



Meeting: **Reservoir Committee & Authority Board**
Agenda Item 2.2

September 20, 2024

Subject: **Division of Safety of Dams (DSOD) Application Fee**

Requested Action:

Reservoir Committee and Authority Board consider approval for the Executive Director to authorize submittal of a reservoir construction application and accompanying, non-refundable, initial deposit of \$2,890,623 with the Division of Safety of Dams to initiate reviews, oversight, and approval of design and construction of project features.

Detailed Description/Background:

The Department of Water Resources – Division of Safety of Dams has regulatory authority described within the California Water Code to oversee design, construction and maintenance of jurisdictional dams and appurtenances in California. This Application initiates the process of obtaining approval for construction and operation of DSOD jurisdictional Project facilities. The payment of this first phase of fees to DSOD is meant to pay for their review of the design which needs to occur now in order to get their review of the dam designs and ensure that prior to the Prop 1 final award, DSOD is in a position to affirm the permissibility of the project under dam safety regulations. The DSOD review also provides confirmation that the dam and appurtenance designs are sound which provides Storage Partners the assurance that the cost estimate is based on a buildable and permissible reservoir configuration. The Board’s authorization is the first step to initiating the DSOD permitting process for the project.

As required under California Water Code section 6300, applications are to be accompanied with a filing fee based on the estimated project cost of jurisdictional components and a fee schedule that is adjusted annually to reflect changes in the Consumer Price Index. The tables within Attachment A summarize the DSOD Fiscal Year 2024/2025 application fee schedule, Project jurisdictional facilities, June 2021 cost estimate of these components, and an estimated total application fee.

Staff has coordinated with DSOD for a staged payment plan that will meet the Project’s total application fee obligations. Three total payments are anticipated – the first installment will accompany this application and meets the Water Code requirement for a minimum deposit of 20% of the total application fee which is approximately \$2,890,623. The two subsequent installments will be split evenly and submitted in a timeframe that is commensurate with the 60% and 90% design

development stages. This remaining fee amount will be budgeted within the Phase 3 Work Plan, noting that full payment of the application fee is required before DSOD will issue construction approvals. Once submitted, application payments are non-refundable.

Assumptions and considerations related to the DSOD construction application process were presented and discussed with the Reservoir Operations & Engineering Workgroup on September 11, 2024. The Workgroup recommended proceeding with submittal of the application and required initial deposit. Staff plans to submit the application to DSOD by October 18, 2024.

Fiscal Impact/Funding Source:

The Amendment 3 Work Plan includes sufficient budget to support submittal of this DSOD reservoir construction application and associated fee. This includes an initial budget of \$2M with the remainder \$890,623 being fulfilled by reallocating funds from work that was originally planned but not critical for investor commitment and has been deferred to Phase 3/4/5.

Staff Contact:

JP Robinette/Henry Luu

Attachments:

Attachment A: DSOD FY2024/2025 Fee Schedule & Estimated Total Application Fee

ATTACHMENT A: DSOD FY2024/2025 Fee Schedule & Estimated Total Application Fee

Table 1 - Fiscal Year 2024/2025 Application Fee Schedule

A fee of	Based on the Project Cost	
3.36%	For the first	\$1,000,000
2.58%	For the next	\$4,000,000
2.07%	For the next	\$15,000,000
1.81%	For the next	\$30,000,000
1.29%	For the next	\$100,000,000
0.78%	For the next	\$350,000,000
0.52%	For all costs in excess of	\$500,000,000

Table 2 - Jurisdictional Facilities and Cost Estimates (June 2021)

Facility	Estimated Cost (2021\$)
Site Demolition and Clearing Work	\$33,015,981
Golden Gate Dam	\$695,724,122
Sites Dam & Diversion	\$361,046,214
Saddle Dam 3	\$248,303,733
Saddle Dam 5	\$93,453,884
Other Saddle Dams & Spillway	\$142,972,082
Inlet-Outlet Facility	\$263,557,497
Funks PGP & Dissipation Structure	\$114,400,000
TRR/Funks Pipelines	\$226,840,000
TRR PGP & Dissipation Structure	\$112,730,000
Cost for preparing CEQA	\$23,882,000
TOTAL	\$2,315,925,513

Table 3 - Estimated Total DSOD Application Fee

For the first one million dollars (\$1,000,000), a fee of 3.36%	\$33,600
For the next four million dollars (\$4,000,000), a fee of 2.58%	\$103,200
For the next fifteen million dollars (\$15,000,000), a fee of 2.07%	\$310,500
For the next thirty million dollars (\$30,000,000), a fee of 1.81%	\$543,000
For the next one hundred million dollars (\$100,000,000), a fee of 1.29%	\$1,290,000
For the next three hundred fifty million dollars (\$350,000,000), a fee of 0.78%	\$2,730,000
For all costs in excess of five hundred million dollars (\$500,000,000), a fee of 0.52%	\$9,442,813
TOTAL	\$14,453,113