ACTION MEMORANDUM CHATFIELD WATERSHED AUTHORITY

Date: February 7,2023

TO: CWA TAC

FROM: Alan J. Leak, P.E., Technical Consultant

SUBJECT: Budgets for Lake/Nutrients Rulemaking Process.

SUMMARY OF ACTION REQUESTED: Approve an internal reallocation of RESPEC's and Somach Simmons & Dunn's (SSD) internal contract budget allocations to accommodate continued participation in the Water Quality Control Commission's (WQCC) Lakes/Nutrients rulemaking process.

RECOMMENDED EFFECTIVE DATE: February 7, 2023

COST IMPACTS: The CWA 2023 budgets for RESPEC and SSD would not be currently changed with the proposed action recommendation, only the internal budget allocation for each contract. If the decision of the TAC on the extent of participation of RESPEC and SSD in the Lakes/Nutrients Rulemaking process is increased over that which can currently be accommodated in the current RESPEC and SSD budgets, a future budget amendment to the Authority's budget may be necessary.

PURPOSE / BACKGROUND: In July of 2023, the CWA Board approved a budget amendment increase to RESPEC's and SSD's budgets for the purpose of participation in the WQCC's Lakes/Nutrients rulemaking process with an expected rulemaking hearing in November 2022. The budget increases authorized were $10,000 for RESPEC and $25,000 for SSD. Over the past seven months since that budget amendment, RESPEC and SSD have participated in numerous meetings with stakeholders and the Water Quality Control Division (Division), participated in meetings with the Authority's TAC Lakes/Nutrients sub-committee, conducted internal coordination and review meetings, and have prepared both a pre-hearing statement and a proposed rebuttal statement. In addition, RESPEC has been tasked with reviewing and editing the Division's nutrient data for total nitrogen and has held several discussions with the Division over data quality and options for application of the Division's proposed total nitrogen standard to Chatfield Reservoir. RESPEC has also performed data analysis on the Authority's historical chlorophyll *a*, total phosphorus, and total nitrogen data to inform the Authority on the potential effects of the Division's proposed total nitrogen standard and what may be the results of a site-specific total nitrogen standard analysis.

Currently, SSD has about $6,800 left in its Lakes Nutrients budget which will allow for about 26 hours of SSD's time to complete and submit a rebuttal statement (if approved by the TAC), participate in the mandatory pre-hearing meeting, and participate in CWA's portion of the rulemaking hearing. Currently, RESPEC's expenditures have exceed the $10,000 budget allocated for RESPEC by about $5,200. Further participation by RESPEC in the rulemaking process will incur further expenditures by RESPEC. RESPEC anticipates that, following the same participation level as presented above for SSD, RESPEC will incur

about $5000 in additional expenditures for the Lakes/Nutrients rulemaking process. A $5000 increase in expenditures by RESPEC can be accommodated within RESPEC's remaining four months of its annual technical consulting contract by reallocation budgeted funding from other areas of RESPEC's contract. Specifically, RESPEC would anticipate expending less effort on non-point source project work in the next four months than is currently budgeted for that time frame.

If the TAC desires for SSD and/or RESPEC to participate at a higher level in the Lakes/Nutrients rulemaking process than is outlined above, either some of RESPEC's and SSD's services contemplated under their respective annual contracts may need to be reduced or the Authority Board would need to approve a budget amendment to increase RESPEC's and/or SSD's budgets, accordingly.

PROPOSED MOTION: Approve an internal reallocation of RESPEC's and Somach Simmons & Dunn's (SSD) internal contract budget allocations as needed and as directed by the TAC to accommodate continued participation in the WQCC Lakes/Nutrients rulemaking process.