# Water Rights Fees Stakeholder Meeting

<table>
<thead>
<tr>
<th>DATE:</th>
<th>Thursday, June 14, 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIME:</td>
<td>1:00 – 3:30 pm</td>
</tr>
</tbody>
</table>
| LOCATION:   | CalEPA Headquarters Building  
               Sierra Hearing Room (2nd Floor)  
               1001 I Street  
               Sacramento, CA 95814 |
| WEBCAST LINK: | [https://video.calepa.ca.gov/](https://video.calepa.ca.gov/) |
| QUESTIONS:  | WaterRightsFees@waterboards.ca.gov – Questions received prior to and during the meeting will be addressed during the meeting unless otherwise requested. |

## AGENDA

1. Welcome and Introductions (David Ceccarelli)

2. Water Rights Program Budget and Water Rights Fund Cost Drivers (Attachment 1) (Ryan Wilson)

3. Water Rights Fund Condition (Attachment 2) (Ryan Wilson)  
   a. Update on staffing for the Cannabis Positions


5. FY 2018-19 Budget Change Proposal (BCP) (Ryan Wilson)  
   a. Water Rights Online Annual Water Use Reporting  
   b. Administrative Hearing Office  
   c. Space Optimization

6. Fees for Temporary Permits for Underground Storage (Attachment 3) (Amanda Montgomery)

7. Small Domestic and Livestock Stock Pond Registration Fees (Attachment 4) (David Ceccarelli)

8. Fee for Petitions (Attachment 5) (Sean Maguire)

9. Pending Annual Application Fees (David Ceccarelli)
10. Fee for Cannabis Fully Contained Spring Exemption Requests (Attachment 6) (Dan Schultz)

11. Permitting and Licensing Augmentation BCP Update (Attachment 7) (Amanda Montgomery and Sean Maguire)

12. Open Discussion
Authority

Water Code Section 1525 requires the State Water Resources Control Board (State Water Board) to adopt, by emergency regulations, an annual schedule of fees. Water Code Section 1525 further requires the State Water Board to adjust the fees annually to conform to the revenue levels set forth in the Budget Act. Water Code Section 1551 requires that all water rights fee revenue be deposited in the Water Rights Fund (WRF). The current annual fee schedules were adopted on September 19, 2017.

Financial Condition

Attachment 2 shows an analysis of the fund condition for the WRF. The beginning balance for fiscal year (FY) 2017-18 was $3.3 million. Total estimated revenue is $23.3 million and total estimated expenditures are $23.1 million, resulting in an $121,000 increase in the fund with an ending balance of $3.4 million and a fund reserve of approximately 16.8 percent.

The projected beginning balance for FY 2018-19 is $3.4 million. Total expenditures for FY 2018-19 are projected to be approximately $23.2 million. As shown in Attachment 1, expenditures for FY 2018-19, which have an impact to fees, include: (1) Control Section Adjustment for Employee Compensation Cost of $1,020,000; (2) Supplemental Pension Payments of $188,000; and (3) a Budget Change Proposal for $192,000 for Water Rights online reporting. State Water Board staff has prepared and will discuss five potential options to cover the cost drivers contained in Attachment 1. The cost drivers represent a combination of one-time and on-going costs.

Based on data available in eWRIMS, there are approximately 12,800 water rights permits. This translates to approximately 7,300 fee payers, of which 2,675 (37%) are paying solely the base fee. Thus, if only the per acre/foot charge is increased, 37% of fee payers will not be affected by the change in fees and will not share the cost of the increase. Additionally, the base fee has not been adjusted since FY 2011-12, when it was increased from $100 to $150.

A prudent fund reserve of approximately 10% is targeted in order to absorb economic uncertainty and other contingencies. To cover expenditures and meet this objective, fees must be adjusted accordingly. Below are five options for adjusting fees for FY 2018-19 to cover authorized expenditures and maintain a 10% fund reserve.

Option 1 is to increase fees for Permits, License, and Applications by 11.6% on the per acre foot charge (greater than 10 acre-feet), resulting in total revenue of approximately $22.2 million, with an ending balance of $2.3 million and a fund reserve of approximately 10.8 percent.

Option 2 is to increase fees for Permits, License, and Applications by 8.7% on the per acre foot charge (greater than 10 acre-feet), and raise the base fee from $150 to $175 (by 16.7%), resulting in total revenue of approximately $22.1 million, with an ending balance of $2.3 million and a fund reserve of approximately 10.4 percent.

