

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: _____
 (S) Publish Date: 2/16/05

Revision Date/Time (Note if correction): _____ Dept. Affected: Environmental Conservation
 Title: DEC regulation of wastewater and RDU: Division of Water
federal Clean Water Act NPDES primacy Component: Water Quality
 Sponsor: Rules Committee
 Requester: Governor Component No.: 2062

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	411.1	863.3	863.3	863.3	863.3	863.3
Travel	79.0	98.0	98.0	98.0	98.0	98.0
Contractual	281.4	554.1	554.1	554.1	554.1	554.1
Supplies	13.0	13.0	13.0	13.0	13.0	13.0
Equipment	89.7	19.5	19.5	19.5	19.5	19.5
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	874.2	1,547.9	1,547.9	1,547.9	1,547.9	1,547.9

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()			75.0	150.0	225.0	300.0
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	874.2	1,547.9	1,472.9	1,397.9	1,322.9	1,247.9
1005 GF/Program Receipts			75.0	150.0	225.0	300.0
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	874.2	1,547.9	1,547.9	1,547.9	1,547.9	1,547.9

Estimate of any current year (FY2005) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time	13	13	13	13	13	13
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

This bill directs the Department to seek authority from the U.S. Environmental Protection Agency (EPA) to fully implement the federal National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program. Building on FY05 efforts directed at primacy for the timber industry under HB 546, the Department projects a one-year (FY 2006) effort to complete development of the primacy application to EPA, with EPA review and approval during the following year. The funds identified in FY 2006 and FY 2007 and beyond are in addition to funds allocated in HB 546 (\$396.4 and \$132.5, respectively) for timber primacy, and reflect additional program development and implementation work necessary for full primacy; management of over 2,300 permits, specialized staff
 (Continued on page 2)

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 Division: Water
 Approved by: Kurt Fredrikson, Acting Commissioner
 Agency: Department of Environmental Conservation

Phone: (907) 465-5312
 Date/Time: 2/4/05 3:52 PM
 Date: 2/4/2005

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STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL NO. SB 110

ANALYSIS CONTINUATION

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training, compliance data entry, and increased efforts in the stormwater program. One-time Federal grant funds were included in HB 546 and no additional federal funds are available.

- **Revenue** - The Department anticipates taking over permit issuance and compliance from EPA in a phased approach as staff gain experience in the program, with annual program receipts income gradually increasing up to a total of \$300.0. Fees will be assessed according to existing fee statutes to accommodate the increased level of effort associated with NPDES permit and compliance services to owners/operators of facilities with wastewater discharges: municipal sewage treatment plants, utilities, mines, seafood processing plants, oil and gas operations, municipal stormwater, and construction projects with stormwater discharges.

FY 2006 Transition to NPDES Primacy

- **Personal Services** - Funds are for 13 permanent FT positions. They are budgeted at 6 months, recognizing staggered hiring and that not all 13 positions will be hired on the first day of the fiscal year. These positions will develop regulations, permitting procedures, standardized program forms, internet-based materials, compliance data entry forms and systems, and other items necessary to submit an NPDES primacy application to EPA.

- **Travel** - Support new staff for primacy application and program development; primarily allows for substantial training for existing and new staff in NPDES-specialized skills the state must acquire to assume primacy.

- **Contractual** - RSA to Dept. of Law for legal assistance with primacy application and regulations development (\$150.0), professional services contracts to support NPDES technical issues and regulations development (\$60.0), public notices, and position support costs (\$49.3).

- **Supplies** - Standard office supplies.

- **Equipment** - Office furniture and computers for all new permanent staff.

FY 2007 and ongoing - Implementation of NPDES Primacy

The Department anticipates attaining NPDES primacy during FY 2007. The fiscal note for FY 2007 and beyond reflects the remaining program development work and ongoing costs of implementing the program. Long-term fiscal stability is necessary to maintain NPDES program primacy.

- **Personal Services** - Ongoing costs for 13 positions, budgeted for 12 months, will perform NPDES program management, additional permitting and compliance work, specialized (scientific and technical) services, data entry, EPA reporting, ongoing program development & rulemaking, and clerical support.

- **Travel** - Staff permitting and facility inspections to meet NPDES mandated inspection schedules; ongoing specialized skills training; and occasional program development meetings.

- **Contractual** - Laboratory sample analysis (\$144.0); routine public notices of permits and occasional regulations revisions; staff technical training; professional services contracts for assistance with NPDES permitting and compliance-related issues (\$120.0); RSA to Dept. of Law for assistance in preparing legally defensible permits and taking enforcement actions for non-compliance with permits (\$150.0); public notices, and position support costs (103.6).

