

Multiple Agency Fiscal Note Summary

Bill Number: 5239 S SB	Title: Water availability
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2017-19			2019-21			2021-23		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Ecology	24.5	8,557,768	8,557,768	24.5	7,037,768	7,037,768	24.5	7,037,768	7,037,768
Total	24.5	\$8,557,768	\$8,557,768	24.5	\$7,037,768	\$7,037,768	24.5	\$7,037,768	\$7,037,768

Local Gov. Courts *									
Loc School dist-SPI									
Local Gov. Other **	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Impact

Agency Name	2017-19		2019-21		2021-23	
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Department of Ecology						
Acquisition	0	0	0	0	0	0
Construction	0	0	0	0	0	0
Other	0	0	0	3,500,000	3,500,000	3,500,000
Total \$	\$0	\$0	\$0	\$3,500,000	\$3,500,000	\$3,500,000

Prepared by: Linda Steinmann, OFM	Phone: 360-902-0573	Date Published: Final 3/ 2/2017
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

FNPID: 48077

FNS029 Multi Agency rollup

Individual State Agency Fiscal Note

Bill Number: 5239 S SB	Title: Water availability	Agency: 461-Department of Ecology
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	24.5	24.5	24.5	24.5	24.5
Account					
General Fund-State 001-1	4,278,884	4,278,884	8,557,768	7,037,768	7,037,768
Total \$	4,278,884	4,278,884	8,557,768	7,037,768	7,037,768

Estimated Capital Budget Impact:

	2017-19		2019-21		2021-23	
	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Acquisition	\$0.00	0	0	0	0	0
Construction	\$0.00	0	0	0	0	0
Other	\$0.00	0	0	3,500,000	3,500,000	3,500,000
Total \$	\$0.00	\$0	\$0	\$3,500,000	\$3,500,000	\$3,500,000

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

☒

Capital budget impact, complete Part IV.

☐

Requires new rule making, complete Part V.

Legislative Contact: Karen Epps	Phone: 360-786-7424	Date: 02/13/2017
Agency Preparation: Jim Skalski	Phone: 360-407-6617	Date: 02/21/2017
Agency Approval: Erik Fairchild	Phone: 360-407-7005	Date: 02/21/2017
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 02/21/2017

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

SB 5239 amended RCW 90.044.050 to state that permit-exempt wells would not impair other water rights including instream flows. SSB 5239 amends SB 5239 to require mitigation for permit exempt wells on a cumulative watershed basis. While the SB version of the bill would have exempted impacts from permit-exempt wells, the SSB version would require implementation of complex mitigation programs to offset permit-exempt well water withdrawals. These changes create a fiscal impact for Ecology.

Under current law, RCW 19.27.097 (State Building Code) and RCW 58.17.110 (Boundaries and Plats) establish county permitting criteria that are used to make decisions on building permits for buildings that would rely on a permit exempt well for a water source.

This bill would make statutory changes to assist counties with implementing their obligation to protect water resources under the State Growth Management Act by addressing the recent State Supreme Court decision known as the “Hirst” decision.

Specific sections of the bill that would impact Ecology are:

Section 4 would amend RCW 90.03.247 to require a permit for a beneficial use of water where instream flows have already been adopted to be conditioned so that the permit mitigates the impacts to fish or aquatic resources. This section would also direct that mitigation not be limited to measures that require water to be replaced and may include other or different (out-of-kind) measures designed to mitigate the impact of the use of water without requiring replacement water. Ecology would not have a fiscal impact from this section as this would be an administrative action taken when issuing the final permit. Ecology already issues permits for the beneficial use of water conditioned on mitigating flow and would not incur additional workload to issue this type of permit. For permits that would be conditioned to mitigate for the impacts of fish and aquatic resources, the workload required is contained within section 5 of the bill.

