

Hearing Date: October 9, 2026

ITEM 5
PROPOSED STATEWIDE COST ESTIMATE

\$8,292,692 - \$23,067,532
Initial Claim Period¹

(January 24, 2007 through December 31, 2017)

*San Diego Regional Water Quality Control Board Order No. R9-2007-0001
Permit CAS0108758, Parts D.3.a.(3)(b)(iii), D.5.a.(1), D.5.a.(2),
D.5.b.(1)(a), D.5.b.(1)(b)(iii-vi), D.5.b.(1)(c), D.5.b.(1)(d), D.5.b.(2),
D.5.b.(3), E.2.f., E.2.g., F.1., F.2., F.3., I.1., I.2., I.5., J.3.a.(3)(c)(iv)-(viii),
(x)-(xv), the first sentence of L.1. as it applies to the newly mandated
activities, and L.1.a.(3)-(6)*

07-TC-09-R

The Commission on State Mandates (Commission) adopted this Statewide Cost Estimate by a vote of [vote count will be included in the adopted Statewide Cost Estimate] during a regularly scheduled hearing on October 9, 2026 as follows:

Member	Vote
Lee Adams, County Supervisor	
Karen Greene Ross, Public Member	
Deborah Gallegos, Representative of the State Controller	
William Pahland, Representative of the State Treasurer, Vice Chairperson	
Michele Perrault, Representative of the Director of the Department of Finance, Chairperson	
Alexander Powell, Representative of the Director of the Office of Land Use and Climate Innovation	

¹ The entire reimbursement period is within the initial claim period because the Commission found the mandate is not reimbursable beginning January 1, 2018 since the claimants have fee authority, sufficient as a matter of law, to pay for the reimbursable activities pursuant to Government Code section 17556(d).

STAFF ANALYSIS

Summary of the Mandate, Eligible Claimants, and Period of Reimbursement

This Statewide Cost Estimate addresses state-mandated activities arising from National Pollutant Discharge Elimination System (NPDES) Order No. R9-2007-0001, adopted by the San Diego Regional Water Quality Control Board on January 24, 2007.

The Commission adopted the Amended Test Claim Decision on Remand on May 26, 2023,² and the Decision and Parameters and Guidelines on December 5, 2025,³ approving reimbursement beginning January 24, 2007, for the following city and county copermittees eligible to claim reimbursement, provided they are subject to the taxing restrictions of articles XIII A and XIII C of the California Constitution, and the spending limits of article XIII B of the California Constitution, and incur increased costs as a result of this mandate that are paid from their local proceeds of taxes:

The County of San Diego and the Cities of Carlsbad, Chula Vista, Coronado, Del Mar, El Cajon, Encinitas, Escondido, Imperial Beach, La Mesa, Lemon Grove, National City, Oceanside, Poway, San Diego, San Marcos, Santee, Solana Beach, and Vista.

The initial reimbursement period, which includes the entire reimbursement period, is January 24, 2007 through December 31, 2017 (five months and eight days of fiscal year 2006-2007 through the first half of fiscal year 2017-2018). Eligible claimants were required to file initial claims with the State Controller's Office (Controller) by July 8, 2026. Late initial reimbursement claims may be filed until July 8, 2027, but will incur a 10 percent late filing penalty of the total amount of the initial claim without limitation.⁴

Reimbursable Activities

The Commission approved the following reimbursable activities for this program:

A. One-Time Activities

1. Jointly execute and submit to the Regional Board no later than 180 days after adoption of the permit, a Memorandum of Understanding, Joint Powers Authority, or other instrument of formal agreement (Part L.1.a.(3)-(6)) that:
 - a. Establishes a management structure to promote consistency and develop and implement regional activities;
 - b. Establishes standards for conducting meetings, decisions-making, and cost-sharing.

² Exhibit A, Amended Test Claim Decision on Remand.

³ Exhibit B, Decision and Parameters and Guidelines.