Option 3 is to increase fees for Permits, License, and Applications by 7.3% on the per acre foot charge (greater than 10 acre-feet), and raise the base fee from $150 to $200 (by 33.3%), resulting in total revenue of approximately $22.0 million, with an ending balance of $2.3 million and a fund reserve of approximately 10.0 percent.
resulting in total revenue of approximately $22.2 million, with an ending balance of $2.4 million and a fund reserve of approximately 10.9 percent.

Option 4 is to increase fees for Permits, License, and Applications by 4.4% on the per acre foot charge (greater than 10 acre-feet), and raise the base fee from $150 to $225 (by 50%), resulting in total revenue of approximately $22.1 million, with an ending balance of $2.3 million and a fund reserve of approximately 10.6 percent.

Option 5 is to increase fees for Permits, License, and Applications by 1.5% on the per acre foot charge (greater than 10 acre-feet), and raise the base fee from $150 to $250 (by 66.7%), resulting in total revenue of approximately $22.1 million, with an ending balance of $2.2 million and a fund reserve of approximately 10.2 percent.

Disclaimer
This report is based on current budget and revenue data and is provided to stakeholders for planning purposes only. Staff will propose to the Board a fee schedule based on final budget and revenue data. This presentation is tentatively scheduled for the September 19, 2018 Board meeting agenda.
# State Water Resources Control Board
## Water Rights Program Budget and Water Rights Fund Budget Cost Drivers

### ($000)

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 2018-19 Governor's Proposed Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Rights Fund</td>
<td>$26,852</td>
</tr>
<tr>
<td>General Fund</td>
<td>$15,798</td>
</tr>
<tr>
<td>Public Resources Account, Cigarette and Tabacco Products Surtax Fund</td>
<td>$92</td>
</tr>
<tr>
<td>Federal Trust Fund</td>
<td>$223</td>
</tr>
<tr>
<td>Cannabis Control Fund</td>
<td>$1,979</td>
</tr>
<tr>
<td>California Environmental License Plate Fund</td>
<td>$2,569</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$47,513</strong></td>
</tr>
</tbody>
</table>

1. For FY 18-19, does not include $450,000 in Water Rights Funding appropriated for Department of Justice Legal Services.

### FY 2017-18 Budget Act VS FY 2018-19 Governor's Proposed Budget

<table>
<thead>
<tr>
<th>Source</th>
<th>FY 2017-18 Budget Act</th>
<th>FY 2018-19 Governor's Proposed Budget</th>
<th>Net Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governor's Proposed Budget2</td>
<td>$22,787</td>
<td>$22,687</td>
<td>($100)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$22,787</td>
<td>$22,687</td>
<td>($100)</td>
</tr>
</tbody>
</table>

2. The Budget Act includes $1 million in ongoing cost recovery for CEQA Consultation

### FY 2018-19 Budget Cost Drivers

<table>
<thead>
<tr>
<th>Water Rights Fund</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-19 Control Section Adjustment3</td>
<td>$1,020</td>
</tr>
<tr>
<td>Sustainable Groundwater Management Act (SGMA)</td>
<td>($1,500)</td>
</tr>
<tr>
<td>Supplemental Pension Payments</td>
<td>$188</td>
</tr>
<tr>
<td>18-19 WR Online Reporting BCP</td>
<td>$192</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td>$(100)</td>
</tr>
<tr>
<td><strong>Adj Total</strong></td>
<td>$(100)</td>
</tr>
</tbody>
</table>

3. Control Section Item 9800 Employee Compensation, 3.60 Retirement, and Pro Rata
# State Water Resources Control Board
## Water Rights Fund Condition ($000)
### Projections

<table>
<thead>
<tr>
<th></th>
<th>Option 1</th>
<th>Option 2</th>
<th>Option 3</th>
<th>Option 4</th>
<th>Option 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent Increase on Per/Acre Amount from Previous FY</td>
<td>5.0%</td>
<td>0.0%</td>
<td>11.6%</td>
<td>8.7%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Per Acre-Foot Charge</td>
<td>$0.066</td>
<td>$0.069</td>
<td>$0.069</td>
<td>$0.077</td>
<td>$0.075</td>
</tr>
<tr>
<td>Percent Change on Base Fee Amount from Previous FY</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>16.7%</td>
<td>33.3%</td>
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<tr>
<td>Base Fee</td>
<td>$150.00</td>
<td>$150.00</td>
<td>$150.00</td>
<td>$175.00</td>
<td>$200.00</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th></th>
<th>FY 16-17</th>
<th>FY 17-18</th>
<th>FY 18-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEGINNING BALANCE</td>
<td>$4,807</td>
<td>$3,253</td>
<td>$3,374</td>
</tr>
<tr>
<td>Prior year adjustments</td>
<td>$51</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Adjusted Beginning Balance</td>
<td>$4,858</td>
<td>$3,253</td>
<td>$3,374</td>
</tr>
</tbody>
</table>