Section 5 would amend RCW 90.54.040 to direct Ecology to establish a new mitigation program to mitigate in areas with established minimum flow rules the cumulative impacts of domestic withdrawals that are exempt from permit review under RCW 90.44.050. This section would also (1) direct that domestic well mitigation be cumulative in nature and not specific to each permit except where a groundwater mitigation program is adopted; (2) direct that acceptable watershed-based mitigation programs must either protect flow levels or mitigate the impacts of fish and aquatic resources; (3) direct that mitigation not be limited to measures that require water to be replaced and provide that mitigation may include other or different (out-of-kind) measures designed to mitigate the impact of the use of water without requiring replacement water; and (4) not require individual mitigation. Subsection 5(4)(b) would authorize a county legislative authority to administer the watershed-based exempt well mitigation program if approved by Ecology. This subsection would also allow a third party to administer the program if both Ecology and the county approved.

Section 5 would have fiscal impact on Ecology from implementing new, out-of-kind mitigation programs within the affected jurisdictions. To properly implement a mitigation program, Ecology would need to do significant research, hydrogeological mapping, and stakeholder outreach in each basin to determine the scope of mitigation in each WRIA choosing to implement such a program. The exact fiscal impact of this section is indeterminate due to:

1. The bill would require basin-wide mitigation (cumulative in nature) and would allow out-of-kind mitigation for fish or aquatic resources per section 5(4)(a). Current law only provides for in-kind mitigation specific to the water right(s) being impaired. Ecology has not conducted out-of-kind mitigation at scale before, and therefore has no basis to determine the potential impacts and solutions required.

2. The structure, scope and implementation of a mitigation program is not defined and would depend on specific basin water supply issues in the particular county in which they are located. Since Ecology has never implemented out-of-kind mitigation on such a large scale, it is unclear whether rules would be needed to implement out-of-kind mitigation programs.

Section 6 would amend RCW 90.54.120 to establish the definition of withdrawal of water to mean the removal of water from any source for a beneficial use. Ecology assumes we would not have a fiscal impact resulting from this section.

Section 8 of this bill would establish an emergency clause and have the bill take effect immediately upon becoming law.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

None

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Implementation of a mitigation program under section 5 of this bill would have fiscal impact on Ecology. The following scenario is intended to illustrate what a mitigation program might look like under the terms outlined in this bill.

Ecology assumptions for the expenditures are:

1. The bill would apply to 14 counties including Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille and Spokane. These counties are affected by the Hirst decision because they have instream flow rules that do not specifically include water allocations for permit exempt well water withdrawals.
2. The bill would apply to 16 Watershed Inventory areas including Nooksack(1), Snohomish(7), Cedar-Sammamish(8), Duwamish-Green(9), Puyallup-White(10), Nisqually(11), Chambers-Clover(12), Deschutes(13), Kennedy-Goldsborough(14), Kitsap(15), Lower Chehalis(22), Upper Chehalis(23), Methow(48), Okanogan(49), Little Spokane(55), and Colville(59).
3. Implementation would begin July 1, 2017, in all 14 counties.
4. Ecology would need to analyze information and determine parameters of what out-of-kind mitigation would be applicable and under what circumstances. This could require rule-making but the need for rule-making is indeterminate at this time.
5. Ecology would require and provide information, technical assistance, contracting services, project management, and scientific data to determine which jurisdictions require implementation of a mitigation program.

6. Ecology would administer all mitigation programs established by county or WRIA.
7. Expenditure estimates for this bill are modeled after similar work within the Skagit Basin attempting to do the similar type of work as required by this bill. (Please note that Ecology received one-time Capital Budget appropriations to perform similar work in the Skagit and Dungeness basins that are not available to implement work described in this bill.)
8. Ecology assumes that applications received under section 4 of this bill that require conditions to mitigate for the impacts of fish or aquatic resources would be processed in basins that have a mitigation program implemented as defined under section 5 of this bill.

Mitigation: The staffing estimates included below are based on an average of all expected Ecology work to implement a mitigation program in a single WRIA or county.

Ecology assumes that a mitigation program focusing on the bill requirements of Section 5(4)(a) would require Ecology to obtain the best available data (water supply, rights, fish species, land use, scoping of potential mitigation projects, habitat, etc.) and mapping of ground and surface water resources to each WRIA to determine what jurisdictions would be included.

