

Municipal Wastewater Permit Fees Advisory Committee

Meeting 9 Notes

Group/Committee	Municipal Wastewater Permit Fees Advisory Committee
Date	November 28, 2022
Time	9:00AM - 11:00AM
Location	Zoom

Attendees:

Stakeholders

- Dave Barnes
- Dan Eisses
- Sharman Herrin
- Rob Lindsay
- John Peterson
- Raul Sanchez
- Jessica Shaw
- Kristen Thomas
- Jackie White

Ecology Team

- Katie Bentley-McCue
- Sarah Diekroeger
- David Giglio
- Ligeia Heagy
- Andrew Kolosseus
- Shawn McKone

Absent:

- Travis Dutton
- Shane Fisher
- Dave Peeler
- Mindy Roberts
- Carl Schroeder

NOTES:

Meeting Minutes – Slide 4

- Approved by all

Final Recommendations and Decisions Document Review – Slides 5-6

Background and Orientation

- **Question:** With the \$3 million gap, should we also note how long it's been since there has been an increase in fees? We could further explain how we got to the gap.
- **Response:** We didn't include that because it got more complicated than we originally thought. The cap is a cap per RE but REs have gone up. Revenue hasn't been the only or biggest constraint. The increase in complexity is the biggest issue.
- **Follow-up:** I am not seeing language specific to the increase in complexity. We could add an additional sentence to better explain the \$3 million gap.
- **Response:** We will add a sentence noting how permitting has become more complex and therefore we've gotten behind.
- **ECY comment:** We could also add a sentence that talks about how the permit fees have been based on a 1990s era assumption of complexity that has not kept up with increasing workload.
- **Comment:** I agree that we should add in a statement about the complexity issue. We should include that it has become both technically and legally more complex.
- **ECY comment:** (Editing the document live and discussing what year to include in the sentence for how long it has been since fees changed.) The law that prompted the current version of the fee schedule was introduced in 1988.
- **Comment:** The state is covering some of the \$3 million gap. In the document, it appears as though the \$3 million gap is the reason Ecology is understaffed. One of the reasons for the fee increase is to raise the revenue so that the state doesn't have to subsidize the permits anymore and second so that they can hire more staff. I also read this paragraph as saying that Ecology is not doing your job. We are doing our job to protect water quality so we should change the language there. Also, could change the terminology around 300 permits being "expired."
- **Response:** How this paragraph is set up emphasizes the money, but the main driver was complexity growth and staffing. The gap is almost all a function of catching up with complexity.
- **ECY comment:** Referring to sentence in the document - "The permit program has been understaffed, meaning Ecology cannot provide the support communities need to ensure their wastewater treatment facilities are functioning properly to protect streams, rivers, and Puget Sound." Its more that Ecology needs to prioritize certain functions over others. There are aspects that must be sacrificed. Part of the reasons we have extended permits is because we have prioritized technical assistance and engineering reviews.

Committee Decisions and Recommendations

- **Comment:** Referring to "evaluating potential staffing ratios." This wording make it sound like there were other options presented besides the 10:1 ratio. We didn't have the data for how many hours permit writers spend on a permit. We knew that the 10:1 ratio worked in the NW region, but 10:1 was the only option we were presented with. I also don't remember high-level performance data. The 10:1 ratio is a guess, that is one of the main reasons why we want to get back together in a couple years and see if this is in the right direction.
- **Response:** We looked at all 4 regions at two points in time. We saw how 19:1 ratio in Eastern wasn't keeping up with the workload. Those were the additional ratios.

- **ECY comment:** High-level performance data is referring to the backlog rate that NW had with that 10:1 ratio.

Fee Schedule

- **Comment:** Is it worth noting there was a lot of desire to change the fee schedule but the data wasn't there to allow it? The document makes it sound like everyone is in favor of the existing structure.
- **Response:** We tried to capture the decision for right now and include other asks in the additional request for information section. We can make that more explicit.
- **Ecology comment:** Just to note, we can put forward a recommendation during rulemaking but it does have to go through a public comment period so we can't be sure of what we are able to implement.
- **Comment:** I support including information on the public comment and rule making process. We didn't have the detailed information on what it takes for permit writer to issue permits, so we were left at looking at staffing ratios across regions. We also looked at alternative fee structures, but we didn't have enough information. I suggest adding how we didn't have enough information into those sections prior to the additional information section.

Request for Additional information

- **Comment:** Could we broaden the bullet on rate setting philosophy. Perhaps statewide water quality protection philosophy – fees, rates and general fund. Ecology should look across all water quality costs. They could say this is how many dollars it costs for the state to protect all of water quality and use that for a rate setting philosophy. Not limiting it to treatment plants.
- **Response:** We were thinking all waste quality permit fees, not just treatment plants.
- **Comment:** Should we add a bullet on why the database isn't accurate on the actual flows?

Communication Tools – Slides 7-8

- **ECY comment:** We can send out the announcement to the contacts in PARIS and Aquarius (billing database) that receive notices. There is also a Water Quality listserv.
- **Question to the group:** Will that get the announcement to the right people?
- **Group response:** Yes.
- **ECY comment:** We will be working with the legislative committees that passed the SB 5585. We will have work sessions to brief them on the committee and decisions made. It would be great to have folks from the committee present alongside Ecology representatives. Let us know if you want to be a part of that process.

Outstanding Items– Slides 9-10

- **Comment:** When the bill was passed, there were people in favor of phasing in the increase over time. We have decided on a large increase on the front end to help eliminate backlog and phasing in the additional reliance on subsidizes. There could be some pushback from smaller and medium sized utilities about this decision. Need to clearly explain why there will be such a large increase up front. Explain why we have to increase fees significantly now to hit those statutory targets.
* Incorporate into communication materials.

- **Comment:** Should we include something on the nutrient permit? 56 permittees will have that fee in addition to the municipal fee increase. Could include something to discuss what Ecology plans to do one way or another based on the court case.
- **Response:** We are trying to keep those two permits separate because they are independent of one another.
- **ECY comment:** I do think it's important to specify that we are talking about individual permits. But, we can't discuss legal strategy for A or B scenario.
- **ECY comment:** Puget Sound Nutrient general permit (PSNGP) is also based on REs. If we move the municipal individual permits to flow, internally we would have to think about the PSNGP fee and if we must change the structure for that as well.

Confirming Future Plans – Slides 11-12

Group consensus on a future meeting – We will send out edits to the decisions document and give everyone a chance to look them over. After that, members can respond with whether there should be a final meeting on December 12th.

Closing – Slides 13-14

Thank you!