

Municipal Wastewater Permit Fees Advisory Committee

Meeting 3 Notes

Group/Committee	Municipal Wastewater Permit Fees Advisory Committee
Date	August 22, 2022
Time	1:00PM - 3:00PM
Location	Zoom

Meeting Materials: available on our [committee webpage](#)

Attendees:

Stakeholders

- Dave Barnes
- Shane Fisher
- Sharman Herrin
- Rob Lindsay
- Dave Peeler
- Raul Sanchez
- Jessica Shaw
- Kristen Thomas
- Jackie White

Ecology Team

- Katie Bentley-McCue
- Sarah Diekroeger
- David Giglio
- Shawn McKone

Absent:

- Travis Dutton
- Dan Eisses
- Andrew Kolosseus
- John Peterson
- Mindy Roberts
- Carl Schroeder

NOTES:

Meeting Minutes – Slides 4

- Approved by all

Monitoring Our Progress – Slides 5-8

- Request for a check-in with the environmental community as well
- **Question to the Committee:** How does this check-in schedule sound?
- **Comment:** Proposing annual check-ins with this committee starting before 2025. This could include short presentations on hiring and trainings going on the first couple of years.
- **Comment:** Supports annual check-ins before 2025 so we can talk about the progress that is being made towards the targets that are in the legislation. We know we maybe won't hit the targets by 2025 but we can confirm if ecology is on the right track. This way we can check on staffing and the fee structure itself. The recommendation piece and implementation piece can both be checked on.
- **Question to the committee:** Should we also have annual check-ins with the permitted community on technical assistance? Or could the permitted community members already in this committee bring in information on how Ecology is doing on technical assistance?
- **Comment:** We can gather information from Coalition for Clean Water (CCW) members and get initial input to see if there is more participation needed.
- **Comment:** Agree. We could get WASWD input as well and bring it to the group at annual meetings.
- **Comment:** Agree, permitted community members in this committee can convey messages back and forth. More support for a committee check in prior to 2025.
- **Response:** We will have annual check-ins with the SAC. If at any time CCW or WASWD wants more detailed information we are happy to join a meeting with them as well.

Statewide Strategic Guidance – Slides 9-12

- **Comment:** From personal experience, there is a lot of discussion with the attorney general's office related to legal strategy. Does Ecology need additional assistance on the legal side as well? Does this additional position address those legal concerns?
- **Response:** What has been happening in the Spokane basin is unique with a greater degree of legal scrutiny on permits. Do not foresee additional AG support as an issue. If we start seeing legal appeals, we will work with the AG office.
- **Question:** How are the legal services at the AG office funded by the different Ecology divisions? How is that calculated? Could you bring that information to this committee next time?
- **Question:** Do we have an engineer assigned to upkeep the orange book?
- **Response:** We do have a technical lead in PDS. In each region there is staff doing active work on updates. Slow going but still an active group.

Vote on 10:1 – Slides 13-15

- **Question:** For clarification, the additional coordinator position would support permit writing state wide in addition to the 10:1 staffing level for each office?
- **Response:** Yes.
- 7 votes for 1
- 5 votes for 2
- Voters: 10 stakeholders present, 2 stakeholders absent

Staffing Up Now – Slides 16-17

- **Comment:** Agree with this approach. Assuming ecology has looked at the budget and can absorb this risk.
- **Question:** How is hiring at Ecology going in general?
- **Response:** Hiring right now is a challenge especially at higher levels, requiring both persistence and creativity.
- **Action Item:** Ecology will begin increasing permit staff (4 FTEs) ahead of the budget request.

Phase 2: Fee Schedule Recommendation – Slides 18-21

- **Question:** To calculate this, did you go into specific classification levels or was a general FTE cost used?
- **Response:** This is built on specific details of engineers and environmental specialist classifications and levels.
- **Question:** How does the 2.5 million estimate compare to prior budgets in the last few years? What is the current budget for permit staff Ecology has at its regional offices plus headquarters?
- **Response:** Ecology is currently spending an estimated 6.8 million. The 2.5 million is in addition to the 6.8 million.
- **Question:** Ecology is currently 2 million short and a fully responsive program costs about 9-10 million. The last meeting had a slide that said that the revenue was 9-10 million. Where is the gap?
- **Response:** That graph shows the revenue for the biennium. Current revenue is about 4.8 million per year.
- **Question:** For clarification, 2.5 million is annual and 6.8 million is also annual spending?
- **Response:** Yes, 6.8 million is annual. And, we have about 4.8 million annual revenue.
- **Question:** 9-10 million to be fully responsive is an annual figure not biannual?
- **Response:** Yes.
- We know the 4.8 million revenue is solid. The 6.8 million in spending is based on costs directly attributable to the staff working on it, but you also have to add in support staff. The number we had going into this process was 6.8 million. The current budget manager is working with that and thinking she may be able to better assign some costs to specific permit types. This might lower the calculation of what we are currently spending.
- There is no existing revenue to pay for 2.5 million of new staff, so that is revenue we would need to recover immediately. The funding we use from other permit sources can be phased out over time.

- **Comment:** Reminder that we are focusing on municipal permits only. We can look at these numbers and think about the whole program but it is just municipal permit writers and permits.

Next Meeting – Slides 22-23

- Historically King County had a different rate than other permittees. That is because of the relative workload. It is more cost effective with the concentrated population so there was a lower rate, but there is also the ability to pay to consider. We need to think about how to set up the rate and how to phase it in over time.
- **Question:** With the cap removed, is the municipal fee still tied to REUs?
- **Response:** That is how the fee rule is structured. Is it possible to structure it differently? Yes. That is something we can bring to the group.
- **Question:** What are the different ways fees are structured?
- **Response:** Tiers, REUs, flow based. We will look into all of the types and bring those to the next meeting.
- **Comment:** There are different ways to look at fairness. Perhaps we can consider more levels or categories of fairness at the next meeting.
- **Question:** What is the phasing that Ecology is proposing over time?
- **Response:** First, 2.5 million for staff to reduce the backlog is something that will be put into place right away so that revenue aligns with expenditures. The second thing to consider are the permit fees from other areas that we are using to do WWTP permits. We understand rate payers don't like to see rates increase. That is where we can phase it in so that it does not come all at once. Phasing in in 2023, 2025, and 2027 feels responsive without being jolting. We will bring more numbers to the next meeting to show what kind of rate it would be under the current fee structure if we did it all at once versus if we did it in a couple of steps.

Committee Decisions and Recommendations

10:1 Staffing Ratio

- After evaluating potential staffing ratios, the group approved a 10:1 ratio of permits to FTE.
- With 12 members voting, the group came to a general consensus with everyone showing either enthusiastic or lukewarm support.
- 10:1 was identified as the staffing level necessary in the WQ permit fee program to support adequate levels of service to permittees.
- 10:1 is based on macro-data that incorporates all variables and has been shown to work in the NWRO over time.
- The group's decision also included a recommendation that Ecology hire an additional coordinator position to optimize statewide permitting efficiency.

Annual Check-ins

- The group recommends that Ecology has annual check-ins with the group starting in 2023 through 2027.
- Ecology agrees that this will be useful, and will report on hiring and progress made towards reducing the permit backlog, and permittees can share their level of technical assistance they are receiving.
- Annual check-ins allow the group to track if the staffing level and fee structure are operating as intended to reduce the backlog.