Ecology estimates that agency staffing requirements for each WRIA would include:

1. Obtaining, providing and coordinating information, land use data, growth projections, technical assistance and mapping services is estimated to require an average of 1.0 FTE Environmental Planner 4 (EP4), and 0.25 FTE Hydrogeologist 3 (HG3) to determine county specific impacts. The FTE required for implementation across 14 counties would be 14 EP4 and 3.5 HG3 statewide.
2. Providing contract management and project oversight for third-party agreements needed would require an estimated 1.0 FTE EP4 statewide.
3. Overseeing this new mitigation program and new staffing, and administering implementation in each WRIA is estimated to require 0.13 FTE Washington Management Service Level 2 (WMS2). The FTE required for implementation across 14 counties would be 1.8 FTE WMS2 statewide.
4. Providing support services and implementation assistance for the new mitigation program in each WRIA is estimated to require 1.0 FTE Administrative Assistant 3 (AA3).

The approximate total FTE required to implement section 5 of this bill statewide would be 15.0 FTE EP4, 3.5 FTE HG3, 1.8 FTE WMS2, and 1.0 FTE AA3.

Ecology anticipates that each WRIA would require an initial analysis to identify the scope and scale of potential solutions available to implement a mitigation program responsive to the unique water supply situation in each WRIA. Ecology estimates that additional professional consulting services would be required in each WRIA to assist with analysis, technical & engineering support, design services, and other water supply project recommendations. Ecology estimates that an average of \$100,000 per WRIA per year for two years would be required. This estimate is based on actual Ecology experience in the Skagit Basin over the past few years. These costs would be one-time for the first biennium (FY18 & FY19). The total cost to implement initial analysis is estimated at \$1,600,000 per year statewide.

Water Banking: Ecology estimates that water banking operations and implementation would include subcontracted services to a third-party entity and that additional operating funding would be required to acquire water, implement, and operate water banks within each county. (Ecology currently sub-contracts these services to the Washington Water Trust in the Skagit Basin.) Based on Ecology experience with a third-party consultant doing similar work in Skagit County, cost estimates to implement a water banking program in a WRIA would

include:

1. Approximately \$60,000 per year would be required to administer a water banking program in each county. The total cost to setup, administer and operate water banks statewide would be \$840,000 statewide. The water bank setup and operations work would begin in the second biennium (FY20 ongoing) of implementation and be ongoing. This estimate is based on Ecology experience with a third-party consultant doing similar work in Skagit County.
2. Funding to acquire water rights for deposit into each county water bank is included in the capital budget section of this fiscal note.

Ecology assumes that water banks would be established once the initial analysis would be completed to determine the actual WRIs to include. Implementation and establishment of water banks would occur in the second biennium (FY20) and be ongoing.

Ecology anticipates additional AAG time would be required to implement the provisions of each mitigation program to ensure conformity with applicable water law. In consultation with the ATG, Ecology estimates that approximately 0.25 AAG FTE per year beginning in FY18 and ongoing would be required to implement section 5 of this bill.

Notes on costs by object:

Salary estimates are current actual rates at step I, the agency average for new hires.

Benefits are the agency average of 36% of salaries.

Contracts are estimated using current agency experience and would total \$1,600,000 per year in FY18 & FY19 and \$840,000 per year in FY20 and ongoing.

Goods and Services are the agency average of \$3,784 per direct program FTE. Attorney General Costs of \$55,435 for 0.25 AAG FTE for FY18 and beyond are based on \$221,740 per AAG per year, or \$18,478 per month, including overhead.

Travel is the agency average of \$2,368 per direct program FTE.

Equipment is the agency average of \$868 per direct program FTE.

Agency Administrative Overhead is calculated at the federally approved agency indirect rate of 28.6% of direct program salaries and benefits, and is shown as object 9. Agency Administrative Overhead FTEs are included at 0.15 FTE per direct program FTE, and are identified as Fiscal Analyst 2 and IT Specialist 2.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2018	FY 2019	2017-19	2019-21	2021-23
FTE Staff Years	24.5	24.5	24.5	24.5	24.5
A-Salaries and Wages	1,414,512	1,414,512	2,829,024	2,829,024	2,829,024
B-Employee Benefits	509,224	509,224	1,018,448	1,018,448	1,018,448
C-Professional Service Contracts	1,600,000	1,600,000	3,200,000	1,680,000	1,680,000
E-Goods and Other Services	136,034	136,034	272,068	272,068	272,068
G-Travel	50,438	50,438	100,876	100,876	100,876
J-Capital Outlays	18,488	18,488	36,976	36,976	36,976
9-Agency Administrative Overhead	550,188	550,188	1,100,376	1,100,376	1,100,376
Total:	\$4,278,884	\$4,278,884	\$8,557,768	\$7,037,768	\$7,037,768

