



JACKSON VALLEY IRRIGATION DISTRICT

6755 Lake Amador Drive
Ione, California 95640
(209) 274-2037
office@jvid.org

January 7th, 2019

Marcelino Alcantar, Administrative Officer
Division of Safety of Dams Department of Water Resources
2200 X Street, Suite 200
Sacramento, CA 94236

Re: Division of Safety of Dams (DSOD) of Department of Water Resources Proposed Annual Dam Fee Increase

The Jackson Valley Irrigation District (JVID) is opposed to the dam inspection fee regulations as currently proposed. Our opposition is based on the extraordinary financial impact the proposed fees will have on our district that causes not only financial stress on our operations, but also exacts an extremely disproportional burden on JVID relative to others dam owners in the state.

As you know, JVID operates the Jackson Creek dam in Amador County to provide irrigation water to a relatively small number of farms and ranches. JVID also provides potable water to district residents from a separate water source (Mokelumne River through Pardee Reservoir operated by the EBMUD). So, our dam operations are entirely agricultural. Currently, the proposed state dam fee for 2019 is roughly \$51,000, up from \$43,000 in 2018. Our irrigation budget is \$500,000, so the dam fee represents ten percent of the budget. Put another way, the dam fee divided into the irrigation water revenue equals roughly one third of the collected revenues. This is a big impact and the ratio of the fee and irrigation water revenue is out of balance compared to other dams in the state.

The JVID board feels that the proposed fee regulations rely almost entirely on dam height to calculate the fee. This is unfair for several reasons:

1. The fee fails to consider the storage volume in the reservoir. Many reservoirs in the state with much larger reservoir storage have lower dam fees than JVID. Lake Amador stores only 22,000-acre feet. It is totally unfair for a small reservoir of 22,000-acre feet to have a higher dam fee than a reservoir with water storage 10 to 20 times higher! See the attached table for a few examples.

2. The fee fails to consider the importance of the dam to the state water infrastructure. The Jackson Creek dam is not connected to any part of the state or any other regional water system. While our dam is technically high hazard, the factors pale in comparison to those operated by the State of California and most of the regional water systems in urban areas. A failure of this small dam would not involve the disruption of drinking water supplies for hundreds of thousands or millions of people as many larger dams would.

3. The populations served by the Jackson Creek dam are mostly agricultural and ranching. There is no public water supply component. The JVID potable water supply is from nearby Lake Pardee.

BOARD OF DIRECTORS

George Lambert, President Connie Jess, Vice President Richard Brand Ed Gonzalez Todd Ohm

Current law provides a much lower dam fee for dams operated for agricultural and ranching purposes. JVID provides irrigation water to only about 30 of its larger farming and ranching customers. The balance of its customers are small rural residential homeowners. JVID more appropriately should be governed by the existing agriculture and ranching exemption.

4. JVID owns and operates a small hydrogeneration facility that is under the jurisdiction of the Federal Energy Regulatory Commission (FERC) that requires many of the same inspections and studies as DSOD making the Jackson Creek Dam a double regulated facility.

5. JVID is a low-income area and has been designated with "Disadvantaged Community" status in the past. There should be some consideration in the regulations for disadvantaged communities. The fee structure should provide some relief for us. No district should shoulder a disproportionate and unfair burden.

The JVID Board would like to suggest the following modifications to the fee regulations:

1. Consider either a disadvantaged community and/or expanded definition of Section 6307 (e) farm and ranch properties fee category. We realize this may require legislation to implement. We are willing to meet with our state representatives to push for this.

2. Modify the fee regulations to incorporate one if not all varying factors; reservoir storage, budget size, inundation areas, hazard classification. All could be additional factors in the fee calculation.

3. Modify the fee regulations to consider the impacts on other state water infrastructure and the populations that would experience water supply disruption in the event of dam failure.

4. Consideration given to a facility that is double regulated by FERC and DSOD.

We ask that the DSOD adopt a temporary one-year fee for 2019 to allow the department additional time to further study the alternatives presented and time for potential legislation changes.

Thank you for the recent conference call with us in December. It was helpful in conveying our concerns and developing our response to the proposed regulations. Our board considers this issue of paramount importance to JVID and its members. We will do all we can to assist DSOD in developing viable and fair alternatives to the proposed regulations.

