

**Vermont Department of Environmental Conservation***Agency of Natural Resources*

Commissioner's Office

One National Life Drive, Main 2 [phone] 802-828-1556

Montpelier, VT 05620-3520 [fax] 802-828-1551

To: Representative Tony Klein, Chair, House Natural Resources and Energy Committee  
Rebecca Ellis, Vice Chair, House Natural Resources and Energy Committee

From: David Mears, Commissioner, Department of Environmental Conservation

Date: February 11, 2015

Re: Department of Environmental Conservation SFY16 – Clean Water Fee Proposal

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The Department fee proposal is outlined below in accordance with the attached DRAFT spreadsheet dated February 11, 2015. As you may be aware, the water and dam safety related fee proposals have been removed from the fee bill. The Clean Water (TMDL) related fees have been moved into H.35. The total estimated revenue from the proposed fees in H.35 totals approximately \$1,550,000 to fund the Department's share of the responsibilities for implementing the state's Clean Water Initiative, including Lake Champlain restoration efforts.

**CLEAN WATER FEES***Surface Water Pollution Discharge Administrative Processing Fee (Rows 1-3)***Fee Description and Explanation**

Throughout the State of Vermont, surface waters are threatened by discharges of stormwater and wastewater and other discharges. This polluted water harms our ecosystems, rivers, and lakes, and puts drinking water sources at risk. The Department regulates these activities through stormwater, wastewater and wetlands permits. The fee affects multiple programs related to clean water.

Permit applicants, including landowners and developers, currently pay \$120 per application or renewal, at the time of application. Municipalities and State Agencies are currently exempt from this fee. Our proposal is to increase the fee to \$240 and remove the exemptions for municipalities and State Agencies, ensuring all regulated entities pay the fee. These fees are in the category of clean water fees assessed to support the Department's surface water protection programs including the costs of monitoring, basin planning, technical assistance, education and outreach, permitting and oversight.

## **STORMWATER MANAGEMENT PROGRAM**

### **Program Description**

Throughout the State of Vermont, surface waters are threatened by discharges of stormwater. Polluted runoff from stormwater can harm our ecosystems, rivers, and lakes, and put drinking water sources at risk. An example of impacts include increased sediment discharged into surface waters, causing excess nutrient pollution, resulting in among other things, toxic blue-green algae blooms that can harm animals and people, as well as compromise recreational uses, tourism and economic development. The Department regulates these activities through stormwater permitting.

### **Stormwater Discharge - Application Fees (Rows 13-14)**

#### **Fee Description and Explanation**

Stormwater application fees are assessed at the time of initial application to developers and landowners, and when there is substantial modification. Currently, the application fee is \$430 per acre, with the minimum fee \$220 for projects less than one acre. Fees are not assessed on permit renewals.

Our proposal is to increase stormwater application fees to \$860 per acre, with a minimum of \$440 for projects less than one acre. Fees would continue to not be assessed on permit renewals.

Increased revenues would be used to cover the technical review needed for applications and design materials, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring Stormwater management is a critical component of the State's clean water initiative and Lake Champlain restoration plan. The increase in fees across all stormwater programs will support our efforts to more effectively target polluted stormwater runoff as a major contributor to degraded water quality in state waters including Lake Champlain.

### **Stormwater Discharge - Operating Fees (Rows 36-39)**

#### **Fee Description and Explanation**

Operating fees are annual fees that cover the operation of an ongoing discharge of stormwater from a regulated project. Property owners, developers, municipalities, statewide will be impacted by this fee increase. For discharges to Class A waters, the highest quality waters in the state, the current fee is \$255 per acre, with a minimum of \$235 per site. For discharges to Class B waters, the majority of waters in the state, the current fee is \$80 per acre, with a minimum of \$80 per site.

Under this proposal, the fee for discharges to Class A waters will be increased to \$310 per acre with a minimum fee of \$310. Fees associated with discharges to Class B waters will be increased to \$160 per acre with a minimum of \$160 per site. Stormwater operating fees with discharges to Class B waters fee affects over 2,000 projects, including residential, commercial, industrial and transportation.

Revenues from these fees would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

Stormwater management is a critical component of the State’s clean water initiative and Lake Champlain restoration plan. The increase in fees across all stormwater programs will support our efforts to more effectively target polluted stormwater runoff as a major contributor to degraded water quality in state waters including Lake Champlain.