III. B - Detail: List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA

Job Classification	Salary	FY 2018	FY 2019	2017-19	2019-21	2021-23
ADMINISTRATIVE ASSISTANT 3	39,444	1.0	1.0	1.0	1.0	1.0
ENVIRONMENTAL PLANNER 4	64,620	15.0	15.0	15.0	15.0	15.0
FISCAL ANALYST 2		2.1	2.1	2.1	2.1	2.1
HYDROGEOLOGIST 3	69,648	3.5	3.5	3.5	3.5	3.5
IT SPECIALIST 2		1.1	1.1	1.1	1.1	1.1
WMS BAND 2	90,000	1.8	1.8	1.8	1.8	1.8
Total FTE's	263,712	24.5	24.5	24.5	24.5	24.5

Part IV: Capital Budget Impact

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

Construction Estimate	FY 2018	FY 2019	2017-19	2019-21	2021-23
Acquisition					
Construction					
Other				3,500,000	7,000,000
Total \$				3,500,000	7,000,000

Capital assumptions include:

1. The bill would apply to 14 counties including Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille and Spokane. These counties are affected by the Hirst decision because they have instream flow rules that do not specifically include water allocations for permit exempt well water withdrawals.
2. The bill would apply to 16 Watershed Inventory areas including Nooksack(1), Snohomish(7), Cedar-Sammamish(8), Duwamish-Green(9), Puyallup-White(10), Nisqually(11), Chambers-Clover(12), Deschutes(13), Kennedy-Goldsborough(14), Kitsap(15), Lower Chehalis(22), Upper Chehalis(23), Methow(48), Okanogan(49), Little Spokane(55), and Colville(59).
3. Implementation would begin July 1, 2017, in all 14 counties.
4. Ecology would need to analyze information and determine parameters of what out-of-kind mitigation (habitat, stormwater, wetlands, fish passage, etc.) would be applicable and under what circumstances. This could require rule-making but the need for rule-making is indeterminate at this time.
5. Ecology would require and provide information, technical assistance, contracting services, project management, and scientific data to determine which jurisdictions require implementation of a mitigation program.
6. Ecology would administer all mitigation programs established by county or WRIA.
7. Expenditure estimates for this bill are modeled after similar work within the Skagit Basin attempting to do the similar type of work as required by this bill. (Please note that Ecology received one-time Capital Budget appropriations to perform similar work in the Skagit and Dungeness basins that are not available to implement work described in this bill.)
9. Water banks would be established in each county to provide mitigation water to program recipients.
10. Ecology would acquire water rights in each county that would be deposited into each water bank for the purposes of providing mitigation water.
11. The cost to acquire legally and physically available water in each county is indeterminate. Ecology is providing an estimate within this fiscal note to illustrate one funding example that would allow implementation to proceed in a practical and timely manner.
12. Water acquisition appropriations would be included in the Ecology budget each fiscal year to facilitate timely acquisition of water rights, good-faith negotiation with stakeholders and appropriate contract execution with sellers.
13. Ecology assumes that applications received under section 4 of this bill that require conditions to mitigate for the impacts of fish or aquatic resources will be processed in basins that have a mitigation program implemented as defined under section 5 of this bill.

Examples of out-of kind mitigation projects could include the following:

1. Water acquisition: Water acquisition costs to acquire water rights are highly variable and depend on location (different

counties have different prices), quantity of water, seniority of the right, willing sellers, hydrogeological position of the water within the watershed, legal status of the water right, purpose of the water right, market conditions, etc. Therefore, it is very difficult to quantify the prospective costs to acquiring water across 14 very different counties. Ecology estimates that the costs to acquire water would greatly vary depending on the aforementioned factors with costs exceeding \$100,000 to well over \$1,000,000 for each specific acquisition undertaken.

