

Agenda

Environmental Protection Commission and Natural Resource Commission

Wednesday, July 13, 2011
DNR Air Quality Building
7900 Hickman Road
Windsor Heights, Iowa
10:00 AM

Wednesday, July 13th – Dinner 5-6 p.m. – Governor’s Lounge – 929 3rd Street, Des Moines, IA – (515) 282-5251

8:00 – 9:30 a.m.	Role of a Commissioner (Optional Training) <ul style="list-style-type: none">• Role of a Commissioner• Administrative Rules Process• Conflict of Interest	Kelley Myers Ed Tormey Megan Tooker
10:00 – 10:15 a.m.	Introductions / Director Remarks	Director Lande
10:15 – 11:00 a.m.	2011 Legislative Summary 2012 Legislative Initiatives & Discussion	Diane Ford & Sharon Tahtinen
11:00 – 11:45 a.m.	Farming on State Owned Property	Travis Baker & Angi Bruce
11:45 a.m. – 12:30 p.m.	Lunch Break	
12:30 – 1:30 p.m.	Working with the Media	Kevin Baskins
1:30 – 1:45 p.m.	Content Management Website Review	Chris VanGorp
1:45 – 2:15 p.m.	DNR Strategic Plan and Lean Programs	Chris VanGorp
2:15 – 2:45 p.m.	Commission Schedule for 2012	Director Lande
2:45 - 2:50 p.m.	Water Supply: Water Use & Allocation Annual Permit Fee (Information)	Wayne Gieselman
2:50 – 3:00 p.m.	Summary of the day Follow up items	Director Lande

For details on commission and board schedules, visit www.iowadnr.com/epc/index.html.

Iowa Department of Natural Resources Environmental Protection Commission

ITEM

2:45
pm

Information

TOPIC

Water Supply: Water Use & Allocation Annual Permit Fee

The Commission is asked to review the Water Use and Allocation Program budget and SFY 2012 annual permit fee, in anticipation of approving the annual fee at its August meeting. The proposed annual permit fee is \$95.00 per permit for SFY 2012.

Background

Water use permits are required of any person or entity using 25,000 gallons of water in a single day during the year, and are issued for a period of up to 10 years. Previously, appropriations from the General Fund were used to fund water allocation and use permits program. During the 2008 legislative session, the legislature authorized the department to collect up to an additional \$500,000 in fees each fiscal year. Iowa Code §455B.265(6) requires the fees to be based on the Department's "reasonable cost of reviewing applications, issuing permits, ensuring compliance with the terms of the permits, and resolving water interference complaints." There are two types of fees in the Water Use and Allocation Program: an application fee and an annual permit fee. This request is for the determination of the annual fee for SFY 2011.

The annual fee rule, adopted in 2009, is summarized below (IAC 567-50.4(2)“b”):

- Each year, the Commission is asked to set the annual fee based on the budgeted expenses for that year minus the amount of any unused funds from the previous year and any general fund appropriations.
- The department reviews the annual permit fee each year and adjusts the fee as necessary to cover all reasonable costs required to develop and administer the water use permitting program.
- The annual fee is based on the number of active permits.
- Each permit holder pays the same annual fee.
- The fee is not prorated and is nonrefundable.
- The department requests Commission approval of the amount of the annual fee no later than September 30 of each year.
- The department provides an annual fee notice to each permittee at least 60 days prior to the fee due date.
- The annual fee due date is December 1st; 60 days prior is October 1st.

There is no annual fee required for either a water storage permit (permitted for the life of the structure) or a minor nonrecurring water use registration (one-year permit duration).

The annual permit fee for SFY 2010 and SFY 2011 was \$135.00.

SFY 2012 Budget

The worksheet included with this agenda brief illustrates the actual expenditures in SFY 2008 – 2010 and the first three quarters of SFY 2011, and the budgeted amounts for SFY 2011 and 2012. The final accounting figures for SFY 2011 should be available later in August. The changes to the budget in 2012 from the previous years include the following:

- Reduction in General Fund appropriation from previous years, which will be covered by the fee revenue;
- Completion and deployment of the Water Use Program's computer database – Phase I, which will improve tracking permits and addresses; enabling access to the database from the Internet (i.e., web-based application); and developing electronic payment feature;
- Tasks associated with the new fees, including mailing the annual fee statement, collection of the appropriate application and annual fees, revision of forms;
- Staffing to conduct more thorough review of the permits and associated data; and
- Enforcement of the state water use program rules.