### Revenue
- **Regulatory Fees**: $16,799, $19,086, $19,086
- **Cost Recovery**: $1,000, $1,000, $1,000
- **Other Revenue**: $280, $1,000, $1,000
- **Loan from the USTCF(SGMA)**: $2,250, ($2,250), ($2,250)
- **SGMA Fees**: $740, $740, $740
- **Cannabis Cultivation Regulation**: $740, $740, $740

**Total Revenue**: $18,079, $23,251, $19,501

### Expenditures
- **Water Board State Operations**: $18,210, $18,581, $20,009
- **SGMA Expenditures**: $2,250, $750, $750
- **Cannabis Cultivation Regulation**: $740, $740, $740
- **Cost Recovery Expenditures**: $1,000, $1,000, $1,000
- **Supplemental Pension Payments**: $188, $188, $188
- **Other State Operations**: $474, $559, $555

**Total Expenditures**: $19,684, $23,130, $23,237

### Increase(Decrease)
- ($1,605), $121, ($3,736)
- ($1,035), ($113), ($998)
- ($1,154)

**ENDING BALANCE**: $3,253, $3,374, ($362)

**Fund Reserve**: 16.5%, 16.8%, -1.7%

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1 For FY 17-18 and FY 18-19, forecasted revenue is based on the estimated billing amounts for license/permit/applications and estimated revenue from petitions and one time applications.
2 Ongoing cost recovery for the California Environmental Quality Act (CEQA) Consultation.
3 Includes miscellaneous services to the public, Surplus Money Investment Fund (SMIF) & Enforcement.
5 FY 17-18 and FY 18-19, are based off of the budget authority in the May Revision to the Governor's Budget (May 11).
6 For FY 17-18, Other State Operations projected expenditures include $498,000 to the California Department of Tax and Fee Administration (CDTFA), $37,000 to CalEPA, and $24,000 to F$CAL. For FY 18-19, Other State Operations projected expenditures include $510,000 to CDTFA, $37,000 to CalEPA, and $3,000 to F$CAL.
7 Fund reserve calculation excludes expenditure items for SGMA and Cannabis Cultivation.

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June 14, 2018 – Water Rights Fees Stakeholder Meeting
**Water Rights Fund Projected Expenditures by Activity (FY 17-18)**

