Water Quality 2022 Fee Rulemaking

Meeting Summary

Advisory Committee Meeting #1

Wednesday, April 27, 2022 11 a.m. – 12 p.m. Virtual Public Meeting

List of attendees

- Brannon Lamp, Aqua Resource Design & Consulting
- Mark Landauer, Special Districts Association of Oregon
- Peggy Lynch, League of Women Voters of Oregon
- Samantha Bayer, Oregon Homebuilders Association
- Sharla Moffett, Oregon Business & Industry
- Jackie White, Northwest Pulp & Paper Association
- Rian vanden Hooff, Oregon DEQ
- Geoff Rabinowitz, Oregon DEQ
- Angela Rowland, Oregon DEQ
- Adam Coutu, Oregon DEQ
- Ryan Pessah
- Nick Brown
- Ted Hart
- Jeff Stone
- Michele Limas

List of handouts and presentation notes

- Agenda
- Meeting Slides
- Draft Fiscal Impact Statement
- Draft Rules (with fee tables)

Time

Topic

- 11 a.m. Welcome, logistics, & agenda review
- 11:05 a.m. Introductions
- 11:10 a.m. Rulemaking overview
- 11:25 a.m. Review of fees, Racial Equity Statement, and discussion
- 11:55 a.m. Public input
- 12 p.m. Adjourn meeting



Water Quality Permitting

700 NE Multnomah St., Suite 600 Portland, OR 97232 Phone: 503-229-5540 800-452-4011 Fax: 503-229-6124 Contact: Angela Rowland

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DEQ is a leader in restoring, maintaining, and enhancing the quality of Oregon's air, land, and water.

Meeting summary

Geoff Rabinowitz and Angela Rowland provided an overview of the proposal for the 2022 Water Quality fee rulemaking and the Racial Equity Statement. DEQ is proposing a fee increase to support water quality fees for fiscal year 2023 by three percent above the fiscal year 2022 fees. These fees apply to (federal) National Pollutant Discharge Elimination System permits and (state) Water Pollution Control Facility permits. DEQ is also proposing to correct three Water Pollution Control Facility Onsite Permit fee table errors for design capacity flows.

Discussion

What positions are currently vacant in the DEQ Water Quality Permitting program?

Currently there are twenty-five positions in Water Quality that are vacant, of which five are from the Water Quality Permitting section.

What will the three percent fee increase go towards?

The fee increase will cover routine costs associated with implementing the permitting program and delivering services to regulated entities including data management, enforcement, inspections, and permit writing.

What was last year's fee increase percentage?

The fee increase was a total of three percent authorized by statute (ORS 468B.051) effective November 1, 2021.

Does DEQ anticipate a larger fee increase percentage in the future?

As a part of the 2023 Agency Requested Budget planning process, DEQ is preparing a policy option package for Water Quality Permitting. If approved by the legislature, the Water Quality Permitting Program could receive new positions. This would require an additional rulemaking to support those enhancements, which may be bundled with the routine three percent fee increase rulemaking.

Can you provide an update on the permit backlog?

The Water Quality Permitting Program has increased permit writing efficiency. The permit backlog has decreased from 80% expired to 61% currently. This summer it is projected to decrease to about 55%. There have been many complex permits issued. The program plans to renew permits on time. This month the program renewed a permit before it expired.

What are the impacts to the housing costs for other size dwellings?

The proposed rules would require a builder of a 6,000-square-foot parcel to pay an additional \$40 for a construction stormwater permit if the parcel is part of a common plan of development disturbing one or more acres. Assuming the three percent increase, this would raise the fee from \$1348 to \$1388.

There was a failed bill in the 2022 Legislative Session that would have required a further analysis of smaller size dwellings and how the proposed rules could affect gentrification. Based on the 6,000-square-foot parcel scenario above, it is unlikely to affect gentrification.

Will the Local Governments pass the fee increase on through the System Development Charges (SDCs)?

No, since there are specific use cases for SDCs, but could pass the costs on through rates.

Public Input Period

There were no public comments.

Adjournment

The meeting adjourned at 11:50 AM.

Alternative formats

DEQ can provide documents in an alternate format or in a language other than English upon request. Call DEQ at 800-452-4011 or email <u>deqinfo@deq.state.or.us</u>.