Sincerely,



George Lambert, Board President

C.C.

Assemblyman Frank Bigelow

P.O. Box 942849

Sacramento, CA 94249

Senator Andreas Borgeas

State Capitol, Room 3082

Sacramento, CA 95814

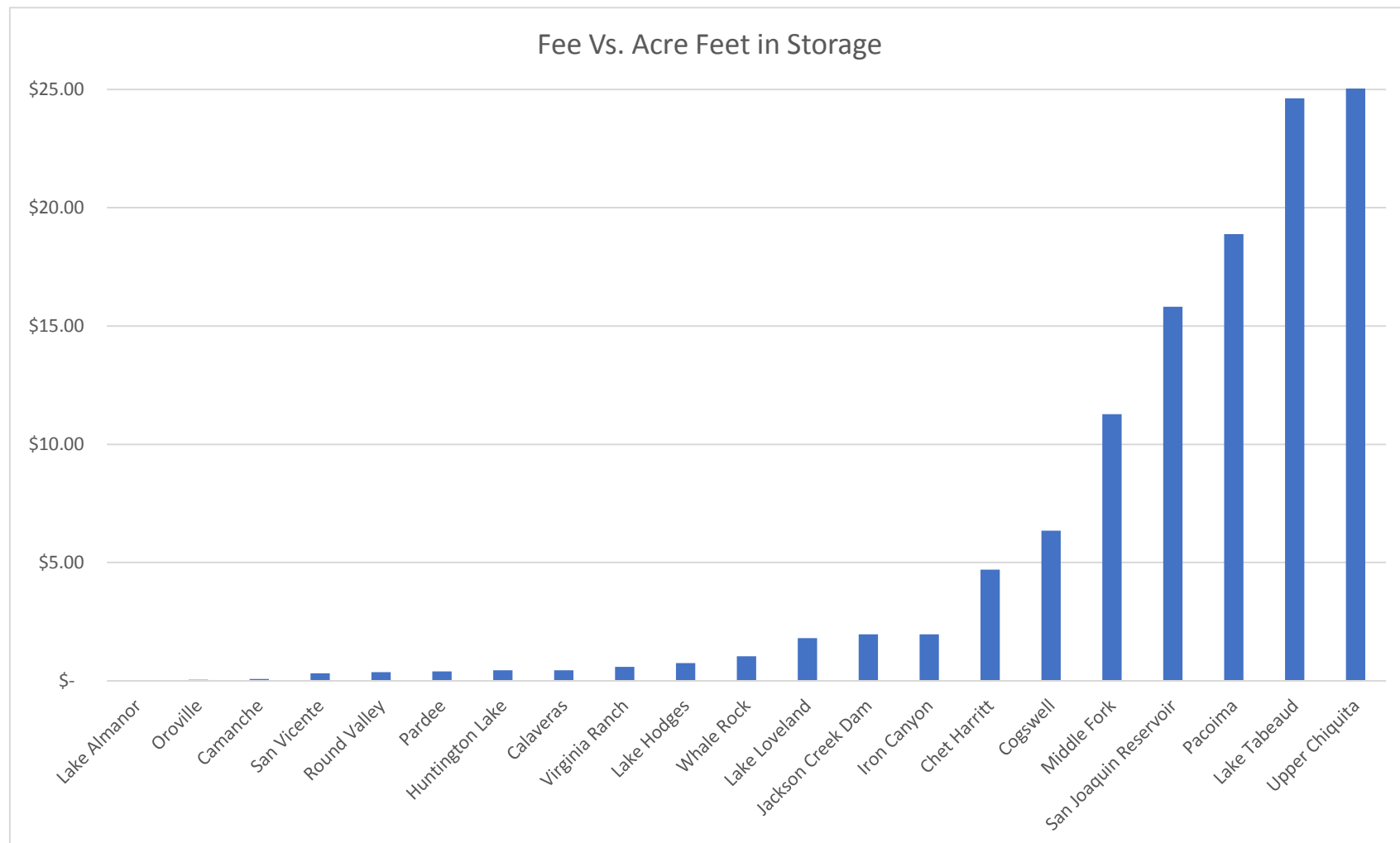
2018 DSOD COMPARISON FEE TABLE

Reservoirs	Dam Height (Feet)	Storage (Acre Feet)	Height vs. Storage Ratio	2018 Dam Fee	Fee Vs. Acre Feet	Owner	Primary Purpose	Hazard Classification
Lake Almanor	130	1,308,000	0.0001	\$ 27,866	\$ 0.02	PG&E	Power	Extremely High
Oroville	770	3,537,577	0.0002	\$ 176,856	\$ 0.05	Cal DWR	All the Above	Extremely High
Camanche	171	417,120	0.0004	\$ 34,681	\$ 0.08	EBMUD	Municipal	Extremely High
San Vicente	338	245,000	0.0014	\$ 77,216	\$ 0.32	City of San Diego	Municipal	Extremely High
Round Valley	45	5,500	0.0082	\$ 2,048	\$ 0.37	Private	?	Significant
Pardee	345	197,950	0.0017	\$ 79,096	\$ 0.40	EBMUD	Municipal	Extremely High
Huntington Lake	170	88,834	0.0019	\$ 39,381	\$ 0.44	Southern Cal Edison	Power	Extremely High
Calaveras	210	100,000	0.0021	\$ 45,021	\$ 0.45	City of San Francisco	Municipal	Extremely High
Virginia Ranch	152	57,000	0.0027	\$ 33,271	\$ 0.58	Browns Valley Irrigation District	Agriculture	Extremely High