As a starting point, Ecology projects that an average of approximately \$250,000 per year would be required to implement a water acquisition program to place mitigation water within a water banking program in each WRIA. The \$250,000 estimate is based on limited Ecology experience within Skagit County doing similar work unique to that basin. The costs to acquire water are highly variable. Funding for the water acquisition activity in each water bank is assumed to begin in the second biennium (FY21) of implementation, and be ongoing. The total estimated cost for water acquisition would be \$3,500,000 per year starting in FY21 ongoing.

2. Wetland Mitigation - Wetland mitigation may take the form of (a) an in lieu fee (ILF) program or, (b) a mitigation banking program. An example of an ILF program is in King County where an applicant pays a fee to the ILF sponsor (in this case King County) and then the sponsor implements the mitigation. The fees are generally higher than mitigation estimates for individual projects as the fees represent all costs for the mitigation and long term management. The credits are not acreage based but function based. Some impacts require more credits per impact than others based on what functions were lost. The costs vary somewhat based on the quality of the wetlands impacted and how much it costs for mitigating in that particular watershed. The costs based on the variability of projects range from roughly \$11,000 to over \$1,500,000. An example of a mitigation banking cost estimate is in Snohomish county where the average cost is roughly \$250,000 per acre credit.

3. Stormwater Pollution Runoff Grants - The typical total grant award amounts vary because the individual project types and BMPs can range widely. At this time, Ecology does not have complete project impact data. Depending on complexity, size, location, scope, etc., these projects can range from \$50,000 to \$5,000,000.

4. Non-Point Pollution Grants - Ecology funds projects to prevent and mitigate nonpoint pollution including agricultural best management practice implementation and stream restoration. Projects could range from \$50,000 to \$500,000.

The cost to implement an out-of-kind mitigation program is indeterminate until Ecology assesses the scope and scale of such programs in each county.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Ecology is uncertain whether section 5 would require individual rules with specific WRIAs, or whether a statewide rule would be needed.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5239 S SB

Title: Water availability

Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

☒ Cities: Small costs to update development codes

☒ Counties: Small costs to update development codes; large cost to implement the local aspect of a groundwater mitigation program

☐ Special Districts:

☒ Specific jurisdictions only: Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille, and Spokane counties

☐ Variance occurs due to:

Part II: Estimates

☐ No fiscal impacts.

☒ Expenditures represent one-time costs: Updates to development regulations; pass an ordinance to administer the local aspect of a groundwater mitigation program

☒ Legislation provides local option: Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille, and Spokane counties could choose to implement the local aspects of a groundwater mitigation program instead of Ecology

☒ Key variables cannot be estimated with certainty at this time: Uncertainty concerning whether a county chooses to administer the local aspect of a groundwater mitigation program.

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Indeterminate Impact

Part III: Preparation and Approval

Fiscal Note Analyst: Heather May	Phone: 360-725-5043	Date: 03/02/2017
Leg. Committee Contact: Karen Epps	Phone: 360-786-7424	Date: 02/13/2017
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 03/02/2017
OFM Review: Linda Steinmann	Phone: 360-902-0573	Date: 03/02/2017

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

DIFFERENCES FROM PREVIOUS BILL VERSION:

This bill provides a local option to 14 counties to administer the local aspect of a groundwater mitigation program in collaboration with the Department of Ecology. Ecology would provide information, technical assistance, contracting services, project management and scientific data to determine which jurisdictions require implementation of a mitigation program. A county that chooses to administer the local aspects of a groundwater mitigation program would be provided ongoing scientific data and expertise from Ecology.

SUMMARY OF CURRENT BILL VERSION:

Section 1 revises the State Building Code (RCW 19.27.097) to provide additional methods for a building permit applicant to prove water availability. A building permit applicant can use Ecology water resource management rules or a well report for an exempt groundwater withdrawal. IMPACTS: None.

Section 2 revises State Growth Management Act (GMA) land use element and rural development planning for counties and cities. GMA comprehensive plans would depend on adopted Ecology water resource management rules to provide for the protection of water quantity. IMPACTS: Updates to GMA comprehensive plans occur by law on an eight-year cycle, and would require no additional cost.