⁴ Government Code section 17561(d)(3).

- c. Provides guidelines for committee and workgroup structure and responsibilities;
- d. Lays out a process for addressing Copermittee non-compliance with the formal agreement.

*Reimbursement is limited to the pro rata costs to execute and submit an MOU or formal agreement on only the four topics identified above. Executing and submitting a full MOU, JPA, or other formal agreement is **not** reimbursable.⁵*

- 2. Long Term Effectiveness Assessment (Part I.5 and the first sentence in Part L.1.):
 - a. Collaborate with the other Copermittees to develop a Long Term Effectiveness Assessment (LTEA), which shall build on the results of the Copermittees' August 2005 Baseline LTEA. The LTEA shall be submitted by the Principal Permittee to the Regional Board no later than 210 days in advance of the expiration of the test claim permit.
 - b. The LTEA shall be designed to address each of the objectives listed below, and to serve as a basis for the Copermittees' Report of Waste Discharge for the next permit cycle:
 - Assessment of watershed health and identification of water quality issues and concerns.
 - Evaluation of the degree to which existing source management priorities are properly targeted to, and effective in addressing, water quality issues and concerns.
 - Evaluation of the need to address additional pollutant sources not already included in Copermittee programs.
 - Assessment of progress in implementing Copermittee programs and activities.
 - Assessment of the effectiveness of Copermittee activities in addressing priority constituents and sources.
 - Assessment of changes in discharge and receiving water quality.
 - Assessment of the relationship of program implementation to changes in pollutant loading, discharge quality, and receiving water quality.

⁵ Exhibit A, Amended Test Claim Decision on Remand, page 111.

- Identification of changes necessary to improve Copermittee programs, activities, and effectiveness assessment methods and strategies.
- c. The LTEA shall address outcome levels 1-6,⁶ and shall specifically include an evaluation of program implementation to changes in water quality (outcome levels 5 and 6).
- d. The LTEA shall assess the effectiveness of the Receiving Waters Monitoring Program in meeting its objectives and its ability to answer the five core management questions. This shall include assessment of the frequency of monitoring conducted through the use of power analysis and other pertinent statistical methods. The power analysis shall identify the frequency and intensity of sampling needed to identify a 10 percent reduction in the concentration of constituents causing the high priority water quality problems within each watershed over the next permit term with 80 percent confidence.
- e. The LTEA shall address the jurisdictional, watershed, and regional programs, with an emphasis on watershed assessment.

⁶ Effectiveness assessment outcome levels are defined in Attachment C of the permit as follows: “Effectiveness assessment outcome level 1 – Compliance with Activity-based Permit Requirements – Level 1 outcomes are those directly related to the implementation of specific activities prescribed by this Order or established pursuant to it. Effectiveness assessment outcome level 2 – Changes in Attitudes, Knowledge, and Awareness – Level 2 outcomes are measured as increases in knowledge and awareness among target audiences such as residents, business, and municipal employees. Effectiveness assessment outcome level 3 – Behavioral Changes and BMP Implementation – Level 3 outcomes measure the effectiveness of activities in affecting behavioral change and BMP implementation. Effectiveness assessment outcome level 4 – Load Reductions – Level 4 outcomes measure load reductions which quantify changes in the amounts of pollutants associated with specific sources before and after a BMP or other control measure is employed. Effectiveness assessment outcome level 5 – Changes in Urban Runoff and Discharge Quality – Level 5 outcomes are measured as changes in one or more specific constituents or stressors in discharges into or from MS4s. Effectiveness assessment outcome level 6 – Changes in Receiving Water Quality – Level 6 outcomes measure changes to receiving water quality resulting from discharges into and from MS4s, and may be expressed through a variety of means such as compliance with water quality objectives or other regulatory benchmarks, protection of biological integrity [i.e., ecosystem health], or beneficial use attainment.” Exhibit B, Decision and Parameters and Guidelines citing the Test Claim, pages 188-189 (Order No. R9-2007-0001, Attachment C), Exhibit U (13).

