



**CITY OF HOUSTON - CITY COUNCIL**

Meeting Date: 11/6/2024

ALL

Item Creation Date: 10/17/2024

HPW-20PMG25- Texas Commission on Environmental Quality (TCEQ)'s Annual Consolidated Water Quality (CWQ) Fees

Agenda Item#: 2.

**Background:**

**SUBJECT:** Texas Commission on Environmental Quality (TCEQ)'s Annual Consolidated Water Quality (CWQ) Fees.

**RECOMMENDATION:** Authorize payment of the TCEQ invoices totaling \$1,900,819.25 for the annual Consolidated Water Quality (CWQ) fees for the City of Houston (City's) wastewater treatment plants.

**SPECIFIC EXPLANATION:** This is a request to authorize payment of invoices received from the Texas Commission on Environmental Quality (TCEQ) for the annual Consolidated Water Quality (CWQ) fees, Air Emission Fees (AEF), and Emissions Inspection Fee (EIF) that apply to the City of Houston's (City's) 38 Wastewater treatment plants, as well as the CWQ fees for the City's MS4 program, co-permitted with Harris County and the Harris County Flood Control District.

The current invoice covers the period from *September 1, 2024, to August 31, 2025, corresponding to TCEQ's fiscal year 2025.* The annual fees are based on the wastewater discharge, air emissions and stormwater management fees from each of these facilities.

The CWQ fee rate schedule is found in TCEQ's regulations, - Title 30, Texas Administrative Code (TAC), Chapter 21: Water Quality Fees, Section 21.3 Fee Assessment. This became effective July 30, 2009 and is adjusted annually based on the consumer price index. The revenue resulting from the CWQ Fees pays TCEQ's expenses to inspect wastewater treatment facilities and to enforce the provisions of the Texas Water Code. It also funds comprehensive monitoring of water quality for each river basin, conducted under the Texas Clean Rivers Program.

The AEF is based on the tons of pollution emitted during the last full calendar year. The authority to collect this fee is granted under the Texas Health and Safety Code Section 382.0621 and the administration of this fee is found in TCEQs regulations, - Title 30 TAC, Section 101.27. The revenue covers the direct and indirect costs of operating the Title IV and V programs related to the Federal Clean Air Act Amendments of 1990.

The EIF rate is based on the Standard Industrial Classification (SIC) code at an affected regulated entity. The authority to collect this fee is granted under Texas Health and Safety Code Section 382.062, and the administration of the fee is described in Title 30 TAC, Section 101.24. The inspection fee is collected to recover the costs of the TCEQ air programs.

Recommend that Council approve the Houston Public Works' request to pay TCEQ the invoiced amount of \$1,900,819.25.

**FISCAL NOTE:**

Funding for this item is included in the FY25 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policies.

DocuSigned by:  
  
10/24/2024  
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Randall V. Macchi, Chief Operating Officer  
Houston Public Works

Estimated Spending Authority			
DEPARTMENT	FY2025	OUT YEARS	TOTAL
Houston Public Works	\$1,900,819.25	\$0.00	\$1,900,819.25

**Prior Council Action:**

Motion No. 2023-0746, dated 11-08-2023

**Amount and Source of Funding:**

\$1,900,819.25 - Fund No.8300 - Water and Sewer System Operating Fund

**Contact Information:**

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**ATTACHMENTS:**

**Description**

Funding Docs  
Prior Council action  
Invoices  
Annual Fees

**Type**

Financial Information  
Backup Material  
Backup Material  
Backup Material