Water Quality Certification Fees Stakeholder Meeting

Wednesday, May 6, 2026 at 10:30 AM – 12:00 PM

Webcast and Zoom Meeting Only

NO PHYSICAL MEETING LOCATION

Live Webcast: https://video.calepa.ca.gov/

Fee Branch Email: FeeBranch@waterboards.ca.gov

AGENDA

1. Welcome and Introductions
2. Water Quality Certification Fee Schedule Proposal (Attachment 1)
3. Water Quality Certification Fee Proposal Data Summary (Attachment 2)
4. Open Discussion
5. Next Steps

Water Quality Certification Fee Schedule Proposal

Background

This handout has been developed to seek public input on proposed fee schedule changes to better align Water Quality Certification permit fees with project complexity and staff review time.

Purpose of the May 6, 2026 Stakeholder Meeting:

- **Review the revised methodology with placeholder cost amounts.**
- **Discuss potential cost impacts using anonymized example projects.**
- **Share modeled data to show how points are distributed across historical permits.**
- **Collect feedback on the revised methodology, including clarity, feasibility, and appropriateness of evaluation criteria to determine tier assignment.**

The proposal applies only to Fee Category A (Fill and Excavation Discharges) and Fee Category E (Low Impact Discharges). The following topics are outside of the scope of this proposal but may be considered in the future:

1. **Environmental Restoration and Enhancement Projects.**
2. **Maximum Flood Control Project and Maintenance Activity Fees.**
3. **Utility Wildfire General Order Fees.**
4. **Emergency Project Fees.**

Prior Stakeholder Meetings

Staff introduced the proposed fee methodology at the May 7, 2025 stakeholder meeting. At the December 8, 2025 meeting, staff presented an updated proposal and stakeholders requested additional detail on fee cost impacts, supporting data, and other revisions to activity specific fee categories that are outside the scope of the existing proposal.

Fee Methodology Overview and Factors

Staff propose to merge existing Fee Categories A and E into a single category with five tiers. Tier placement would be determined by point values based on project characteristics, including potential water quality risk and other factors that impact staff workload.

Proposed Evaluation Factors

1. Impacts to waters, both permanent and temporary.
2. Permit type: general order, individual certification, or Waste Discharge Requirements (WDR).
3. Applicable Dredge or Fill Procedures' alternatives analysis tier.

1) Aquatic Resource Impact:

The type and extent of aquatic resource impacts affect staff workload because higher impact projects require review of additional avoidance and minimization measures, interagency coordination, and restoration and compensatory mitigation plans.

2) Permit Types

- **General Order Enrollee/Individual Order:** Staff workload varies depending on the permit type issued. Projects authorized by a general order typically require the least staff time, while individual orders (both 401 water quality certifications and WDRs) require more extensive review
- **WDRs/401 Water Quality Certifications:** Waste discharge requirements are used to authorize dredge or fill discharges that fall outside of federal jurisdiction. As federal jurisdiction has narrowed, some functions previously addressed through the federal permitting process, such as aquatic resource delineations, must now be completed by Water Board staff, increasing the level of effort and review time required.

3) Alternatives Analysis

- An alternatives analysis is the process of analyzing project alternatives, including the proposed project, to identify the least environmentally damaging practicable alternative.
- Where required, the Dredge or Fill Procedures identifies three levels of effort for alternatives analyses (called Alternative Analysis Tiers) based on the amount of impact, the presence of sensitive resources, and the possibility of siting the project in an alternative location[1]. Higher alternative analysis tiers increase staff workload, because additional review is required to determine whether the alternatives analysis is adequate.

Fee Tier Determination

The above criteria are assigned a point value proportionate to resources and impacts. Point totals determines tier placement, which is grouped into 20th percentile groupings modeled on historical permit data.

[1] For more information, refer to section IV.A.1.h of The State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State https://www.waterboards.ca.gov/water_issues/programs/cwa401/docs/2021/procedures.pdf

- **Tier 1 Baseline:** Analysis and staff processing time is minimal.
- **Tiers 2 Minimal, 3 Moderate, 4 Significant:** Tiers increase with the level of risk and complexity associated with each criterion.
- **Tier 5 Major:** High risk, high complexity projects, that typically require more extensive analysis.