Reimbursement for the activities required by Part I.5 and the first sentence in Part L.1 may be based on the actual annual shared consultant and contract management costs to develop the LTEA to assess the effectiveness of the Receiving Waters Monitoring Program and to address the jurisdictional, watershed, and regional programs with an emphasis on watershed assessment, times the claimant's proportional share of costs indicated in the claimants' MOU.

B. Ongoing Activities

1. Jurisdictional Urban Runoff Management Program

- a. By September 30, 2008, and each September 30th thereafter, *include* in the JURMP Annual Report the following information for the prior fiscal year:
 - i. Street Sweeping Information (Part J.3.a.(3)(c)(x-xv))
 - Identification of the total distance of curb-miles of improved roads, streets, and highways identified as consistently generating the highest volumes of trash and/or debris, as well as the frequency of sweeping conducted for such roads, streets, and highways.
 - Identification of the total distance of curb-miles of improved roads, streets, and highways identified as consistently generating moderate volumes of trash and/or debris, as well as the frequency of sweeping conducted for such roads, streets, and highways.
 - Identification of the total distance of curb-miles of improved roads, streets, and highways identified as consistently generating low volumes of trash and/or debris, as well as the frequency of sweeping conducted for such roads, streets, and highways.
 - Identification of the total distance of curb-miles swept.
 - Identification of the number of municipal parking lots, the number of municipal parking lots swept, and the frequency of sweeping.
 - Amount of material (tons) collected from street and parking lot sweeping.⁷

⁷ The requirements for street sweeping were delayed until no later than March 24, 2008. Exhibit B, Decision and Parameters and Guidelines citing Regional Board Addendum to Test Claim Permit, December 12, 2007, Exhibit U (9).

- ii. Conveyance System Cleaning Information (Part J.3.a.(3)(c)(iv)-(viii))
 - Identification of the total number of catch basins and inlets, the number of catch basins and inlets inspected, the number of catch basins and inlets found with accumulated waste exceeding cleaning criteria, and the number of catch basins and inlets cleaned.
 - Identification of the total distance (miles) of the MS4, the distance of the MS4 inspected, the distance of the MS4 found with accumulated waste exceeding cleaning criteria, and the distance of the MS4 cleaned.
 - Identification of the total distance (miles) of open channels, the distance of the open channels inspected, the distance of the open channels found with anthropogenic litter, and the distance of open channels cleaned.
 - Amount of waste and litter (tons) removed from catch basins, inlets, the MS4, and open channels, by category.
 - Identification of any MS4 facility found to require inspection less than annually following two years of inspection, including justification for the finding.⁸
- iii. Reimbursement for the reporting activities identified in Section IV.B.1.a.i. and ii. of these Parameters and Guidelines includes the following:
 - The *one-time* activity of developing policies and procedures and a data tracking and analysis system for gathering and reporting only the new data identified above.
 - *One-time* training per employee assigned to track the information identified above to ensure the staff responsible for tracking the information understand and properly implement the procedures.
 - The *ongoing* activity of recording the new data identified above in the data tracking system to prepare the annual street sweeping and conveyance systems report.

⁸ The requirements for conveyance system cleaning were delayed until no later than March 24, 2008. Exhibit B, Decision and Parameters and Guidelines citing Regional Board Addendum to Test Claim Permit, December 12, 2007, Exhibit U (9).