**Stormwater Discharge - Construction General Permit Application Fees (Rows 15-18)**

**Fee Description and Explanation**

Coverage under the construction general permit are required for projects that disturb more than one acre during construction activities and includes both low pollution risk and moderate pollution risk sites.

Currently, fees are assessed on landowners and developers based on the risk of water pollution. The fee for a low risk site is currently \$50 and a moderate risk site is \$360.

Our proposal is to also take into account the size of the project when assessing a fee. For low risk sites less than five acres, the fee would increase to \$100. For low risk sites greater than five acres, the fee would increase to \$220. For moderate risk sites, the fee would increase to \$480 for projects less than five acres, and to \$640 for projects greater than five acres.

Increased revenues from this fee would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Stormwater Discharge - Individual Construction Permit Application Fees (Rows 19-20)**

**Fee Description and Explanation**

The Stormwater Discharge Individual Construction Permit Application is for sites not eligible for coverage under the general permit.

Currently, landowners and developers pay \$720 for an individual construction permit application fee. Among other costs of administering the stormwater program, these funds support the work of program staff to review applications, which is time-intensive due to the size and complexity of these sites.

Our proposal is to also take into account the size of the project when assessing a fee. Projects less than 10 acres will be charged \$1,200, and the largest and most complicated projects over 10 acres will be charged \$1,800.

Increased revenues from this fee would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Stormwater Multisector General Permit - Application Fee (Row 21)**

**Fee description and explanation**

Currently, an application fee of \$220 is required for multisector general permit applications. Applicants include industrial facilities, identified by category in federal regulations, which are required to control polluted stormwater. Our proposal is to increase the application fee on these industrial facilities to \$440.

Increased revenues from this fee would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Stormwater Multi Sector General Permit (MSGP) - Operating Fees (Row 40)**

**Fee Description and Explanation**

Operating fees are annual fees that cover the operation of an ongoing discharge of stormwater from a regulated project. Currently industrial facilities with discharges regulated under the MSGP pay \$80 per year per facility. Under our proposal, this industrial facility fee would be increased to \$160 per facility. This fee affects over 261 industrial facilities designated by federal regulations.

Revenues from these fees would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Municipal Separate Stormwater (MS4) Permits - Application Fee (Row 22)**

**Fee Description and Explanation**

The Municipal Separate Storm Sewer System Permit is also called MS4 and applies to certain municipalities which have been designated as requiring a MS4 permit based on their size and location.

Currently, MS4 fees are assessed on Burlington, South Burlington, Colchester, Essex, Essex Junction, Milton, Shelburne, Williston, Winooski, Burlington International Airport, UVM, Rutland Town, Rutland City, St. Albans's Town, St. Alban's City, and VTrans. The application fee is \$1,200, assessed when a project is initiated or if there is a significant change or amendment to activities. Our proposal is to increase the fee to \$2,400.

Increased revenues from this fee would be used to cover the technical review needed for applications, plan submissions, and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Municipal Separate Stormwater (MS4) Permits - Operating Fees (Rows 41-42)**

**Fee description and explanation**

The Municipal Separate Storm Sewer System Permit is also called MS4 and applies to certain municipalities which have been designated as requiring an MS4 permit based on their size and location.

Operating fees are currently assessed annually. The current fee is \$80 per community. Only municipalities that fall under the MS4 permit requirement will be assessed these fees. The MS4 fee currently impacts Burlington, South Burlington, Colchester, Essex, Essex Junction, Milton, Shelburne, Williston, Winooski, Rutland Town, Rutland City, St. Alban's Town, St. Alban's City, Burlington International Airport, UVM, and VTrans.

Under our proposal, the existing fee of \$80 per community will be replaced with a fee of \$10 per acre of impervious surface. The fees will vary depending on the level of development in a MS4 municipality.

Revenues from these fees would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Residual Designation Authority Permits - Application Fees (Rows 23-26)**

**Fee description and explanation**

Residual designation authority (RDA) program mitigates impacts from stormwater runoff from impervious surfaces that contributes pollution to an impaired water. Regulation of these sites is part of the Department’s strategy to improve impaired surface waters in the state.