Section 3 revises plats/subdivisions (RCW 58.17.110) to allow cities and counties approving subdivisions to rely on adopted Ecology water resource management rules to provide for the protection of water quantity. IMPACTS: None.

Section 4 updates minimum flows (RCW 90.03.247) to require a building permit to either protect the minimum flow or mitigate impacts to fish or aquatic resources. IMPACTS: Counties and cities statewide.

Section 5 updates the state comprehensive water resources program (RCW 90.54.040) to require Ecology to establish a mitigation program for permit exempt wells in areas where a rule has been adopted to set minimum flows and the rule is being applied to prohibit such wells. The program would be designed to provide effective watershed-based cumulative impact mitigation for the protection of base flows or to mitigate impacts to fish or aquatic resources. Individual mitigation in connection with individual permit exempt wells would be prohibited except as provided under a county-administered groundwater mitigation program. Upon written request by a county legislative authority, Ecology would allow a county or third party, through an interlocal cooperation agreement, to administer the groundwater mitigation program. IMPACTS: 14 counties: Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille, and Spokane.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

DIFFERENCES FROM PREVIOUS BILL VERSION:

Whatcom, Skagit, Snohomish, King, Kitsap, Mason, Pierce, Grays Harbor, Thurston, Lewis, Okanogan, Stevens, Pend Oreille, and Spokane counties would incur large costs to implement the local aspects of an Ecology groundwater mitigation program. The costs are indeterminate due to uncertainty concerning whether a county chooses to administer the local aspect of a groundwater mitigation program.

EXPENDITURE IMPACTS OF CURRENT BILL VERSION:

Cities and counties statewide would incur small costs to update development regulations.

SECTION 4 COSTS:

Counties and cities would be required to update development regulations to reflect Section 4. They would incur one-time costs to adopt a simple ordinance of approximately \$350, according to the Local Government Fiscal Note 2017 Program unit cost data.

-- \$350 x 320 counties and cities = \$112,000

SECTION 5 COSTS:

A county who chooses to implement the local aspects of a water mitigation program under Section 5 of the bill would be required to pass an ordinance, a one-time cost. The cost to pass a complex ordinance with a public hearing is approximately \$4,890, according to the Local Government Fiscal Note Program 2017 unit cost data.

-- Total one-time costs if all 14 counties choose to implement a water mitigation program \$4,890 x 14 counties = \$68,460

A county who chooses to implement a groundwater mitigation program under Section 5 of the bill, would incur large on-going costs. Costs are indeterminate due to differences in counties' technical capacities and the complexity of the water management program needed.

Based on input from counties and Ecology's assumptions, counties would require the following needs to implement a program per year:

- 1 FTE planner
- 1 FTE permit tech

For counties with small populations, which would include Skagit, Grays Harbor, Lewis, Okanogan, Stevens, and Pend Oreille, costs would be approximately:

- 1 FTE planner @ \$89,650 x 6 counties = \$537,900
 - 1 FTE permit tech @ \$75,700 x 6 counties = \$454,200
- Total for all small counties = \$992,100

For counties with medium populations, which would include Whatcom, Mason, Thurston, and Spokane, costs would be approximately:

- 1 FTE planner @ \$91,800 x 4 counties = \$367,200
 - 1 FTE permit tech @ \$78,000 x 4 counties = \$312,000
- Total for all medium counties: \$679,200

For counties with large populations, which would include Snohomish, King, Kitsap, and Pierce.

- 1 FTE planner @ \$92,300 x 4 counties = \$369,200
 - 1 FTE permit tech @ \$73,800 x 4 counties = \$295,200
- Total for all large counties: \$664,400

Total per year if all eligible counties choose to implement a water management program: \$2,345,700

Salaries derived from the Local Government Fiscal Note Program 2017 unit cost data.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

No new revenue is associated with this bill.

SOURCES:

Association of Washington Cities
Washington State Association of Counties
Pierce County
Thurston County
Mason County
Local Government Fiscal Note 2017 Program unit cost data
Department of Ecology
Whatcom County
Kittitas County
Spokane County
Yakima County