Lake Hodges	131	37,700	0.0035	\$ 28,101	\$ 0.75	City of San Diego	Municipal	Extremely High
Whale Rock	193	40,662	0.0047	\$ 42,201	\$ 1.04	Whale Rock Commission	Municipal	Extremely High
Lake Loveland	203	25,400	0.0080	\$ 45,961	\$ 1.81	Sweetwater Authority	Municipal	Extremely High
Jackson Creek Dam	193	22,000	0.0088	\$ 43,141	\$ 1.96	Jackson Valley Irrigation District	Agriculture	High
Iron Canyon	210	24,300	0.0086	\$ 47,841	\$ 1.97	PG&E	Power	High
Chet Harritt	200	9,790	0.0204	\$ 45,961	\$ 4.69	Helix Water District	Municipal	Extremely High
Cogswell	266	8,969	0.0297	\$ 57,006	\$ 6.36	LA County Public Works	Municipal	High
Middle Fork	98	1,700	0.0576	\$ 19,171	\$ 11.28	Calaveras Public Utilities District	Municipal	High
San Joaquin Reservoir	224	3,306	0.0678	\$ 52,306	\$ 15.82	Irvine Ranch Water District	Municipal	Extremely High
Pacoima	365	3,777	0.0966	\$ 71,341	\$ 18.89	LA County Public Works	Municipal	Extremely High
Lake Tabeaud	123	1,170	0.1051	\$ 28,806	\$ 24.62	PG&E	Power	High
Upper Chiquita	177	754	0.2347	\$ 40,791	\$ 54.10	Santa Margarita Water District	Municipal	Extremely High

Large Multi-Million Budgets:	
Smaller Municipals:	
Agriculture:	