Annual Fee Calculation

Under the proposal, annual fees would be based on current Category A and Category E fee schedule amounts:

- Impacts over one-tenth acre would pay the Category A annual fee.
- Impacts of one-tenth acre or less would pay the reduced Category E annual fee.

Fee Methodology Schedule Mock-Up

Tables 1 and 2 provide fee calculator mockups and tier breakdowns to illustrate the revised methodology and facilitate project fee estimation.

Table 1: A points calculator mockup showing the proposed fee factors, criteria, and point values.

Points Calculator			
Fee Factor	**Do these criteria apply to your project?**	**Check if Yes**	**Points**
Permanent Impacts	Up to 0.01 acre	☐	1
	Greater than 0.01 acre and up to 0.5 acres	☐	3
	Greater than 0.5 acres	☐	6
Temporary Impacts	Less than 0.1 acre	☐	0
	Greater than 0.1 and up to 0.2 acres	☐	1
	Greater than 0.2 acres	☐	2
Permit Type	Qualifies for enrollment in a General Order	☐	0
	Waiver	☐	0
	Individual Certification	☐	1
	Individual WDR	☐	5
Alternatives Analysis	None	☐	0
	Tier 1 Alternatives Analysis	☐	0
	Tier 2 Alternatives Analysis	☐	1
	Tier 3 Alternatives Analysis	☐	2
		Total Points:	

Table 2: Point totals determine the fee tier, based on values from Table 1.

Fee Tier Determination					
Fee Tiers:	**(1) Baseline**	**(2) Minimal**	**(3) Moderate**	**(4) Significant**	**(5) Major**
Point Ranges:	1	2	3	4-5	≥ 6

Fee Calculation

Using the factors in Table 1, the fee tier is determined using the point ranges in Table 2. The fee tier is then weighted by total impact size to determine the final fee amount.

Here is the structure of the proposed fee calculations with placeholder dollar amounts:

Fee Tier	Fee Calculation	Annual Fee
1 Baseline (*1 point*)	$2,500 (Flat fee)	**For All Fee Tiers:** Projects less than or equal to 0.10 acre: $563 annually Greater than 0.10 acre: $3,540 annually for the first 5 years, then $563 thereafter
2 Minimal (*2 Points*)	Total Impact Acres * $23,000	
3 Moderate (*3 Points*)	$2,500 + Total Impact Acres * $23,000 *1.25	
4 Significant (*4-5 Points*)	$2,500 + Total Impact Acres * $23,000*1.5	
5 Major (*6 or more Points*)	$2,500 + Total Impact Acres * $23,000*2	

The annual fee would operate similarly to the current one, with low impact discharge projects receiving a reduced fee.

The fee amounts provided are illustrative estimates for each tier and are subject to change. Final amounts will be updated following the Governor's May Revision and subsequent adoption of the State Budget Act and presented to the State Water Board for proposed adoption in the Fee Schedule.

Analysis Summary Tables

Table 3 compares the **average** fee under the current schedule to each tier of the revised methodology using modeled data based on the past five fiscal years (Fiscal year 2020-2021 through 2024-2025). Tiers increases from Baseline (1) to Major (5) are based on the threat and complexity of the project and corresponding increase in associated review time. Dollar amounts are estimates used to demonstrate the scale of the placeholder changes. The difference column is based on the average difference between the existing fee calculation and the proposed fee calculation. While Baseline, Minimal, and Moderate tiers on average decrease and Significant and Major tiers increase, there will be some variation on a project-by-project basis within each tier.

Additional data on the evaluation criteria can be found in Attachment A.