<table>
<thead>
<tr>
<th>Task</th>
<th>TASK_TITLE</th>
<th>PYs</th>
<th>Labor</th>
<th>Benefits</th>
<th>Temp Help</th>
<th>Overtime</th>
<th>Contracts</th>
<th>ProRata</th>
<th>Indirect</th>
<th>Totals</th>
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</thead>
<tbody>
<tr>
<td>601</td>
<td>Applications</td>
<td>28.8</td>
<td>$1,983,740</td>
<td>$975,060</td>
<td>$36,883</td>
<td>$2,267</td>
<td>$1,000,000</td>
<td>$781,000</td>
<td>$1,959,022</td>
<td>$6,737,972</td>
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<tr>
<td>603</td>
<td>Cannabis Cultivation Regulation</td>
<td>6.0</td>
<td>$59,921</td>
<td>$27,425</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$55,560</td>
<td>$142,906</td>
</tr>
<tr>
<td>609</td>
<td>Delta Watermaster</td>
<td>3.0</td>
<td>$189,512</td>
<td>$86,619</td>
<td>$16,253</td>
<td>$19</td>
<td>$65,585</td>
<td>$781,000</td>
<td>$1,817,968</td>
<td>$5,159,982</td>
</tr>
<tr>
<td>612</td>
<td>FERC 401 Certification Program</td>
<td>9.1</td>
<td>$856,289</td>
<td>$402,372</td>
<td>$0</td>
<td>$492</td>
<td>$3,613</td>
<td>$0</td>
<td>$824,339</td>
<td>$2,087,105</td>
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<tr>
<td>621</td>
<td>Bay Delta</td>
<td>10.9</td>
<td>$667,853</td>
<td>$356,592</td>
<td>$70,819</td>
<td>$5,645</td>
<td>$0</td>
<td>$891,367</td>
<td>$1,817,968</td>
<td>$5,159,982</td>
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<tr>
<td>651</td>
<td>Complaint Investigations</td>
<td>8.1</td>
<td>$457,414</td>
<td>$213,504</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$438,332</td>
<td>$1,109,250</td>
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<tr>
<td>655</td>
<td>Enforcement &amp; Compliance Monitoring</td>
<td>23.7</td>
<td>$1,755,368</td>
<td>$826,530</td>
<td>$2,897</td>
<td>$7,969</td>
<td>$0</td>
<td>$1,699,302</td>
<td>$4,292,066</td>
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<tr>
<td>671</td>
<td>Technical Assistance</td>
<td>12.1</td>
<td>$59,921</td>
<td>$27,425</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$55,560</td>
<td>$142,906</td>
</tr>
<tr>
<td>673</td>
<td>Lower Klamath Project Water Quality Certification</td>
<td>2.5</td>
<td>$105,191</td>
<td>$48,641</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$98,467</td>
<td>$252,299</td>
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<tr>
<td>680</td>
<td>Administrative Data Management</td>
<td>8.8</td>
<td>$413,015</td>
<td>$227,278</td>
<td>$35,651</td>
<td>$0</td>
<td>$195</td>
<td>$0</td>
<td>$441,634</td>
<td>$1,117,772</td>
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<tr>
<td>682</td>
<td>Department of Justice Legal Services</td>
<td>-</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$0</td>
<td>$450,000</td>
<td>$0</td>
<td>$450,000</td>
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<tr>
<td>Total</td>
<td></td>
<td>113.0</td>
<td>$7,402,775</td>
<td>$3,593,565</td>
<td>$162,503</td>
<td>$3,593,565</td>
<td>$16,392</td>
<td>$1,785,233</td>
<td>$781,000</td>
<td>$7,303,076</td>
</tr>
</tbody>
</table>

**Task** | **Class Title** | **Total**
--- | --- | ---
601 | Associate Governmental Program Analyst | 2.4
| Env'l Prog Mgr I (Supv) | 1.2
| Env'l Scientist | 6.2
| Sr Env'l Scientist (Spec) | 0.1
| Sr Env'l Scientist (Supv) | 3.4
| Sr WRCE | 2.4
| Supvng WRCE (Sup) | 1.2
| Water Re Cont Engr | 11.9
601 Total | | 28.8

**Task** | **Class Title** | **Total**
--- | --- | ---
603 | Associate Governmental Program Analyst | 1.8
| Attorney | 0.2
| Attorney III | 0.1
| Office Tech (Typing) | 1.8
| Staff Services Analyst (General) | 2.1
603 Total | | 6.0

**Task** | **Class Title** | **Total**
--- | --- | ---
609 | Associate Governmental Program Analyst | 0.5
| Delta Watermaster | 0.8
| Env'l Scientist | 0.2
| Sr Env'l Scientist (Spec) | 0.6
| Staff Services Analyst (General) | 0.5
| Water Re Cont Engr | 0.4
609 Total | | 3.0

**Task** | **Class Title** | **Total**
--- | --- | ---
612 | Assistant Chief Counsel | 0.1
| Associate Governmental Program Analyst | 0.6
| Attorney | 0.1
| Attorney III | 0.3
| Attorney IV | 0.1
| Env'l Prog Mgr I (Supv) | 0.6
| Env'l Scientist | 3.0
| Sr Env'l Scientist (Spec) | 0.8
| Sr Env'l Scientist (Supv) | 0.7
| Sr WRCE | 0.8
| Water Re Cont Engr | 2.0
612 Total | | 9.1
June 14, 2018 Water Rights Fees Stakeholder Meeting
Fee Structure Options: FY 18/19
Temporary Permit for Underground Storage

Modification of fees discussed on multiple occasions, including April 26, 2016 Staff Public Workshop with written comments from 11 parties. Proposal below released for February 8, 2016 Water Rights Fee Stakeholder Meeting with comments by March 8, 2016. 3 parties provided comments. Comments at: https://www.waterboards.ca.gov/waterrights/water_issues/programs/applications/groundwater_recharge/#history