Landowners of existing development designated as requiring permit coverage due to their impacts to impaired waters currently pay a fee. Class A waters are designated as the highest quality in the state, or waters that could be used for drinking water supplies. Surface water that is not listed as Class A is considered Class B. For discharges to Class B waters, the fee is \$430 per acre, with a minimum fee of \$220. For discharges into Class A waters, the fee is \$1,400 per acre, with a minimum fee of \$1,400. There are very few instances where RDA designation applies to a Class A water.

Our proposal is to increase the fees to \$1,700 per acre with a minimum fee of \$1,700 for Class A waters and \$860 per acre for Class B waters with a minimum fee of \$280 per site. This is an existing fee which will be expanded to more properties in the future, particularly in the Lake Champlain watershed.

Increased revenues from this fee would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Residual Designation Authority Permit - Operating Fees (Rows 43-46)**

**Fee Description and Explanation**

This residual designation authority (RDA) program mitigates impacts from stormwater runoff from impervious surfaces that contributes pollution to an impaired water. Residual designation includes existing development. Regulation of these sites is part of the Department’s strategy to improve impaired surface waters in the state.

The fee impacts land owners of existing development designated as requiring permit coverage due to their impacts to impaired waters. The current annual fee for discharges to Class A waters, this highest quality waters in the state, is \$255 per acre with a minimum fee of \$255. For discharges to Class B waters, the majority of surface waters in the state, the annual operating fee is \$80 per acre with an \$80 minimum.

Our proposal is to increase the operating fee to be consistent with the proposal for other stormwater operating fees. The per acre fee for discharges to Class B waters will be increased to \$160 per acre with a minimum fee of \$160. Fees for discharges to Class A waters would increase from to \$310, with a minimum fee of \$310. Existing sites that have previously not been required a stormwater discharge permit would be required to pay annual operating fees. These fees do not currently affect a large number of projects but may affect a larger number in the future as the program addresses management of impaired waterways under the new Clean Water Initiative and TMDL implementation plan.

Revenues from these fees would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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#### **Municipal Roads and State Roads (TS4) Permits - Application Fee (Rows 27-28)**

##### **Fee Description and Explanation**

The Municipal Roads and State Roads (TS4) Permit is a new regulatory program that will target reduction of sediment and phosphorus discharges to surface water by ensuring that best management practices including proper sizing of culverts and erosion control are implemented by VTrans and municipalities.

Municipal and state roads do not currently require a stormwater permit, unless they expand or redevelop one acre of road surface, yet account for a significant portion of pollution into the State's waters. The proposed municipal roads fee would initially apply to all municipalities in the Lake Champlain watershed, payable on a five year basis (\$400 every five years), every time a new general permit is issued. Over time, the state intends to expand this program to operate statewide. The state roads, or TS4, \$1,200 per application fee would affect VTrans, and would be offset in part, as VTrans would no longer pay application fees under other stormwater discharge permits. This fee would also be paid once every 5 years.

Revenues from these new fees would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring.

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**Municipal Roads and State Roads (TS4) Permits - Operating Fee (Rows 47-48)**

**Fee Description and Explanation**

The Municipal Roads and State Roads (TS4) Permit is a new regulatory program that will target reduction of sediment and phosphorus discharges to surface water by ensuring that best management practices including proper sizing of culverts and erosion control are implemented by VTrans and municipalities.

These are new fees. The municipal roads fee would initially apply to all municipalities in the Lake Champlain watershed though the State intends to expand this program to operate statewide over time. In this first stage of the program, each municipality in the Lake Champlain watershed would be assessed a fee of \$2,000 per municipality annually. While there are over 100 municipalities in the Lake Champlain watershed it is anticipated that not all municipalities will immediately fall into the need for this authorization but will be phased in over the next several years. The State Roads (TS4) operating fee is a new annual fee of \$90,000 per year that affects VTrans. The \$90,000 increase in annual fees would be offset in part because VTrans would no longer pay operating fees under other stormwater discharge permits.

Revenues from these new fees would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance, provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring. Stormwater management is a critical component of the State’s clean water initiative and Lake Champlain restoration plan. The increase in fees across all stormwater programs will support our efforts to more effectively target polluted stormwater runoff as a major contributor to degraded water quality in state waters including Lake Champlain.