- b. Conveyance System Cleaning (Part D.3.a.(3)(b)(iii)). No later than March 24, 2008, the claimants shall comply with the following activities:⁹
- i. Implement a schedule of maintenance activities for the MS4 and MS4 facilities (catch basins, storm drain inlets, open channels, etc.).
 - ii. The maintenance activities shall, at a minimum, include the following:
 - Any catch basin or storm drain inlet that has accumulated trash and debris greater than 33% of design capacity, which shall be cleaned in a timely manner.
 - Any MS4 facility that is designed to be self-cleaning shall be cleaned of any accumulated trash and debris immediately.
 - Cleaning observed anthropogenic litter in open channels annually, which may be reduced to every other year after two years of inspections (which at the earliest would be in fiscal year 2010-2011) if the open channel requires less than annual cleaning.

The following conveyance system activities are not reimbursable:

- Implementing a schedule of inspection activities (Part D.3.a.(3)(a));
 - Inspections of MS4 facilities (Part D.3.a.(3)(b)(i), D.3.a.(3)(b)(ii));
 - Record keeping of the maintenance and cleaning activities including the overall quantity of waste removed (Part D.3.a.(3)(b)(iv));
 - Proper disposal of waste removed pursuant to applicable laws (Part D.3.a.(3)(b)(v));
 - Measures to eliminate waste discharges during MS4 maintenance and cleaning activities (Part D.3.a.(3)(b)(vi)).¹⁰
- c. Educational Component (Parts D.5.a.(1), D.5.a.(2), D.5.b.(1)(a), D.5.b.(1)(b)(iii-vi), D.5.b.(1)(c), D.5.b.(1)(d), D.5.b.(2), D.5.b.(3), and the first sentence in Part L.1.). No later than March 24, 2008, the claimants shall comply with the following mandated activities:¹¹

⁹ Exhibit B, Decision and Parameters and Guidelines citing to Regional Board Addendum to Test Claim Permit, December 12, 2007, Exhibit U (9).

¹⁰ Exhibit A, Amended Test Claim Decision on Remand, pages 57-62.

¹¹ Exhibit B, Decision and Parameters and Guidelines citing to Regional Board Addendum to Test Claim Permit, December 12, 2007, Exhibit U (9).

- i. Each copermittee shall educate each target community (municipal departments, construction site owners and developers, industrial owners and operators, commercial owners and operators, the residential community, the general public, and school children) on the following topics: erosion prevention, non-stormwater discharge prohibitions, and BMP types: facility or activity specific, LID, source control, and treatment control. (Part D.5.a.(1).)

The educational programs shall emphasize underserved target audiences, high-risk behaviors, and “allowable” behaviors and discharges, including various ethnic and socioeconomic groups and mobile sources. (Part D.5.a.(2).)

- ii. Implement an education program so that planning boards and elected officials, if applicable, have an understanding of: (i) Federal, state, and local water quality laws and regulations applicable to Development Projects; and (ii) The connection between land use decisions and short and long-term water quality impacts (i.e., impacts from land developments and urbanization). (Part D.5.b.(1)(a).)
- iii. Implement an education program so that planning and development review staffs as well as planning boards and elected officials have an understanding of: (iii) How to integrate LID BMP requirements into the local regulatory program(s) and requirements; (iv) Methods of minimizing impacts to receiving water quality resulting from development, including: [1] Storm water management plan development and review; [2] Methods to control downstream erosion impacts; [3] Identification of pollutants of concern; [4] LID BMP techniques; [5] Source control BMPs; and [6] Selection of the most effective treatment control BMPs for the pollutants of concern.” (Part D.5.b.(1)(a).)
- iv. Implement an education program that includes annual training prior to the rainy season for its construction, building, code enforcement, and grading review staffs, inspectors, and other responsible construction staff have, at a minimum, an understanding of the topics in parts D.5.b.(1)(b)(iii), (iv), (v), and (vi) of the permit, as follows:
 - Proper implementation of erosion and sediment control and other BMPs to minimize the impacts to receiving water quality resulting from construction activities.
 - The Copermittee’s inspection, plan review, and enforcement policies and procedures to verify consistent application.
 - Current advancements in BMP technologies.

