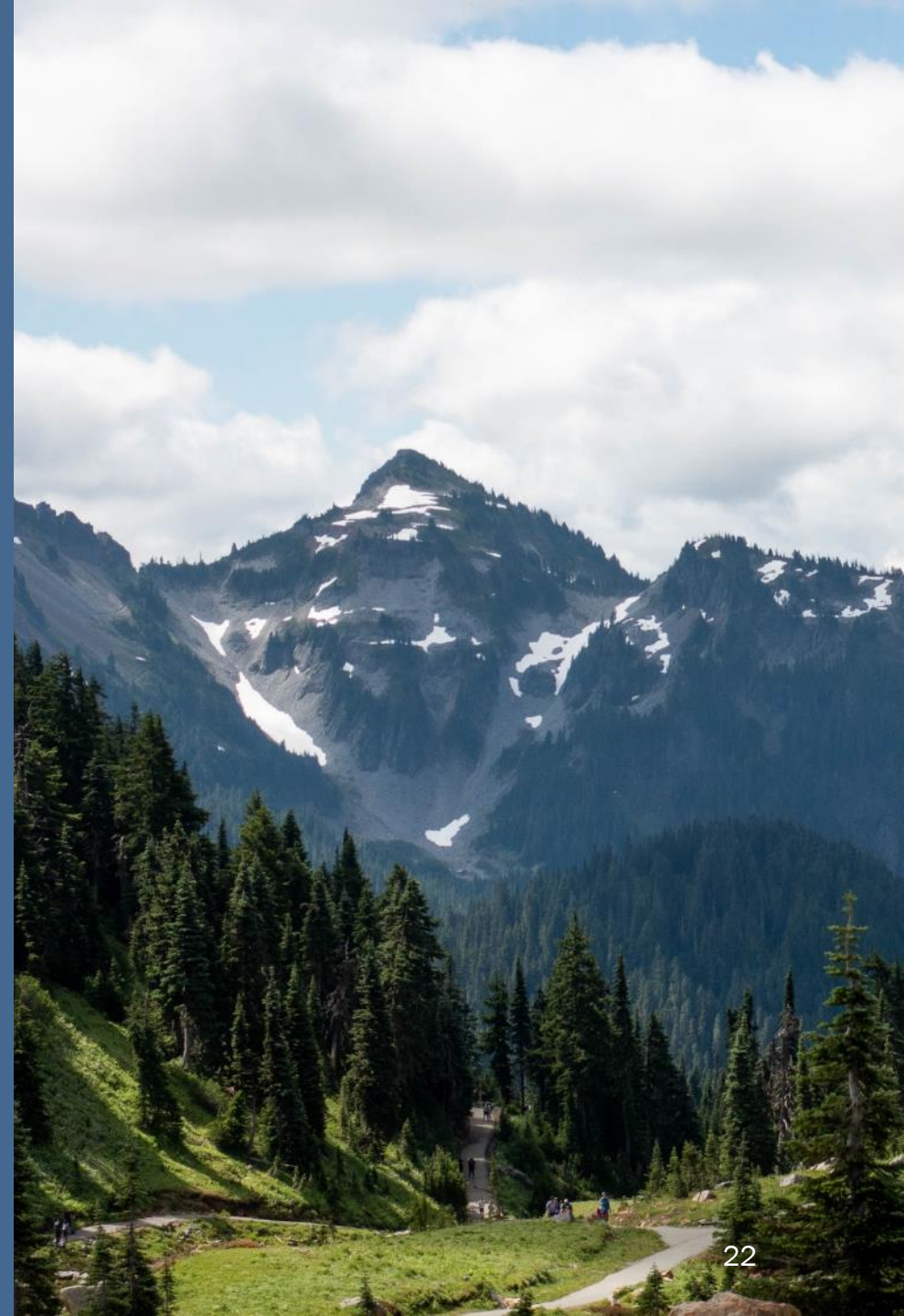


Question for the Committee?

- What is the level of interest in pursuing either actual or design flow as a method for setting permit fees?



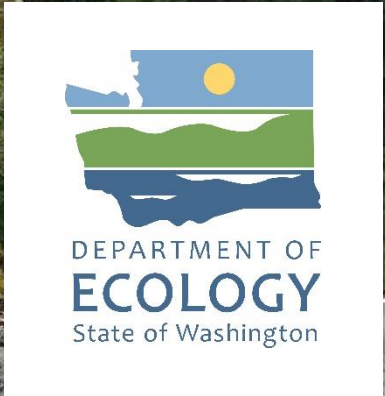
Next Meeting Roundtable





**Thank you for your participation,
insight, and time.**

**Thank you for being a part of the
advisory committee!**



Thank you!

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