**Stormwater VTrans and Municipal Application Fee Exemption Removal – (Rows 69-71,75-77)**

**Fee Description and Explanation**

Currently, VTrans and municipalities do not pay fees for application review and approval. Our proposal is to remove this exemption to make fees paid by VTrans and municipalities consistent with other facilities. Specific fees that would fall under this exemption removal are: \$860 stormwater discharge permit application fee, \$440 construction permit application fee and \$240 for the administrative processing fee for discharges.

Revenues from removing this exemption would be used to cover the technical review needed for applications and design materials, perform site visits and inspections, ensure compliance,



provide technical oversight and support, and to support other activities such as basin planning, hydraulic modeling, and monitoring. Stormwater management is a critical component of the State's clean water initiative and Lake Champlain restoration plan. The increase in fees across all stormwater programs will support our efforts to more effectively target polluted stormwater runoff as a major contributor to degraded water quality in state waters including Lake Champlain.

## **WASTEWATER MANAGEMENT PROGRAM**

### **Program Description**

Throughout the State of Vermont, surface waters are threatened by discharges of wastewater. This pollution harms our ecosystems, rivers, and lakes, and puts drinking water sources at risk. Impacts from wastewater treatment plants can include fish kills and beach closures due to high levels of E. Coli, a public health threat when not properly managed. The Department regulates these activities through municipal and industrial wastewater treatment plant permits.

### **Wastewater Treatment Plant Discharge Permit - Application Fees (Rows 4-8)**

#### **Fee Description and Explanation**

Currently the Department regulates 226 municipal and industrial facilities that discharge to surface waters. The current fee is \$0.0023/gallon, with a minimum fee of \$50 and maximum fee of \$30,000. The fees are used to cover initial application reviews and process changes. Fees are not charged for renewal, transfer of ownership, or minor amendments.

Our proposal is to raise the minimum (\$50 to \$100) and per gallon fee (\$0.0023/gallon to \$0.003/gallon), with no increase to the maximum fee. We propose a new fee that will charge for renewals, transfers of ownership, and minor amendments of \$0.002/gallon, with a minimum fee of \$50 and maximum of \$5,000. Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

### **Wastewater Pretreatment Discharge - Application Fees (Rows 9-12)**

#### **Fee description and explanation**

Industrial facilities sometimes produce wastewater that must be pre-treated before it is discharged into municipal sewer systems. These facilities produce wastewater that cannot be effectively managed at the municipal wastewater system without pretreatment first. The requirement for pretreatment protects the infrastructure of the wastewater treatment plant, and the ultimate discharge to surface waters. If left untreated, these sources of wastewater could cause damage to the facilities and result in violations for a municipal facility that could result in additional costs to the municipality or rate payers. The Department regulates these activities through wastewater pretreatment discharge permits.

There are 44 industrial pre-treatment facilities that discharge into a municipal collection system. They pay \$0.12/gallon in fees, with a minimum fee of \$50 per application. Renewal, transfer and minor amendments are currently not charged a fee. These fees are used to cover permitting, inspection, and regulatory oversight costs.

Our proposal is to increase the per gallon fee to \$0.20/gallon, and the minimum fee to \$100 per application. We propose to charge a renewal, transfer and minor amendment fee of \$0.002/gallon to be consistent with the wastewater pollution discharge application fee and for ease of administration, with a minimum of \$50.

Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

#### Wastewater Discharge Pretreatment - Operating Fees (Rows 34-35)

##### **Fee description and explanation**

Industrial facilities that pre-treat wastes prior to discharge into a municipal collection system currently pay \$0.0385/gallon of permitted capacity with an minimum fee of \$150 with a maximum fee of \$27,500.

Our proposal is to raise the rate to \$0.040/gallon and the minimum fee from \$150 to \$200. No increase in the maximum fee (\$27,500) is proposed.

Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

#### Wastewater Industrial Discharge - Operating Fees (Rows 29-30)

##### **Fee description and explanation**

Industrial facilities that discharge to surface waters currently pay operating fees \$0.0010/gallon with a minimum fee of \$150 and a maximum fee of \$210,000. There are currently 31 industrial facilities that pay operating fees. Our proposal is to increase the per gallon fee to \$0.0015/gallon with a minimum fee of \$200.

No increase in the maximum fee (\$210,000) is proposed. Vermont Yankee has been the only facility to reach the maximum fee, and once the company's discharge ceases.

Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

**Wastewater Discharge Municipal - Operating Fees (Rows 31-33)**

**Fee description and explanation**

There are currently 88 municipal facilities that pay operating fees. The program currently collects annual operating fees based on per gallon of wastewater flows through a municipal wastewater system. The current fee is \$0.003 per gallon with a minimum fee of \$150, and a maximum fee of \$12,500.

Under our proposal, the minimum operating fee will increase to \$200 and the maximum fee will remain the same. The per gallon fee will also remain \$0.003/gallon; however, the basis for the calculation of these fees will change. Current fees are based on actual flows instead of design flows, or permitted capacity. We propose that the fees be based on design capacity.

Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

**Wastewater Management – Certification of Sewage Treatment Plant Operators (Row 59)**

**Fee Description and Explanation**

All treatment facilities require the employment of at least one, and in some cases as many as 20 certified operators. The current fee is \$110, operators are required to obtain initial certification and renew their certification once every five years at this rate.

Under our proposal, the fee will be increased from \$110 to \$125. DEC staff provides training, certification and support of wastewater treatment plant operators. Municipalities, businesses with industrial wastewater discharge or contract operators will be impacted by this fee increase.

**Wastewater Management – Sludge or Septage Facility Certifications (Rows 60-61)**

**Fee Description and Explanation**

Approximately 17 percent, of residual solids from wastewater treatment plants are land applied for agronomic benefit, or undergo advanced treatment. This Program ensures that residual (sewage and sludge) treatment, storage and land application occurs responsibly with no impact to human health, groundwater or surface resources.

Fees for applications for certification of sludge and septage land application facilities and for facilities that treat sludge or septage to pathogen reduction standards are proposed to be raised from \$950 to \$1,000, and fees for all other regulated septage and sludge storage and treatment facilities are raised from \$110 to \$125.

The fee for land application facilities is assessed only during the initial application and upon renewal of the certification which can be valid for up to 10 years. The fees for all other facilities will be increased from \$110 to \$125 per application.

Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

Wastewater Management - Septic Tank Pumping Fee (Row 68)

**Fee Description and Application**

Approximately 55 percent of Vermont's population uses land based system to treat sewage from their homes, businesses and schools that are not connected to municipal sewer systems. Improper management of sewage can lead to significant health risks and harm to ecosystems. Landowners with soil based wastewater disposal systems typically have their septic tanks pumped out by a residuals (solid waste) hauler approximately once every five to seven years. These residuals must be treated at a certified wastewater treatment plant or solid waste management facility.

Under this new fee, residuals haulers will be assessed a fee of \$10 per 1,000 gallons of septage (residuals) hauled. The average homeowner septic tank is typically holds up to 1,000 gallons of septage. While this fee will be assessed against septage (also known as residuals) haulers, the cost will likely be passed onto homeowners when they have their septic tank pumped. An average single family home would see an increase of approximately \$10 that would be assessed every five to seven years, which is the recommended period for having your septic tank pumped. Since residuals haulers already bill homeowners and report quarterly to the DEC, administrative costs to the haulers should not be overly burdensome.

Revenues generated under this fee will support DEC's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues would be used to cover the technical review needed for applications and design materials, permitting, inspection, operator training, as well as technical oversight and support, basin planning, hydraulic modeling, and monitoring.

**WETLANDS PROGRAM**

**Program Description**

A wetland is a unique surface water feature that provides vital functions to our environment such as flood storage, water quality protection, aesthetics and recreation and supports diverse species of both plant and animals. Only 5 percent of Vermont's land surface is classified as wetlands. It is of critical importance to protect this valuable resource. Where development occurs within or near wetlands, the program works with the developers and issues permits to authorize projects if the work can be completed with no effect on the wetland function.

**Wetlands Municipal Exemption Removal (Rows 62-63)**

**Fee Description and Explanation**

Currently, developer and landowners that disturb a wetland are required to pay \$0.75 per square foot for area within a class I or II wetland and \$0.25 per square foot for area within a wetland buffer. Class I and Class II wetlands are considered to be of highest value and are regulated by DEC. Class III wetlands, also often involved in development, some are typically regulated by the Army Corps of Engineers. A wetland buffer is the area adjacent to a wetland which protects the wetland from outside disturbances.

Under this proposal, the per acre fees will not change, however, the exemption for municipalities will be removed. The current fee of \$0.75 per square foot of proposed impact to Class I or II wetlands and \$0.25 per square foot of proposed impact to Class I or Class II wetland buffers will remain the same.