<table>
<thead>
<tr>
<th>Option</th>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for: 100 af 1,000 af 10,000 af</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 1: Retain current fee</td>
<td>$100</td>
<td>$100 + $1 per 100 ac-ft in excess of 10,000 ac-ft (based on amount actually diverted)</td>
<td>$100 $100 $100</td>
<td>N/A</td>
</tr>
<tr>
<td>Option 2: 5% of application fee</td>
<td>$2,000</td>
<td>$2,000 or 5% of the fee calculated under §1062(a)(1)(A), whichever is greater.</td>
<td>$2,000 $2,000 $7,543</td>
<td>$25,945</td>
</tr>
<tr>
<td>Option 3: 10% of application fee</td>
<td>$2,000</td>
<td>$2,000 or 10% of the fee calculated under §1062(a)(1)(A), whichever is greater.</td>
<td>$2,000 $2,000 $15,085</td>
<td>$51,890</td>
</tr>
<tr>
<td>Option 4: 25% of application fee</td>
<td>$2,000</td>
<td>$2,000 or 25% of the fee calculated under §1062(a)(1)(A), whichever is greater.</td>
<td>$2,000 $3,963 $37,713</td>
<td>$129,725</td>
</tr>
<tr>
<td>Option 5: Revert to Temporary Permit Fee (50% of application fee). Currently used for all other diversion types</td>
<td>$2,000</td>
<td>$2,000 or 50% of the fee calculated under §1062(a)(1)(A), whichever is greater.</td>
<td>$2,000 $7,925 $75,425</td>
<td>$259,450</td>
</tr>
</tbody>
</table>

1 The standard permit fee is $1,000 plus $15 per each acre-foot greater than 10 acre feet based on the total annual amount of diversion sought by the application or $518,899 (for FY 2017/2018), whichever is less.
# Fee Options for Discussion: WR Fee Stakeholder Meeting

Options for Modified Registration Fee Structure FY 18/19

## Filing and Change Petition Fee

<table>
<thead>
<tr>
<th>Option</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 1: Retain current fees</td>
<td>SDU/LSU/AB2121 Area SIUR:$250</td>
</tr>
</tbody>
</table>
| Option 2: Fees proposed at FY17/18 Board Meeting (Not Adopted) | SDU $500  
LSU $500  
AB2121 Area SIUR: $750 |
| Option 3: Retain existing fees for SDU and LSU. Raise fee for SIUR. | SDU and LSU: $250  
AB2121 Area SIUR: $750 |

## Annual Fee

<table>
<thead>
<tr>
<th>Option</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 1: Retain current fees</td>
<td>SDU/LSU/ AB2121 Area SIUR:$100 per 5 years</td>
</tr>
<tr>
<td>Option 2: Fees proposed at FY17/18 Board Meeting</td>
<td>SDU/LSU/ AB2121 Area SIUR:$100 per year</td>
</tr>
</tbody>
</table>
| Option 3: Phased in Option 2                | FY 18/19: $50  
FY 19/20: $75  
FY 20/21:$100 |
| Option 4: Option 3 with discounts for LSU and SDU | AB2121 Area SIUR: $100 (no phase in)  
Option 3 phase in LSU and SDU with discounts:  
**LSU**  
Maximum fee for single primary owner holding multiple registrations (max fee of $250 (yr 1), $375 (yr 2) and $500 (yr 3), for same primary owner holding multiple registrations. Becomes a discount when >5 registrations.  
**SDU**  
Discount for qualified low-income residents, where SDU is used to provide water for human consumption, cooking and sanitary purposes. Household income 200% or less of federal poverty level (e.g household 1 to 2: $32,480) or enrolled in a qualified public assistance program. Discount proposed: 20%: $40 (yr 1), $60 (yr 2), $80 (yr 3). |