Table 3: Summary of Fee Impacts using Revised Methodology by Fee Tier Placement

Tier	Permits (n)	Current Fee Method and Amount			Revised Method and Fee Amount			Difference (Average Revised Fee-Average Current Fee)
		Average	Min	Max	Average	Min	Max	
1 Baseline	581	$4,212	$4,212	$4,212	$2,500	$2,500	$2,500	($1,712)
2 Minimal	570	$4,336	$4,212	$7,133	$2,583	$2,500	$4,370	($1,752)
3 Moderate	340	$16,575	$4,212	$365,465	$14,721	$2,788	$365,465	($1,854)
4 Significant	971	$18,924	$4,212	$365,465	$19,342	$2,845	$365,465	$418
5 Major	576	$80,567	$4,212	$365,465	$95,051	$2,960	$365,465	$14,484

Table 4 Highlights an example existing project for each tier and shows the estimated associated fees calculated using the revised fee methodology, compared to the current fee schedule.

Table 4: Impacts of Revised Methodology on Example Projects

Tier	Project Example	Current Fee Method and Amount	Revised Method; Significant Fee Change	Amount Difference
1 Baseline	Low impact road maintenance project	$4,212	$2,500	($1,712)
2 Minimal	Small flood control maintenance project	$4,881	$2,990	($1,891)
3 Moderate	Dock Improvement project in non-federal waters	$7,058	$7,963	$905
4 Significant	Moderate apartment complex	$4,212	$6,295	$2,083
5 Major	Large mixed use/residential development project	$132,192	$164,420	$32,228

Water Quality Certification Fee Proposal Data Summary

Staff used historical permit data from the Water Boards' online database to develop a fee model to predict fee cost impacts compared to the existing fee schedule. Below are results from the model used to develop the revised methodology and provide transparency on the distribution of points and criteria thresholds.

How many regulatory measures fall into each tier based on fiscal year (FY) 24/25 permit data? Figure 1 below shows the spread of projects in each tier, based on model data using permits issued in FY 24/25. Staff looked at historical data to determine twenty-percentile point ranges for the tier buckets.

