



Orange County Sanitation District

ADMINISTRATION COMMITTEE

Administration Building
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Agenda Report

File #: 2020-1363

Agenda Date: 12/9/2020

Agenda Item No: 2.

FROM: James D. Herberg, General Manager
Originator: Lan C. Wiborg, Director of Environmental Services

SUBJECT:

PAYMENT OF ANNUAL NATIONAL POLLUTANT DISCHARGE AND ELIMINATION SYSTEM (NPDES) PERMIT FEES

GENERAL MANAGER'S RECOMMENDATION

RECOMMENDATION: Recommend to the Board of Directors to:

Authorize the General Manager to approve payment of the annual NPDES permit fees, not to exceed \$731,451.

BACKGROUND

Under the Clean Water Act, Orange County Sanitation District (Sanitation District) lawfully discharges treated wastewater into the Pacific Ocean by its NPDES ocean discharge permit which is jointly administered by the Santa Ana Regional Water Quality Control Board (RWQCB) and the USEPA. In accordance with Sections 13260 and 13269 of the California Water Code, an annual fee is required to maintain this permit. The fee is based on the Sanitation District's facility design flow.

The Sanitation District has not yet received the annual invoice from the California State Water Resources Control Board (SWRCB) but it is expected to arrive in late November with payment due within 30 days of receipt. Although the exact amount due has not been disclosed to the Sanitation District, the SWRCB estimated a 10.8% increase in NPDES permit fees as part of its Budget Drivers Table for FY 2020-21 during its Water Quality Fees Stakeholder Meeting in August 2020. While it is possible for the SWRCB to make final adjustments to this amount, the adjustment is expected to be minor. Thus, staff anticipates the final permit fee to be no more than 12% above last year's permit fee of \$653,081, which results in an anticipated permit fee that is equal to or slightly less than \$731,451.

RELEVANT STANDARDS

- Comply with environmental permit requirements
- 24/7/365 treatment plant reliability

PROBLEM

The Sanitation District is required by California Water Code Sections 13260 and 13269 to pay an annual fee to maintain our ocean discharge permit.

PROPOSED SOLUTION

Authorize staff to pay the annual fee in an amount not to exceed \$731,451 for Fiscal Year 2020-21.

TIMING CONCERNS

May be subject to late fees if not paid in a timely manner.

RAMIFICATIONS OF NOT TAKING ACTION

If payment is delayed, the Sanitation District would be subject to penalties under provision of the Water Code Section 13261. These actions could include daily penalties in addition to the fee or other actions deemed appropriate by RWQCB.

PRIOR COMMITTEE/BOARD ACTIONS

This fee is invoiced and paid annually.

FINANCIAL CONSIDERATIONS

This request complies with authority levels of the Sanitation District's Purchasing Ordinance. This item has been budgeted. (Line item: Section 6, Page 48).

ATTACHMENT

The following attachment(s) may be viewed on-line at the OC San website (www.ocsan.gov) with the complete agenda package:

N/A