- SUSMP [Standard Urban Storm Water Mitigation Plan] requirements including treatment options, LID BMPs, source control, and applicable tracking mechanisms. (Part D.5.b.(1)(b)(iii) - (vi).)
 - v. Each Copermittee shall train staff responsible for conducting storm water compliance inspections and enforcement of industrial and commercial facilities at least once a year. Training shall cover inspection and enforcement procedures, BMP implementation, and reviewing monitoring data. (Part D.5.b.(1)(c).)
 - vi. Municipal Other Activities – Each Copermittee shall implement an education program so that municipal personnel and contractors performing activities which generate pollutants have an understanding of the activity-specific BMPs for each activity to be performed. (Part D.5.b.(1)(d).)
 - vii. As early in the planning and development process as possible and all through the permitting and construction process, implement a program to educate project applicants, contractors, property owners, and community planning groups who are not developers or construction site owners. The education program shall provide an understanding of the topics listed in Sections D.5.b.(1)(a) [Municipal Development Planning] and D.5.b.(1)(b) [Municipal construction Activities] above, as appropriate for the audience being educated. The education program shall also educate these groups on the importance of educating all construction workers in the field about stormwater issues and BMPs through formal or informal training. (Part D.5.b.(2).)
- Reimbursement is **not** required to develop any of the educational programs described above in Parts D.5.a., D.5.b.(1), or D.5.b.(2).*
- Reimbursement is also **not** required to educate developers and construction site owners on the topics listed in Part D.5.b.(2).¹²*
- viii. Each Copermittee shall collaboratively conduct or participate in development and implementation of a plan to educate residential, general public, and school children target communities on those topics listed in Table 3 of the test claim permit. The plan shall evaluate use of mass media, mailers, door hangers, booths at public events, classroom education, field trips, hands-on experiences, or other educational methods. (Part D.5.b.(3) and the first sentence in Part L.1.)

¹² Exhibit A, Amended Test Claim Decision on Remand, page 82.

Reimbursement for the activities required by Part D.5.b.(3) may be based on the actual annual shared costs of developing and implementing the program, times the claimant's proportional share of costs indicated in the claimants' MOU.

2. Watershed Urban Runoff Management Program (WURMP, Parts E.2.f, E.2.g, and the first sentence in Part L.1.). No later than March 24, 2008, the claimants shall comply with the following activities:¹³
 - a. Each Copermittee shall collaborate with other Copermittees within its Watershed Management Area (WMA) identified in Table 4 of the test claim permit, with frequent regularly scheduled meetings, to develop and implement an **updated** WURMP for each watershed to reduce the discharge of pollutants from the MS4 to the MEP (maximum extent practicable) and prevent urban runoff discharges from the MS4 from causing or contributing to a violation of water quality standards, as specified below. (Part E.2.g. and the first sentence in Part L.1.)
 - b. Update the WURMP to include and implement *only* the following elements:
 - i. Watershed Activities that address the high priority water quality problems in the WMA. Watershed Activities shall include both Watershed Water Quality Activities and Watershed Education Activities. Watershed Water Quality Activities are activities other than education that address the high priority water quality problems in the WMA. A Watershed Water Quality Activity implemented on a jurisdictional basis must be organized and implemented to target a watershed's high priority water quality problems or must exceed the baseline jurisdictional requirements of section D of this Order. Watershed Education Activities are outreach and training activities that address high priority water quality problems in the WMA. These activities may be implemented individually or collectively, and may be implemented at the regional, watershed, or jurisdictional level.
 - ii. Submit a Watershed Activities List with each updated WURMP and updated annually thereafter. The Watershed Activities List shall include both Watershed Water Quality Activities and Watershed Education Activities, along with a description of how each activity was selected, and how all of the activities on the list will collectively abate sources and reduce pollutant discharges causing the identified high priority water quality problems in the WMA.

¹³ Exhibit B, Decision and Parameters and Guidelines citing to Regional Board Addendum to Test Claim Permit, December 12, 2007, Exhibit U (9).