*No changes are proposed to cannabis registration fees*
<table>
<thead>
<tr>
<th>Options</th>
<th>Fiscal Year</th>
<th>Revenue</th>
<th>Staff Expenditures</th>
<th>Percentage of Revenue compared to Staffing Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Change in Fees (#1)</td>
<td>2018-19</td>
<td>$137,500</td>
<td>$520,150</td>
<td>26%</td>
</tr>
<tr>
<td>Last Year’s Proposal (#2)</td>
<td>2018-19</td>
<td>$262,050</td>
<td>$520,150</td>
<td>50%</td>
</tr>
<tr>
<td>Filing/Petition (#3) and Annual Fee (#3)</td>
<td>2018-19</td>
<td>$187,500</td>
<td>$520,150</td>
<td>36%</td>
</tr>
<tr>
<td></td>
<td>2019-20</td>
<td>$224,550</td>
<td>$535,754</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>2020-21</td>
<td>$262,050</td>
<td>$551,827</td>
<td>47%</td>
</tr>
<tr>
<td>Filing/Petition (#3) and Annual Fee (#4)</td>
<td>2018-19</td>
<td>$180,700</td>
<td>$520,150</td>
<td>35%</td>
</tr>
<tr>
<td>(Discounts)</td>
<td>2019-20</td>
<td>$215,025</td>
<td>$535,754</td>
<td>40%</td>
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<tr>
<td></td>
<td>2020-21</td>
<td>$249,350</td>
<td>$551,827</td>
<td>45%</td>
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</table>
## Fee Structure Options: FY 18/19
Water Right Petition Fee Options

<table>
<thead>
<tr>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for:</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Petition Annual Fee</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Option 1: Retain current fee</strong></td>
<td>$1,000</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td><strong>Option 2: Increase fees to a per acre-foot charge</strong></td>
<td>$1,000 + $0.40 per acre-foot up to $5,000</td>
<td>100 af: $1,036 1,000 af: $1,432 10,000 af: $5,000</td>
<td>$5,000</td>
</tr>
</tbody>
</table>

### Conditions when fee is applied:

3. Due under specific circumstances such as: petitioner diverts water prior to the State Water Board approving the requested change; petitioner requests a delay in processing petition; petitioner is lead agency under CEQA and has not adopted or certified a final environmental document for the project within two years after the petition is noticed; or petitioner fails to provide requested supplemental information.

### Petition annual fee shall be doubled after 5 years of applicability.

### An annual petition fee may be temporarily reduced to $1,000 in cases where the Division finds that the petitioner has timely
<table>
<thead>
<tr>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for:</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>provided all information required to process the petition, however the Division has determined it has insufficient resources to complete the petition processing.</td>
<td>100 af 1,000 af 10,000 af</td>
<td></td>
</tr>
<tr>
<td>Change Petition Fee</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option 1: Retain current fee</td>
<td>$1,000</td>
<td>$1,000 plus $0.30 per each acre-foot greater than 10 acre feet based on the total annual amount of diversion covered by permit or license, or $6,518 whichever is less.</td>
<td>$1,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$6,518</td>
</tr>
<tr>
<td>Option 2: Increase per acre-foot charge and maximum</td>
<td>$1,000</td>
<td>$1,000 plus $0.30-$0.40 per each acre-foot greater than 10 acre feet based on the total annual amount of diversion covered by permit or license, or $6,518 $20,000 whichever is less.</td>
<td>100 af 1,000 af 10,000 af</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$1,036 $1,432 $5,428</td>
<td>$20,000</td>
</tr>
<tr>
<td>Option 3: Increase petition base fee at a fixed amount and maximum</td>
<td>$1,500</td>
<td>$1,000 $1,500 plus $0.30 per each acre-foot greater than 10 acre feet based on the total annual amount of diversion covered by permit or license, or $6,518 $20,000 whichever is less.</td>
<td>100 af 1,000 af</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$1,527 $1,824</td>
<td>$20,000</td>
</tr>
</tbody>
</table>

Attachment 5
<table>
<thead>
<tr>
<th></th>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for:</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>100 af</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1,000 af</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>10,000 af</td>
<td></td>
</tr>
</tbody>
</table>