These fees will support the state's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues will be used to support technical review and site inspections necessary for permitting and related approvals.

**Wetlands VTrans Exemption Removal (Rows 64-65)**

**Fee Description and Explanation**

Similar to the municipal exemption removal described above, the per acre fees will not change, however, VTrans have previously been exempt from paying this fee. The current fee of \$0.75 per square foot of proposed impact to Class I or II wetlands and \$0.25 per square foot of proposed impact to Class I or Class II wetland buffers will remain the same.

These fees will support the state's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues will be used to support technical review and site inspections necessary for permitting and related approvals.

**Wetlands After the Fact Permit Fees and Application Resubmittal (Row 66)**

**Fee Description and Explanation**

Landowners and developers that seek approval from the wetlands program after disturbance to the wetland has already occurred pay the same square foot fees of \$0.75 for activity in a Class I or Class II wetland and \$0.25 per square foot in a wetland buffer. This is the same fee as people who have gone through the proper permitting review process.

We are proposing to increase this fee to \$1.50 per square foot. When a violation occurs, in a few instances, the best solution is to leave the activity in place rather than disturb the wetland again. After the Fact Permits receive a more intensive review and require more staff time. After the Fact permitting and violations can often hold up the development process for those seeking permits before construction because DEC staff review time is spent addressing after the fact permitting and violations. Discouraging this activity by seeking guidance and technical assistance prior to undertaking a project will provide benefit to the environment and those who are appropriately moving through the permitting process.

This increase fee pays for staff time working towards project compliance which is more time consuming than the regular permitting process. Increased revenues will be used to support technical review and site inspections necessary for permitting and related approvals, basin planning and modelling. These fees will support the state's clean water initiative and Lake Champlain restoration plan implementation.

Wetlands Application Revision Fee (Row 67)

**Fee Description and Application**

This proposal includes a new \$100 fee charged for each wetland application revision. While, this fee will not create a large amount of revenue, it will lead to better initial applications and fewer submittals for staff to review. The program currently processes approximately 100 permits per year, it is estimated that about half of these are returned to the applicant for revision.

Property owners, municipalities, and developers applying for wetlands permits will be impacted by this fee. These fees will support the state's clean water initiative and Lake Champlain restoration plan implementation. Increased revenues will be used to support technical review and site inspections necessary for permitting and related approvals, basin planning and modelling.

**RIVERS PROGRAM**

**Program Description**

Vermont's rivers and streams are valued not only for aesthetics and recreation, but also for their important role in mitigating flood hazards. Changes to the morphology of a river can alter the path of and velocity of water flow resulting in increased sedimentation, flooding and aquatic ecosystem destruction. The Rivers program regulates activities that occur within rivers and streams that include greater than 10 cubic yards of fill. Typically these stream alteration projects include new or replacement bridges and culverts, stream bed and bank stabilization projects and stream channel realignment projects.

Stream Alteration Permits (Rows 49-53)

**Fee Description and Explanation**

This program is implemented under both a general permit for emergency projects (necessary to address imminent or next flood threats to improved property) and individual permits for more technically complex projects. Applicants currently pay \$225 for an individual stream alteration permit. There is currently no fee assessed for the general permit, and the program is heavily general funded. Municipalities and VTrans are exempt from the individual permit fees landowners pay.

Under our fee proposal, all applicants would pay \$200 for coverage under the general permit and \$350 for an individual permit. This is a one-time fee at the time of initial application. Municipalities and VTrans would no longer be exempt from these fees.

Services provided by the program include review, and inspection of projects to assure affected landowners and general public benefit by maintaining stream standards to reduce flood and fluvial erosion hazards and significant damage to fish and wildlife.

Managing activities in rivers and streams is part of state's clean water initiative and Lake Champlain TMDL implementation plan. The River Management provides permitting services, technical assistance and outreach to applicants, and provides monitoring and oversight.

**Flood Hazard Area Permits (Rows 54-57)**

**Fee Description and Explanation**

Vermont's rivers and streams are valued not only for aesthetics and recreation, but also for their important role in mitigating flood hazards. Development in flood hazard areas and river corridors can have serious consequences, to human health, land quality, and fish and wild life if not properly managed. This program regulates development and state facility encroachments within flood hazard areas and river corridors requiring an individual permit under the Flood Hazard Area and River Corridor Rules.