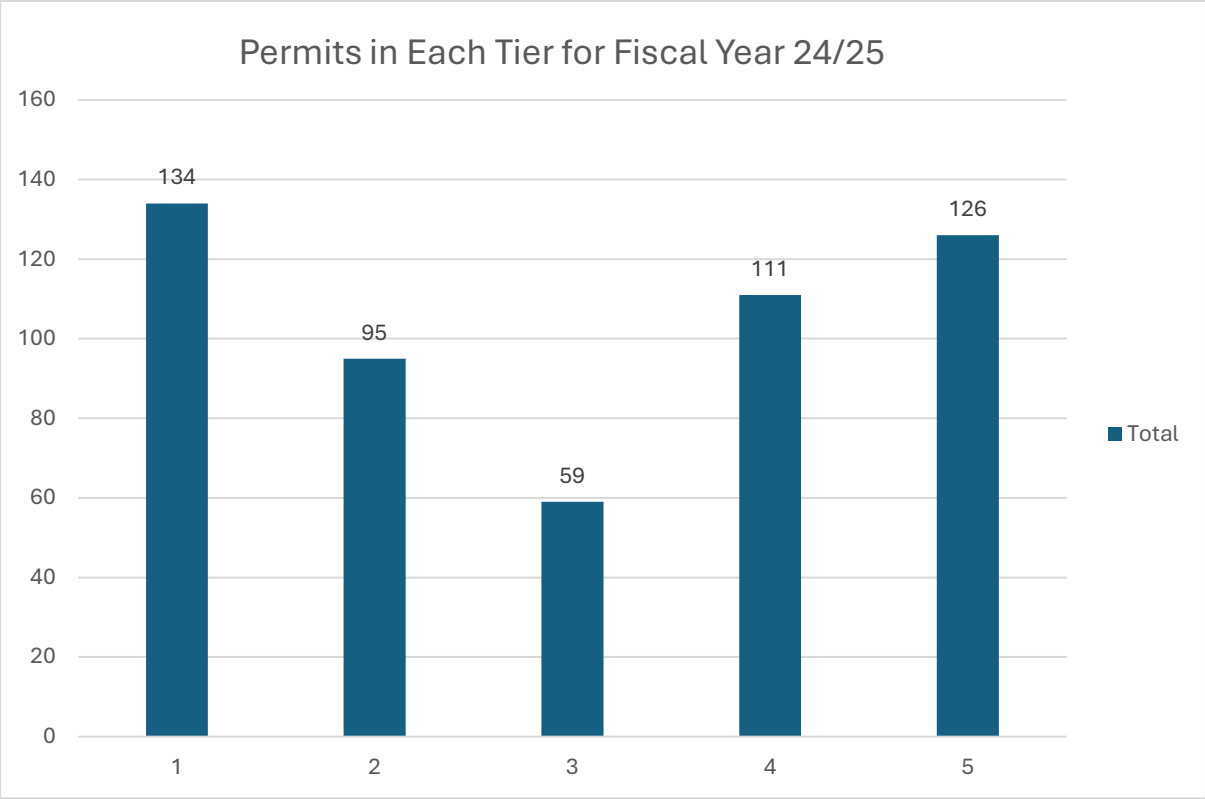

Figure 1: Permits in each tier (count) based on modeled data from June 1, 2024 through July 30, 2025 (FY 24/25).

What percentage of projects fall within each threshold?

a. **Permanent Impacts:** Most permits authorize less than 0.01 acre of permanent impacts, with a permit volume dropping sharply above 0.5 acre. Larger impact areas are associated with increased staff workload, including compensatory mitigation plan review.

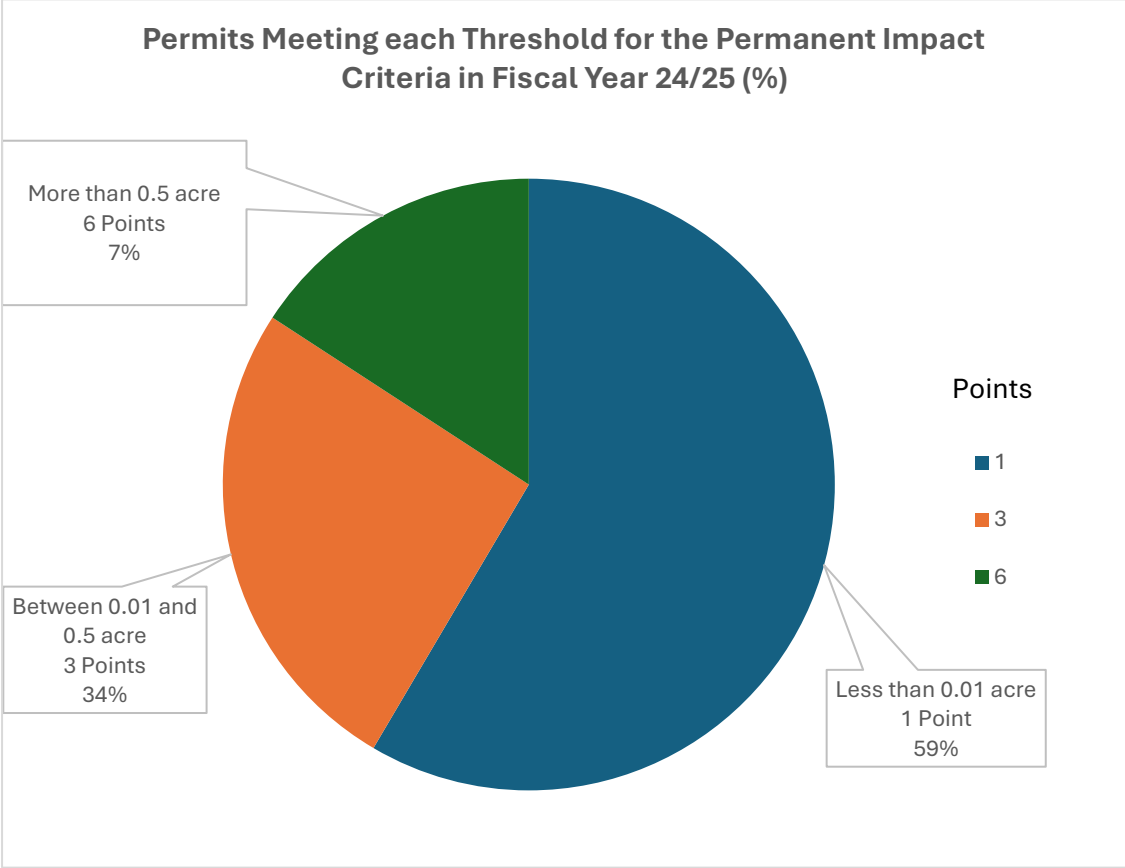

Figure 2: Percentage of permits that fall within each point threshold for the permanent impacts evaluation criteria.