DSOD Hazard Classifications

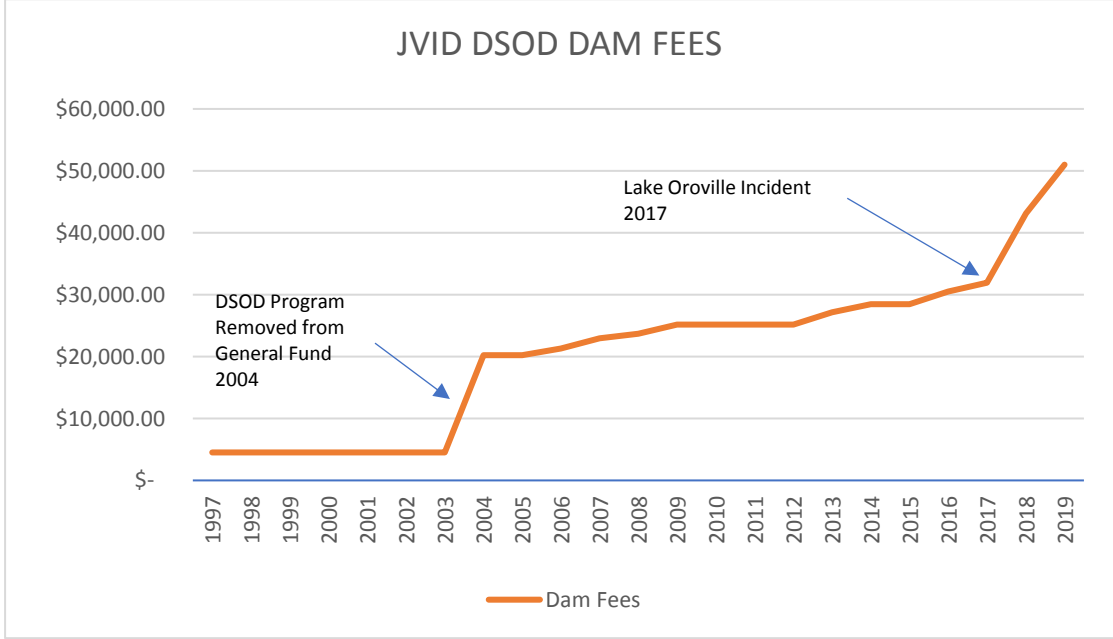
Extremely High:	Expected to cause considerable loss of human life or would result in an inundation area with a population of 1,000 or more.
High:	Expected to cause loss of at least one human life.
Significant:	No Probably loss of human life but can cause economic loss, environmental damage, impacts to critical facilities, or other significant impacts.



Jackson Valley Irrigation District Annual DSOD Fee

Dam Fees

1997	\$ 4,520.00
1998	\$ 4,520.00
1999	\$ 4,520.00
2000	\$ 4,520.00
2001	\$ 4,520.00
2002	\$ 4,520.00
2003	\$ 4,520.00
2004	\$ 20,200.00
2005	\$ 20,200.00
2006	\$ 21,300.00
2007	\$ 22,954.00
2008	\$ 23,688.00
2009	\$ 25,156.00
2010	\$ 25,156.00
2011	\$ 25,156.00
2012	\$ 25,156.00
2013	\$ 27,176.00
2014	\$ 28,463.00
2015	\$ 28,463.00
2016	\$ 30,482.00
2017	\$ 31,952.00
2018	\$ 43,141.00
2019	\$ 51,000.00





State of California

WATER CODE

Section 6307

6307. (a) (1) 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.

(2) The revenue generated by the fees imposed under this section shall be adjusted periodically for cost-of-living increases. If the director determines that the revenue collected during the preceding fiscal year was greater or less than the cost to operate the program, the director shall adjust the fees to compensate for the overcollection or undercollection of revenue. The department shall provide a schedule of fees to the Legislature and to every dam owner that has a permit or has applied for a permit, when any adjustment is made to the fees under this section.

(3) The schedule of fees adopted pursuant to this subdivision shall be based, in part, on the height of the dam on a per foot basis.

(b) A penalty plus interest, as set forth in subdivision (b) of Section 6428, shall be imposed for fees received after July 1 in any year. This penalty does not apply to any supplemental billing issued by the department.

(c) For the purposes of this section, "height of the dam" means the vertical distance, to the nearest foot, from the natural bed of the stream or watercourse at the downstream toe of the barrier, as determined by the department, or from the lowest elevation of the outside limit of the barrier, as determined by the department, if it is not across a stream channel or watercourse, to the maximum possible water storage elevation.

(d) Notwithstanding subdivision (a), the department shall limit the total annual fee per dam if both of the following apply:

(1) The dam has a storage capacity of not more than 100 acre-feet.

(2) The governing body of a private school or the governing board of a public school certifies that the dam is used as a subject of study by its students.

(e) (1) Notwithstanding subdivision (a), the department shall limit the total annual fee for dams or reservoirs located on farms or ranch properties to no more than 20 percent of the fees assessed pursuant to subdivision (a).

(2) For purposes of this subdivision, "farm" has the same meaning as defined in Section 52262 of the Food and Agricultural Code.

(f) (1) Privately owned dams with less than 100 acre-feet of storage capacity shall be assessed an annual fee in accordance with paragraph (1) of subdivision (e).

(2) As used in this subdivision, "privately owned" does not include dams owned by municipalities, water districts or companies, irrigation districts, private, investor owned or publicly owned utilities, or public agencies.