**Time Extension Petition**

<table>
<thead>
<tr>
<th>Option 1: Retain current fee</th>
<th>$1,000</th>
<th>Flat</th>
<th>$1,000</th>
<th>$1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 2: Change to match change petition fees, with reduction for simultaneous filing</td>
<td>Fees would match Change Petitions Option 2 above. Time extension fee may be reduced by 50% if filed simultaneously with a change petition.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Option 3: Increase fee to a higher flat amount</td>
<td>$2,000</td>
<td>flat</td>
<td>$2,000</td>
<td>$2,000</td>
</tr>
<tr>
<td></td>
<td>Minimum Fee</td>
<td>Fee Structure</td>
<td>Example Fee for:</td>
<td>Maximum Fee</td>
</tr>
<tr>
<td>----------------------</td>
<td>-------------</td>
<td>---------------</td>
<td>------------------</td>
<td>-------------</td>
</tr>
<tr>
<td><strong>Wastewater Petitions</strong></td>
<td></td>
<td></td>
<td>100 af</td>
<td></td>
</tr>
<tr>
<td>Option 1: Maintain current fee</td>
<td>$1,000</td>
<td>flat</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Option 2: Adjust with Consumer Price Index since fee was originally established (2004)</td>
<td>$1,345</td>
<td>flat</td>
<td>$1,345</td>
<td>$1,345</td>
</tr>
<tr>
<td>Option 3: Fixed tiered fees based on project size</td>
<td>$5,000</td>
<td>$5,000 for small projects &lt;999 af $15,000 for large projects 1,000 af to 9,999 af $30,000 for projects 10,000 af and higher</td>
<td>100 af: $5,000 1,000 af: $15,000 10,000 af: $30,000</td>
<td>$30,000</td>
</tr>
</tbody>
</table>
### June 2018 Water Rights Fees Stakeholder Meeting
#### Petition Fee Options

<table>
<thead>
<tr>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for:</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Option 4: Base + per acre-foot charge with a cap.</strong></td>
<td>$3,000</td>
<td>$3,000 plus $3.00 per acre-foot based on the total annual amount of the reduced flow to the watercourse.</td>
<td>$100,000</td>
</tr>
<tr>
<td><strong>Temporary Change or Urgency Change Petitions</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Option 1: Retain current fee structure</strong></td>
<td>$2,000</td>
<td>$2,000 plus $0.30 per each acre-foot greater than 10 acre-feet based on the total annual amount of water sought to be transferred annually or $518,899, whichever is less.</td>
<td></td>
</tr>
</tbody>
</table>
### Petition Fee Options

<table>
<thead>
<tr>
<th>Minimum Fee</th>
<th>Fee Structure</th>
<th>Example Fee for:</th>
<th>Maximum Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Option 2: Increase to account for increased resource costs</td>
<td>$2,000 $3,000 plus $0.30 $0.50 per each acre-foot greater than 10 acre-feet based on the total annual amount of water sought to be transferred annually or $518,899, whichever is less.</td>
<td>100 af: $3,045</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,000 af: $3,540</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>10,000 af: $8,535</td>
<td></td>
</tr>
</tbody>
</table>
Clarification of process for Cannabis Fully Contained Spring Exemption Requests

Do you believe your spring is a fully contained spring, and would like to file an exemption request?

Complete the Cannabis Small Irrigation Use Registration (SIUR) process and pay all applicable fees to obtain Cannabis SIUR Certificate. The Cannabis SIUR certificate will cover the diversion until the exempt spring report is submitted, reviewed, and approved or denied.

Upload Report that includes supporting evidence regarding the fully contained spring if complete or submit report when completed (within 3 months).

State Water Board staff review the Report.

Exemption Approved

Cannabis cultivator will continue to operate water diversion under the Cannabis SIUR Certificate and pay associated annual fees.

Exemption Denied

Cannabis cultivator must request State Water Board revoke the Cannabis SIUR Certificate to avoid annual fees.
Contents

• Program status (focused on pending applications, petitions, and registrations)
• Reporting of performance and progress to date
• How projects are prioritized for processing
• Permitting and Licensing Augmentation BCP positions
• Future plans
Applications
July 2017 – May 2018

Applications Pending

Applications Received/Completed

Month


Pending

Applications Received Applications Completed
Pending Applications
Ten Year Trend
July 2008 – May 2018
Processing Applications — Annual Targets

# of Water Rights Permits Issued: 25
- Issued 17 to date in FY
- Have 8 more targeted for completion before end of June.
- On track to meet target

%Reduction of Applications Pending: 6%
- New target
- Any action that reduces # pending (permit, reject, cancel, deny)
- Started year (385)
- Calculate once year ends
Pending Petitions

July 2017 – May 2018
Pending Petitions
Ten Year Trend
July 2008 – May 2018
Processing Petitions – Annual Targets

# of Water Rights Petitions and Transfers Completed: 60
- Completed over 50 to date
- Have over 10 projects targeted for completion before end of June
- On track to meet or exceed target

# of Licenses Issued for Existing Permits: 15
- Completed 19 to date
- Exceeded target
Pending Registrations

July 2017 – May 2018
Pending Registrations
Ten Year Trend
July 2008 – May 2018
Processing Registrations (non-SIUR cannabis) – Annual Targets