Fee Analysis

There is a second phase of computer programming required to complete the database functions, which will be done in SFY 2012 and SFY 2013. At the Water Use Stakeholder meeting on June 8, 2011, the program's activities and budget were reviewed. A \$95.00 annual water use permit fee was proposed for SFY 2012, which is \$40.00 less than the annual water use permit fee in SFY 2011.

Based on the budget and stakeholder input, the annual water use permit fee for SFY 2012 should be \$95.00.

Sharon Tahtinen
Acting Chief, Water Quality Bureau
Environmental Services Division
June 22, 2011

Water Allocation and Use (7152)	FY08 Final Expenses	FY09 Final Expenses	FY10 Final Expenses	FY11 Budget	FY 11 Actual Exp. (through April 2011)	FY 12 Budget
REVENUES						
General Fund	\$365,673	\$346,846	\$172,321	\$241,355	\$140,067	\$241,355
Water Use Permit Fund			\$300,035	\$415,000	\$326,822	\$373,178
WU Permit Fund Carryforward				\$150,000	\$200,570*	\$150,000
TOTAL REVENUES	\$365,673	\$346,846	\$472,356	\$806,355	\$466,889	\$614,493
EXPENSES						
FTE	3.49	3.13	3.87	4.00	2.60	4.00
Personal Services	\$303,977	\$287,909	\$321,390	\$355,633	\$254,537	\$376,291
Permanent	0	0	321,390	355,633	254,537	371,028
Non-Permanent	0	0	0		0	5,263
Personal Travel In-State	646	2,067	397	2,150	6	1,200
State Vehicle	0	0	0		0	0
Depreciation	0	0	0		0	0
Pers. Travel Out of State	448	0	0	3,600	72	1,800
Office Supplies	4,161	3,840	1,906	2,300	2,251	2,300
Facility Main. Supplies	0	23	0		0	0
Equipment Maintenance	0	112	0	500	0	500
Prof Supplies	0	0	0		0	0
Ag Supplies	0	0	0		0	0
Other Supply	13	46	78	150	52	150
Print & Binding	482	0	308	800	1,288	800
Uniforms	0	0	0		0	0
Postage	1,125	597	240	250	207	250
Communications	689	690	1,137	2,150	1,003	1,900
Rentals	8,502	9,637	12,307	15,250	9,529	15,650
Utilities	0	0	0		0	0
Professional Services	0	0	81,454	359,833	137,610	149,500
Outside Services	600	0	5,442		21,189	0
Intra-State Transfers	0	0	0		0	0
Advertising & Publishing	3,515	2,208	1,401	4,500	669	2,700
Auditors Reimbursement	0	0	0		0	0
Reimbursement	72	104	96	150	146	150
ITS Reimbursement	0	0	126	2,400	0	2,400
Equipment Inventoriable	771	0	0	2,000	0	2,000
Equipment Non-Inv.	0	0	0		0	0
IT Hardware	0	0	597	500	0	500
Other Expenses	0	0	317		404	0
Securities	0	0	0		0	0
Licenses	0	0	69	1,200	0	1,200
State Aid	0	0	0		0	0
Capitals	0	0	0		0	0
July/Aug. Expense	0	0	0		0	0
Indirects	40,672	39,616	45,091	52,989	37,926	55,202
TOTAL EXPENSES	\$365,673	\$346,846	\$472,356	\$806,355	\$466,889	\$614,493

Notes: Actual Expenditures for SFY2008 - SFY2010 are final. Projected & proposed budget expenditures for SFY2011 & SFY2012 are subject to change.

Actual revenue in Water Use Permit Fund in SFY 2010 totaled \$452,255, and was \$444,870 in SFY 2011 (as of 4/1/2011).

This spreadsheet shows the actual revenue amount drawn from the WU Permit Fund and General Fund, not the fund balance.

*Actual carryforward from 2010 is not included in the SFY2011 YTD Total Revenue.