- **Supplies** - Standard office supplies and water quality sampling supplies.

- **Equipment** - Ongoing office equipment and computer replacement costs, environmental monitoring equipment purchase or replacement, and other facility inspection equipment (such as personal safety gear, field equipment, cameras).

Personal Services New Position Detail

Department of Environmental Conservation

NPDES Primacy

Scenario: A Scenario for FY2006 Fiscal Notes (4191)

Component: Water Quality (2062)

RDU: Water (210)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#004	Environmental Spec IV	FT	A	GG	Juneau	1A	20 C	6.0		28,224	545	0	13,243	42,012
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts		100.00%		42,012	
						Total Funding:				100.00%		42,012		
18-#005	Environmental Spec III	FT	A	GP	Anchorage	1A	18 A	6.0		23,040	445	0	11,748	35,233
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts		100.00%		35,233	
						Total Funding:				100.00%		35,233		
18-#006	Environmental Spec III	FT	A	GG	Juneau	1A	18 B	6.0		23,880	462	0	11,990	36,332
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts		100.00%		36,332	
						Total Funding:				100.00%		36,332		
18-#007	Environmental Spec II	FT	A	GG	Juneau	1A	16 B	6.0		20,754	401	0	11,088	32,243
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts		100.00%		32,243	
						Total Funding:				100.00%		32,243		
18-#008	Environmental Spec II	FT	A	GP	Anchorage	1A	16 A	6.0		19,998	386	0	10,870	31,254
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts		100.00%		31,254	
						Total Funding:				100.00%		31,254		

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column.

Personal Services New Position Detail

Department of Environmental Conservation

NPDES Primacy

Scenario: A Scenario for FY2006 Fiscal Notes (4191)

Component: Water Quality (2062)

RDU: Water (210)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#009	Environmental Specialist II	FT	A	GG	Fairbanks	1B	16 B	6.0		21,582	417	0	11,327	33,326
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004	General Fund Receipts						100.00%	33,326
						Total Funding:						100.00%	33,326	
18-#010	Environmental Specialist II	FT	A	GG	Fairbanks	1B	16 B	6.0		21,582	417	0	11,327	33,326
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004	General Fund Receipts						100.00%	33,326
						Total Funding:						100.00%	33,326	
18-#011	Environmental Spec II	FT	A	GG	Fairbanks	1B	16 B	6.0		21,582	417	0	11,327	33,326
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004	General Fund Receipts						100.00%	33,326
						Total Funding:						100.00%	33,326	
18-#012	Environmental Spec I	FT	A	GG	Anchorage	1A	14 B	6.0		18,006	348	0	10,296	28,650
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004	General Fund Receipts						100.00%	28,650
						Total Funding:						100.00%	28,650	
18-#013	Environmental Tech II	FT	A	GG	Juneau	1A	12 B	6.0		15,804	305	0	9,661	25,770
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004	General Fund Receipts						100.00%	25,770
						Total Funding:						100.00%	25,770	

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Personal Services New Position Detail

Department of Environmental Conservation

NPDES Primacy

Scenario: A Scenario for FY2006 Fiscal Notes (4191)

Component: Water Quality (2062)

RDU: Water (210)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range & Steps	Budgeted Months	Split / Annual Count	Annual Salary	COLA	Premium Pay	Annual Benefits	Total Costs
18-#014	Environmental Spec I	FT	A	GG	Fairbanks	1B	14 B	6.0		18,726	362	0	10,504	29,592
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts				100.00%	29,592
									Total Funding:				100.00%	29,592
18-#015	Environmental Spec I	FT	A	GG	Juneau	1A	14 B	6.0		18,006	348	0	10,296	28,650
Justification:						Funding Detail:								
Implement the National Pollutant Discharge Elimination System (NPDES) wastewater discharge permitting program.						1004			General Fund Receipts				100.00%	28,650
									Total Funding:				100.00%	28,650
18-#016	Administrative Clerk II	FT	A	GG	Juneau	1A	8 B	6.0		12,414	240	0	8,683	21,337
Justification: No justification provided.						Funding Detail:								
						1004			General Fund Receipts				100.00%	21,337
									Total Funding:				100.00%	21,337

Component Summary:

Total New Positions: 13

Fund Description	Fund Percent	Fund Amount
1004 General Fund Receipts	100.00%	411,051
Total Funding:	100.00%	411,051

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