

commentletters

From: Judy Morgan <Judy.Morgan@pacelabs.com>
Sent: Wednesday, November 25, 2015 11:58 AM
To: commentletters
Subject: 12/1/15 Board Meeting Item 7



Date: November 25, 2015

To: Chairperson, Felicia Marcus, and members of the California State Water Resources Control Board

Subject: Dec. 1 Agenda Item 7 of the CA SWRCB Meeting to Consider Increasing ELAP Fee Schedules

Thank you for the opportunity to provide comments on the proposed resolution to increase ELAP fees. Pace Analytical Services, Inc. is a privately held, industry-leading commercial sampling and analytical testing firm with 28 locations nationwide, including a location in Davis, CA. Pace provides analytical lab solutions for testing, staffing and equipment, with a wide scope of services. Our laboratories are accredited through multiple entities including CA ELAP, ISO 17025 via ILAC Signatories, and NELAP. We provide analytical services to clients in the State of California for potable, non-potable, and solid/chem environmental compliance samples.

Pace Analytical operates multiple locations and has experienced the economic impacts of the ever changing environmental industry. With declining prices in lab services and increases in operating costs, it has become particularly challenging to thrive in the industry. Consistent focus on efficiency, process improvement and technological advancement is what has allowed us to somewhat offset the cost of doing business and continue to offer high quality service in the marketplace.

The proposed 58% increase in fees does not reflect an equitable or fair decision. The impact to our realized fee will actually be a multiple of our current fees. While we recognize the need for a fee increase, it is our belief that the program is still reorganizing and the proposed fee amount is premature to support a program that has not fully matured. It is our request that the Board consider placing the majority of the increase on the base fee and combine that with a modest increase to the FOT fees. This request is reflective and consistent with the recommendations of the Expert Review Panel. Additionally, it seems that majority of the ELAP program cost is for administrative staff which is used by **all** labs in the same manner, thus making this a more fair option.

Placing the majority of the increase on the base fee is the most fair and equitable choice to satisfy the needs of the ELAP Program and spreads the burden of the increase fairly across **all** types of laboratories. The State currently has no capability to offer the most nationally recognized accreditation, NELAP, therefore forcing commercial laboratories to incur additional costs by seeking that accreditation from 3rd Party Accreditors or other states. It is of concern to the laboratory community that a substantial fee increase is being considered and no realized program improvement has taken place to warrant the higher fee. In addition, the accreditation will not allow for recognition in other states that are held to a much higher standard for accreditation. Essentially, the price is higher with no realized improvement in service or program recognition.

We appreciate the opportunity to comment on this issue and are hopeful of a favorable decision that is fair for all laboratories to share the burden of the increase in an equitable manner.

Sincerely,

Judy Morgan

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Chief Compliance & Training Officer

Pace Analytical

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