- iii. Each activity on the Watershed Activities List shall include the following information:
- A description of the activity;
 - A time schedule for implementation of the activity, including key milestones;
 - An identification of the specific responsibilities of Watershed Copermittees in completing the activity;
 - A description of how the activity will address the identified high priority water quality problem(s) of the watershed;
 - A description of how the activity is consistent with the collective watershed strategy;
 - A description of the expected benefits of implementing the activity; and
 - A description of how implementation effectiveness will be measured.

- iv. Reimbursement for the Watershed Activities List identified in Section IV.B.2.b.ii. and iii. of these Parameters and Guidelines includes the following:
- The *one-time* activity and pro-rata share of costs to develop a data tracking and analysis system for gathering and reporting the new data required to be included in the Watershed Activities List identified above. Reimbursement is **not** required to the extent that the data tracking and analysis system was developed for the purpose of submitting the WURMP annual report as a whole.
 - The *ongoing* activity of recording the data identified above in the data tracking system to prepare the Watershed Activities List.

The claimants may claim these costs based on their proportional share of costs under the MOU for the Regional WURMP Working Group to develop and maintain the Regional Watershed Activities Database.

- c. Each Watershed copermittee shall implement identified Watershed Activities pursuant to established schedules. For each Permit year, no less than two Watershed Water Quality Activities and two Watershed Education Activities shall be in an active implementation phase. A Watershed Water Quality Activity is in an active implementation phase when significant pollutant load reductions,

source abatement, or other quantifiable benefits to discharge or receiving water quality can reasonably be established in relation to the watershed's high priority water quality problem(s). Watershed Water Quality Activities that are capital projects are in active implementation for the first year of implementation only. A Watershed Education Activity is in an active implementation phase when changes in attitudes, knowledge, awareness, or behavior can reasonably be established in target audiences. (Part E.2.f.)

3. Regional Urban Runoff Management Program (Parts F.1-F.3, and the first sentence in Part L.1.)

No later than March 24, 2008,¹⁴ each copermitttee shall collaborate with the other copermitttees to develop, implement, and update as necessary a Regional Urban Runoff Management Program that reduces the discharge of pollutants from the MS4 to the MEP, and prevents urban runoff discharges from the MS4 from causing or contributing to a violation of water quality standards. The Regional Urban Runoff Management Program shall include the following:

- a. Develop and implement a Regional Residential Education Program which shall include the following:
 - Pollutant specific education which focuses educational efforts on bacteria, nutrients, sediment, pesticides, and trash. If a different pollutant is determined to be more critical for the education program, the pollutant can be substituted for one of these pollutants.
 - Education efforts focused on the specific residential sources of the pollutants listed in section F.1.a. (bacteria, nutrients, sediment, pesticides, and trash). (Part F.1.)
- b. Develop the standardized fiscal analysis method required in section G of the permit. The standardized fiscal analysis method shall:
 - Identify the various categories of expenditures attributable to the urban runoff management programs, including a description of the specific items to be accounted for in each category of expenditures.
 - Identify expenditures that contribute to multiple programs or were in existence prior to implementation of the urban runoff management program. (Part F.2.)
- c. *Facilitate* the assessment of the effectiveness of jurisdictional, watershed, and regional programs. This includes facilitating consistency in the

¹⁴ Exhibit B, Decision and Parameters and Guidelines citing Regional Board Addendum to Test Claim Permit, December 12, 2007, Exhibit U (9).

assessment programs and developing, annually reviewing, and updating as necessary subject-specific standards for the assessments. (Part F.3.)

4. Program Effectiveness Assessments (Parts I.1, I.2., I.5.)

a. Annual Effectiveness Assessment of Jurisdictional Urban Runoff Management Program (Part I.1.)