This is a new fee removing the exemption for state facilities, and projects located in a municipality that are not subject to municipal regulation, in flood hazard areas and river corridors. The permit fees will range from \$200 to \$350 under an Individual Permit for state facilities, depending if detailed engineering and technical (hydraulic and hydrologic) modeling is required.

Services provided by the Program include review, and inspection of projects to assure affected landowners and general public benefit by minimizing risk to flood hazard areas as a result of development.

Managing activities in rivers and streams is part of state's clean water initiative and Lake Champlain TMDL implementation plan. The Rivers Program provides permitting services, technical assistance and outreach to applicants, and provides monitoring and oversight.

By having the opportunity to conduct technical modelling of stream equilibrium conditions, the development community, municipalities and general public benefit by the assurance that proposed developments will meet state standards designed to reduce new flood and fluvial erosion hazards.

**Rivers Program River Corridor Map Amendment (Row 58)**

**Fee Description and Explanation**

Vermont's rivers and streams are valued not only for aesthetics and recreation, but also for their important role in mitigating flood hazards. Development in flood hazard areas and river corridors can have serious consequences, to human health, land quality, and fish and wild life if not properly managed. The purpose of this program is to review and approve proposed major changes to flood hazard areas and river corridors during the Act 250 permitting process or municipal flood hazard area and river corridor bylaws reviews.

Currently developers with projects requiring Act 250 or municipal land use permits who wish to challenge the Agency's published river corridor base maps are not assessed a fee.

Under our proposal, there will be a fee of \$350 to cover staff time associated with these reviews and amendments to the Agency's base map. It is estimated that we will review 10 projects per year.

## **LAKES AND PONDS PROGRAM**

### **Program Description**

The Lake Encroachment Permit program has jurisdiction over work in the public water of lakes, ponds and reservoirs. Permit conditions aim to reduce impact to public trust resources (including water quality, habitat, and recreation/navigation) and to minimize new fill in lakes. Projects typically include retaining walls, marinas, bridges, dredge and fill, and access area work. Municipal projects usually include installation of dry hydrants and stabilization of road banks along lakes.

Throughout the State of Vermont, lakes, ponds and reservoirs are challenged with development along their shorelines which can cause unintended consequences such as water pollution and harm to fisheries and shoreline habitat for birds and other wildlife.

### **Lake Encroachment Permit VTrans and Municipal Exemption Removal (Row 72-74,78-80)-**

#### **Fee Description and Explanation**

While the proposal does not change the fees, it does involve the removal of an exemption for municipalities and VTrans projects so that both entities will pay the same fees as private landowners. VTrans projects usually include replacement bridges and stabilization of road banks along lakes. Typical municipal projects include retaining walls, shoreline stabilization along town roads, town marinas, bridges, dredge and fill and possibly town boat ramp work.

Under this proposal, VTrans and municipalities are required to pay a fee ranging from \$155 to \$300 depending on the type of project. Review of VTrans and some municipal projects often involves substantial staff time. Particularly when a project is reviewed in the design phase, lake and shoreland protection can be maximized.

Managing activities along shorelines is part of the state's clean water initiative and Lake Champlain TMDL implementation plan. The Lakes and Ponds program provides permitting services, technical assistance and outreach to applicants, and provides monitoring and oversight.



## **DRINKING WATER**

### Public Community Water Systems - Construction Permits Exemption Removal with DWSRF Loan Funding – (Row 219)

#### **Fee Description and Explanation**

The Department administers the federal Safe Drinking Water Act and state laws regulating drinking water quality and quantity, effectively protecting human health and the environment. DEC also administers the Drinking Water State Revolving Loan Fund (DWSRF) Program by which DEC provides low and negative interest loans to community drinking water systems for infrastructure improvements. Drinking water construction permits are required for these projects and ensure the review of the construction of new public drinking water systems and line extensions that are a part of those systems meet the required construction standards.

Currently, drinking water construction projects that are funded by the DWSRF are not required to pay a construction permit fee. Our proposal is to remove this exemption, ensuring that all projects, including municipal water systems, pay the \$900 flat fee to obtain a construction permit. This fee would be included as part of the total amount of the loan from the DWSRF program. The additional fee revenue would be used to cover the cost of the technical and engineering review of the proposed system prior to its construction.