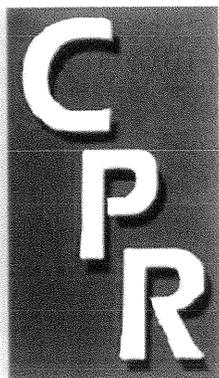


# COALITION FOR PRACTICAL REGULATION

"Cities Working on Practical Solutions"



15 September 2011



Mr. Charles Hoppin, Chair  
State Water Resources Control Board  
P.O. Box 100  
Sacramento, CA 95812-0100  
[commentletters@waterboards.ca.gov](mailto:commentletters@waterboards.ca.gov)

**Subject: 9/19-20/2011 BOARD MEETING Item 9**

Dear Chair Hoppin:

I am writing on behalf of the Coalition for Practical Regulation (CPR) to comment on your Board's consideration of a proposed resolution adopting emergency regulations revising the Core Regulatory Fee Schedules for FY 11-12. We appreciate the opportunity to submit these comments. CPR is an *ad hoc* group of small and medium-sized cities in Los Angeles County that have come together to address water quality. CPR and its member cities strongly support the use of the Stormwater Fee Rebalance option in the adopted resolution, and strongly oppose Board staff's proposed 34% increase in stormwater fees.

CPR understands that the primary reason Board staff did not recommend the Stormwater Fee Rebalance option is the concern that a significant amount of the benefit anticipated to come from that option would go to permittees other than those who were originally part of the over-collection of fees. CPR understands that for the purposes of the Core Regulatory Fee Schedules, your Board has long treated stormwater as one, unified Waste Discharge Permit Fund (WDPF) program.

There is significant interplay among the Construction, Industrial, and Municipal General Permits. Municipalities own and operate construction sites and industrial facilities, and regulate businesses and construction sites. Furthermore, Regional Water Boards have placed significant inspection requirements in MS4 permits requiring municipalities to inspect construction sites and industries covered by State-issued General Permits – without sharing any of the permit revenues with the municipalities required to conduct the inspections. In reality, stormwater revenues and costs flow among all three stormwater program components. Any benefit from the use of the Stormwater Fee Rebalance option will accrue to all three components and benefit all types of stormwater permittees.

ARCADIA  
ARTESIA  
BALDWIN PARK  
BELL GARDENS  
BELLFLOWER  
CARSON  
CERRITOS  
COMMERCE  
COVINA  
DIAMOND BAR  
DOWNEY  
GARDENA  
HAWAIIAN GARDENS  
INDUSTRY  
IRWINDALE  
LA CAÑADA FLINTRIDGE  
LA MIRADA  
LAKEWOOD  
LAWNDALE  
LYNWOOD  
MONTEREY PARK  
NORWALK  
PALOS VERDES ESTATES  
PARAMOUNT  
PICO RIVERA  
POMONA  
ROSEMEAD  
SANTA FE SPRINGS  
SAN GABRIEL  
SIERRA MADRE  
SIGNAL HILL  
SOUTH EL MONTE  
SOUTH GATE  
SOUTH PASADENA  
VERNON  
WALNUT  
WEST COVINA  
WHITTIER

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CPR feels very strongly that the systemic imbalance in the WDPF is inherently unfair and must be addressed. Stormwater program fees went up dramatically in FY 02-03 – by amounts significantly higher than the increases faced this year by other WDPF programs. Stormwater permittees have overpaid for nine consecutive years, and those over-collected fees were not allocated to their intended purpose – stormwater. Other WDPF programs have accrued significant benefit during the nine years of over-payment by stormwater. It is time for stormwater permittees to be paid back through the use of a Stormwater Fee Rebalance.

Although CPR would much prefer a zero fee increase given the other serious impacts to city finances by State budgeting this year, we reluctantly support the Table 3 option advocated by the California Stormwater Quality Association (CASQA) as a way for stormwater permittees to be repaid over time. A 20% fee increase for stormwater is better than a 34.9% fee increase.

Further, CPR strongly supports the use of a Stormwater Fee Rebalance factor as a standard part of the Core Regulatory Fee Schedules calculation in future years, until stormwater is paid back for the over-payment. This should be done as expeditiously as possible. To that end, we request that the State Water Board make a commitment in the FY 11-12 Resolution to the use of a Stormwater Fee Rebalance factor. In addition, CPR requests that the Water Boards produce an annual report detailing the previous year's stormwater expenditures and the projected stormwater expenditures for the following fiscal year.

Thank you again for the opportunity to provide these comments.

Sincerely,



Larry Forester  
CPR Steering Committee  
Mayor, City of Signal Hill

cc: CPR Steering Committee  
CPR Members