1. Each Copermittee shall annually assess the effectiveness of its Jurisdictional Urban Runoff Management Program implementation. At a minimum, the annual effectiveness assessment shall:

(i) Specifically assess the effectiveness of each of the following:

- Each significant jurisdictional activity/BMP or type of jurisdictional activity/BMP implemented;
- Implementation of each major component of the Jurisdictional Urban Runoff Management Program (Development Planning, Construction, Municipal, Industrial/Commercial, Residential, Illicit Discharge Detection and Elimination, and Education); and
- Implementation of the Jurisdictional Urban Runoff Management Program as a whole.

(ii) Identify and utilize measurable targeted outcomes, assessment measures, and assessment methods for each of the bulleted items listed above.

(iii) Utilize outcome levels 1-6, as defined in Attachment C to Order No. R9-2007-0001, to assess the effectiveness of each of the bulleted items listed above, where applicable and feasible.¹⁵

¹⁵ Effectiveness assessment outcome levels are defined in Attachment C of the permit as follows: “Effectiveness assessment outcome level 1 – Compliance with Activity-based Permit Requirements – Level 1 outcomes are those directly related to the implementation of specific activities prescribed by this Order or established pursuant to it. Effectiveness assessment outcome level 2 – Changes in Attitudes, Knowledge, and Awareness – Level 2 outcomes are measured as increases in knowledge and awareness among target audiences such as residents, business, and municipal employees. Effectiveness assessment outcome level 3 – Behavioral Changes and BMP Implementation – Level 3 outcomes measure the effectiveness of activities in affecting behavioral change and BMP implementation. Effectiveness assessment outcome level 4 – Load Reductions – Level 4 outcomes measure load reductions which quantify changes in the amounts of pollutants associated with specific sources before

- (iv) Utilize monitoring data and analysis from the Receiving Waters Monitoring Program to assess the effectiveness of each of the bulleted items listed above, where applicable and feasible.
 - (v) Utilize Implementation Assessment, Water Quality Assessment, and Integrated Assessment, as defined in Attachment C of Order No. R9-2007-0001, where applicable and feasible.¹⁶
2. Based on the results of the effectiveness assessment, each copermittee shall annually review its jurisdictional activities or BMPs to identify modifications and improvements needed to maximize Jurisdictional Urban Runoff Management Program

and after a BMP or other control measure is employed. Effectiveness assessment outcome level 5 – Changes in Urban Runoff and Discharge Quality – Level 5 outcomes are measured as changes in one or more specific constituents or stressors in discharges into or from MS4s. Effectiveness assessment outcome level 6 – Changes in Receiving Water Quality – Level 6 outcomes measure changes to receiving water quality resulting from discharges into and from MS4s, and may be expressed through a variety of means such as compliance with water quality objectives or other regulatory benchmarks, protection of biological integrity [i.e., ecosystem health], or beneficial use attainment.” Exhibit B, Decision and Parameters and Guidelines citing the Test Claim, pages 188-189 (Order No. R9-2007-0001, Attachment C), Exhibit U (13).

¹⁶ Implementation Assessment is defined in Attachment C of the test claim permit as an “Assessment conducted to determine the effectiveness of copermittee programs and activities in achieving measurable targeted outcomes, and in determining whether priority sources of water quality problems are being effectively addressed.” Exhibit B, Decision and Parameters and Guidelines citing the Test Claim, pages 188-189 (Order No. R9-2007-0001, Attachment C), Exhibit U (13).

Water Quality Assessment is defined in Attachment C of the test claim permit as an “Assessment conducted to evaluate the condition of non-storm water discharges, and the water bodies which receive these discharges.” Exhibit B, Decision and Parameters and Guidelines citing the Test Claim, pages 188-189 (Order No. R9-2007-0001, Attachment C), Exhibit U (13).