- # of Water Right Registrations Issued: 40
  - Issued 182 to date in FY
  - Exceeded target

- % Reduction in Total Pending Registrations: 30%
  - New target
  - Any action that reduces # pending (issue, reject, deny)
  - Started year (400)
  - Calculate once year ends
Monthly Management Reports (available in eWRIMS)

Annual Board Performance Report (available on website)

Water Code 1259 Report (release each December in eWRIMS)
Generally processed based on date received. Given large number of pending applications and petitions, also prioritize based on:

**Importance Criteria**

- Regional or statewide significance.
- Human Right to Water or Regional Chronic Shortage
- Addresses critical aquifer overdraft or subsidence, or other undesirable results identified by the SGMA
- Enhance conditions for fish and wildlife
- Completely unbuilt project or change/complying with laws and regulations.
- State, federal, or philanthropic non-profit funding.
- Urgent and temporary
- Related to another high priority project in a watershed

**Applicant’s Demonstrated Progress Criteria**

- Approval or support of CDFW, NMFS, Regional Boards, other permitting agency.
- Consistent with the principles of the Policy for Maintaining Instream Flows in Northern California Coastal Streams.
- Review under the CEQA is substantially completed and agreed to proposed mitigation measures or project modifications.
- Complied with deadlines established by the Division.
- Protests have been resolved or negotiations are substantially underway.
Permitting BCP Update: Positions Granted

- All positions filled by summer 2017. Staff training is occurring & they are coming up to speed on multi-year projects.
- New Supervising Water Resource Control Engineer (Petition, Licensing & Registration Section)
  - Reorganization of Workload Petitions and Licensing separate from Applications
    - Adding Manager staffing = increased availability to work through project issues and bring items to the finish line.
  - Reviewed/Issued multiple petitions and licenses
  - Wastewater change petitions – including efforts on LA River
  - Spearheaded efforts to increase processing of registrations
  - High number of transfers this year
Permitting BCP Update: Positions Granted

• New Associate Gov’t Program Analyst (Registrations Unit)
  • Processing Small Domestic Use Registrations, including reviewing for completeness, coordination with CDFW and preparation of action.
  • Assisted with issuance of 103 issuance of registrations and 136 rejections. Also beginning processing 76 new registrations, and send 119 CDFW letters.
  • Combined efforts of 2 AGPAs and temporary help from other staff has significantly dropped number pending this year.

• New Environmental Scientist (Petition and Licensing Unit)
  • Assigned to process 71 petitions and 275 expired permits (licensing).
  • Review of new petition submittals, rejection, noticing, and other processing steps.
  • Assisted with issuance of a new permit and an amended license. Currently processing a transfer.
Permitting BCP Update: Positions Granted

• New Environmental Scientist (Coastal Lahontan Permitting Unit)
  • Commenced efforts on 24 applications in the Tahoe/Truckee area that had been on hold for decades. Recent Truckee River Operating Agreement (TROA) implementation allowed Board to restart processing efforts.
  • These projects are in the initial processing steps and are multiple years out from permitting. Contacted all applicants. Held meetings with many applicants.
  • Cancelled 3 applications.
  • Working to clarify projects and notice first batch of applications early in next fiscal year.

• New Environmental Scientist (Public Trust)
  • Develop flow objectives to help condition future permits and registrations.
Permitting BCP Update: Positions Granted

• New Water Resource Control Engineer (Russian River Permitting Unit)
  • Commenced processing 26 backlogged applications in the Russian River watershed.
  • Engaging applicants and working towards meeting interim processing milestones. Examples: 8 project kickoff (restart) meetings; 4 public notices; 4 workplan reviews; 12 reviews of water availability reports; 13 CEQA baseline reviews; 1 preparation of water supply report; 2 compliance plan reviews; 11 study reviews, etc.
  • None of projects picked up were far enough along to bring to final action in FY 17/18, but efforts will result in permitting actions in future years.

• New Office Technician (Clerical)
  • Processing water rights items (format and mailout letters, noticing, permits, orders).
  • Relieved a choke point in processing (6 month backlog for lower priority items). No current wait time for permitting, petition and licensing items to be processed.
Future Plans for Increased Efficiency/Transparency

- Electronic submittal of Application and Petition forms
- Electronic submittal of milestone deliverables
- Increased Status reporting on pending projects
- Posting project examples of novel approaches
Questions?