Table 1: Permits for each point value and threshold (Count) for the permanent impacts evaluation criteria.

Permanent Impact Points	Criteria Threshold	Number of Projects
1	Less than 0.01	307
3	Between 0.01 and 0.5 acre	179
6	More than 0.5 acre	39

b. Temporary Impacts: Only 21% of projects have more than 0.2 acre of temporary impacts.

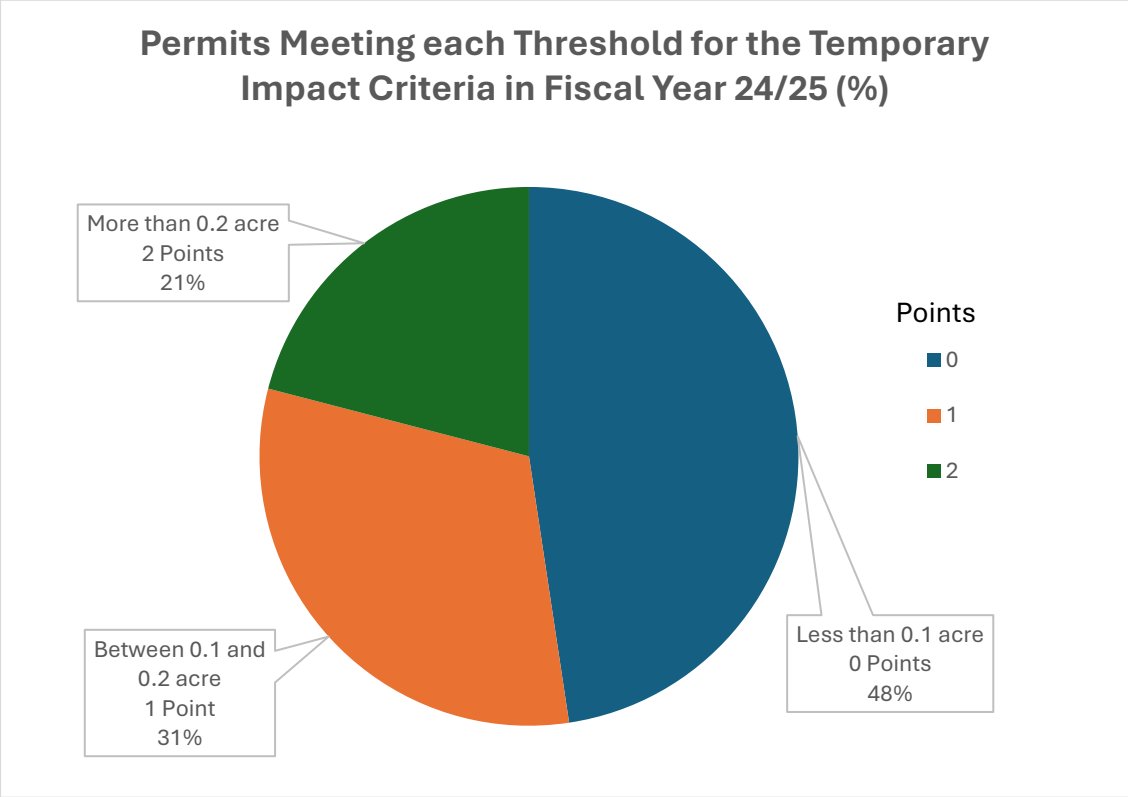

Figure 3: Percentage of permits that fall within each point threshold for the temporary impacts evaluation criteria.

