

CALIFORNIA WATER COMMISSION SUMMARY

DSOD ANNUAL FEE REGULATION



Tentative Timeline of Events

- Public Hearing - January 8
- End of Public Comment Period – January 18
- 15-day Notice of Modified Text – January 24
- Presentation to CWC for Approval – February 20
- Submit to OAL for Approval – March 25
- Date for Regulation to become effective – Mid April
- Annual Fee Invoices to dam owners ~ April 30

BACKGROUND MANDATE – Senate Bill 92

California Water Code section § 6002.

“The department shall adopt, by regulation, a schedule of fees to cover the department’s reasonable regulatory costs in carrying out the supervision of dam safety, which may include, but is not limited to, the costs of reviewing an inundation map, the amounts necessary to repay budgetary loans, and a prudent reserve.”

California’s Dam Safety Program

DSOD oversees an inventory of 1,246 dams that are owned by 629 dam owners. Over half of the inventory of dams have a downstream hazard classification of high or extremely high. DSOD’s total annual expenditures for the FY 18/19 are \$19 million. Annual fees cover about \$16 million of the expenditures.

Summary of 55-day General Comments: 18 Responses with 54 comments

Comments from: Private Dam Owners, Home Owners Associations, Water Agencies, Cities, Counties, Irrigation Districts, Community Services Districts, Municipal Water Districts, Power Agencies.

- | | |
|---|---|
| <ul style="list-style-type: none"> • Consider other parameters for fee structure • Clarify supplemental billing • Clarify need for fee increases & what they support | <ul style="list-style-type: none"> • Concerns with ability to pay • Impacts of short notice & July 1 due date • Inquiries about fee related data |
|---|---|

Changes from Initial to Modified Regulations:

- Use existing fee formula for FY 2019/20 billing (same as emergency regulations)
- Adopt new fee formula for FY 2020/21 billing and going forward
 - Added a new fee component for dams with Critical Appurtenant Structures
- Clarified text related to:
 - Supplemental billing
 - Activities funded by the fees
 - Dams qualifying for the Limited Rate

Modifications to Annual Fee Regulations in Response to Submitted Comments

Fiscal Year 2019/2020

Annual Fee = Administrative Fee + Dam Fee
 5% of Revenue 95% Revenue

Annual Fee = Administrative Fee + Dam Fee + CAS Fee*
 5% of Revenue 80% of Revenue 15% of Revenue

* CAS fee – Assessed to dams with spillways or saddle dams meeting § 6002.5 definition of a critical appurtenant structures (CAS). The CAS fee does not apply to dams with a “Low Hazard” classification.