Table 2: Permits for each point value and threshold (Count) for the temporary impacts evaluation criteria.

Temporary Impacts Points	Criteria Threshold	Number of Projects
0	Less than 0.1	250
1	Between 0.1 and 0.2 acre	165
2	More than 0.2 acre	110

c. **Permit Type:** Figure 2 below shows the distribution of permit types issued by the Water Boards in Fiscal Year 24/25. Projects issued exclusively as WDRs currently make up a minority of permits issued but are expected to increase in future years due to the impacts of the Sackett Ruling.[1]

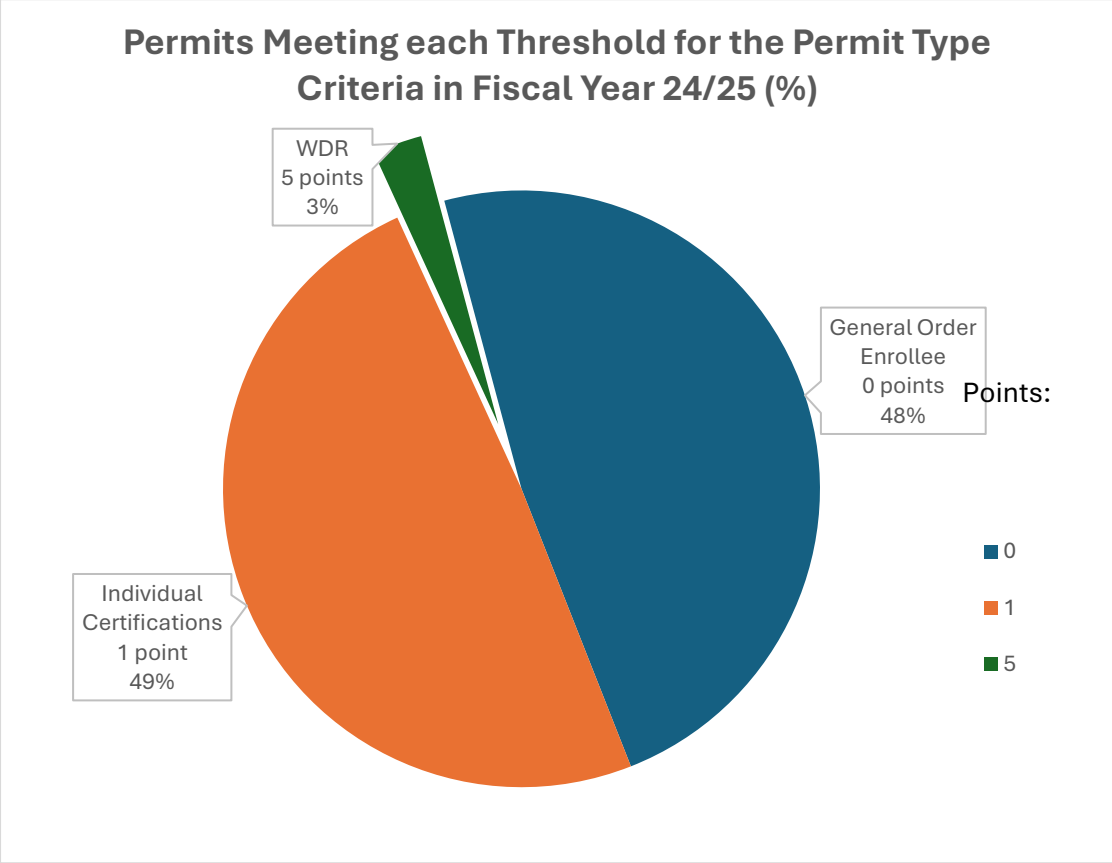

Figure 4: Permits that fall within each point threshold (Percentage) for the permit type evaluation criteria.

Table 3: Permits for each point value and threshold (Count) for the permit type evaluation criteria.

Permit Type Points	Criteria Threshold	Number of Projects
0	General Order Enrollee or Waiver	253
1	Individual Certification	258
5	Individual WDR	14

[1] For changes in workload due to the Sackett Decision see the January 1, 2026 Report to the Legislature on Impacts of United States Supreme Court's decision in Sackett v. Environmental Protection Agency (2023) 598 U.S. 651, https://www.waterboards.ca.gov/water_issues/programs/cwa401/docs/2026/sackett-report-2026.pdf

d. **Alternatives Analysis:** Alternatives Analysis is a newly tracked data point for this data set. Reviewing material to determine if a proposed project is the least environmentally damaging practicable alternative can be resource intensive depending on the significance of the impacts to water resources. Figure 5 shows that 3% of projects require Tier 3 alternatives analysis.

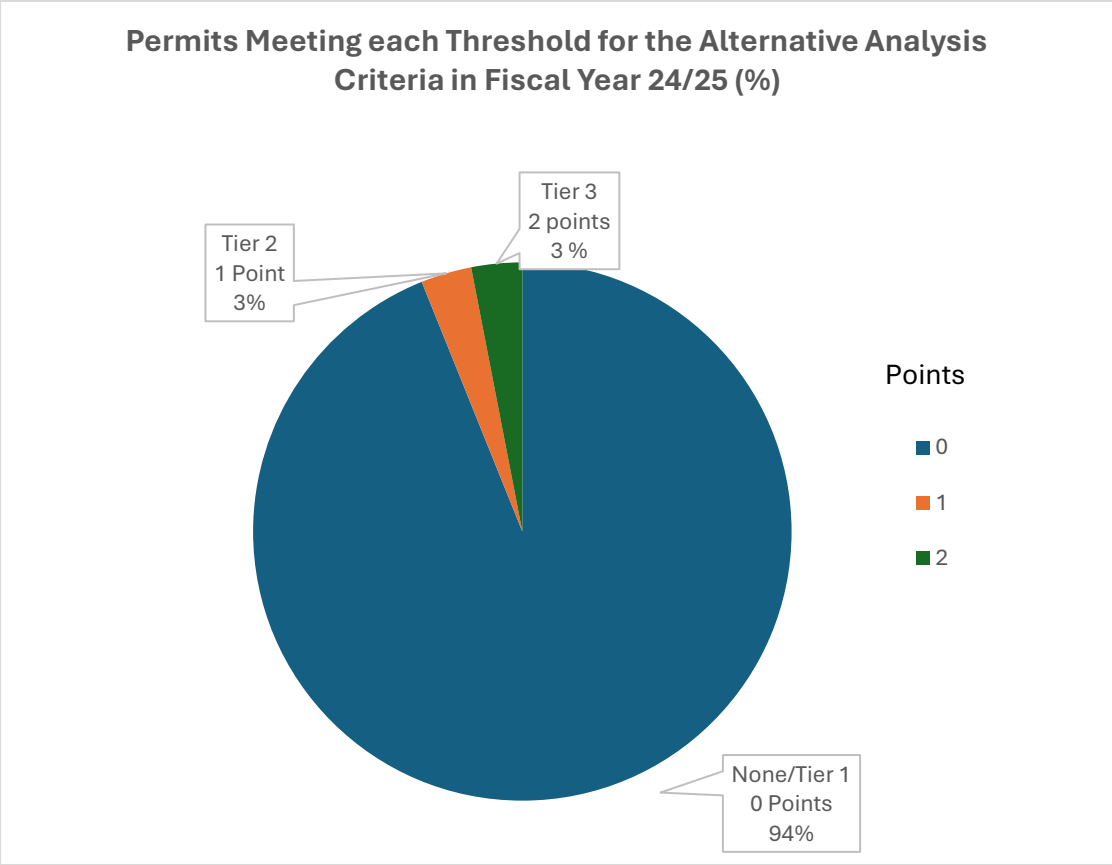

Figure 5: Percentage of permits that fall within each point threshold for the Alternatives Analysis evaluation criteria.

Table 4: Permits for each point value and threshold (Count) for the alternatives analysis evaluation criteria.

Alternatives Analysis Points	Criteria Threshold	Number of Projects
0	None/Tier 1	493
1	Tier 2	16
2	Tier 3	16