Integrated Assessment is defined in Attachment C of the test claim permit as an “Assessment to be conducted to evaluate whether program implementation is properly targeted to and resulting in the protection and improvement of water quality.” Exhibit B, Decision and Parameters and Guidelines citing the Test Claim, pages 188-189 (Order No. R9-2007-0001, Attachment C), Exhibit U (13).

effectiveness, as necessary to achieve compliance with section A of this Order (Prohibitions and Receiving Water Limitations).

The copermittees shall develop and implement a plan and schedule to address the identified modifications and improvements.

Jurisdictional activities/BMPs that are ineffective or less effective than other comparable jurisdictional activities/BMPs shall be replaced or improved upon by implementation of more effective jurisdictional activities/BMPs. Where monitoring data exhibits persistent water quality problems that are caused or contributed to by MS4 discharges, jurisdictional activities or BMPs applicable to the water quality problems shall be modified and improved to correct the water quality problems.

3. Each copermittee shall *include* in the Jurisdictional Urban Runoff Management Program Annual Report, due September 30, 2008 and every September 30 thereafter for the previous fiscal year, a report on the effectiveness assessment conducted the prior fiscal year as implemented under each of the requirements listed above.
- b. Annual Effectiveness Assessment of the Watershed Urban Runoff Management Program Watershed (Part I.2.)
1. Each watershed group of Copermittees identified in Table 4 of the test claim permit shall annually assess the effectiveness of its Watershed Urban Runoff Management Program implementation. At a minimum, the annual effectiveness assessment shall:
 - (i) Specifically assess the effectiveness of each of the following:
 - Each Watershed Water Quality Activity implemented;
 - Each Watershed Education Activity implemented; and
 - Implementation of the Watershed Urban Runoff Management Program as a whole.
 - (ii) Identify and utilize measurable targeted outcomes, assessment measures, and assessment methods for each of the bulleted items that are part of the WURMP listed above.
 - (iii) Utilize outcome levels 1-6 to assess the effectiveness of each Watershed Water Quality Activity implemented and each Watershed Education Activity implemented, where applicable and feasible.

- (iv) Utilize outcome levels 1-4 to assess the effectiveness of implementation of the Watershed Urban Runoff Management Program as a whole, where applicable and feasible.
 - (v) Utilize outcome levels 5 and 6 to qualitatively assess the effectiveness of implementation of the Watershed Urban Runoff Management Program as a whole, focusing on the high priority water quality problem(s) of the watershed. These assessments shall attempt to exhibit the impact of Watershed Urban Runoff Management Program implementation on the high priority water quality problem(s) within the watershed.
 - (vi) Utilize monitoring data and analysis from the Receiving Waters Monitoring Program to assess the effectiveness of each of the bulleted items that are part of the WURMP listed above, where applicable and feasible.
 - (vii) Utilize Implementation Assessment, Water Quality Assessment, and Integrated Assessment, where applicable and feasible.
2. Based on the results of the effectiveness assessment, the watershed Copermittees shall annually review their Watershed Water Quality Activities, Watershed Education Activities, and other aspects of the Watershed Urban Runoff Management Program to identify modifications and improvements needed to maximize Watershed Urban Runoff Management Program effectiveness, as necessary to achieve compliance with section A of this Order (Prohibitions and Receiving Water Limitations).

The copermittees shall develop and implement a plan and schedule to address the identified modifications and improvements.

Watershed Water Quality Activities/Watershed Education Activities that are ineffective or less effective than other comparable Watershed Water Quality Activities/Watershed Education Activities shall be replaced or improved upon by implementation of more effective Watershed Water Quality Activities/Watershed Education Activities. Where monitoring data exhibits persistent water quality problems that are caused or contributed to by MS4 discharges, Watershed Water Quality Activities and Watershed Education Activities applicable to the water quality problems shall be modified and improved to correct the water quality problems.

3. Each watershed group of Copermittees shall *include* in the WURMP Annual Report, due by January 31, 2009 and every January 31 thereafter for the previous fiscal year, a report on the

effectiveness assessment conducted the prior fiscal year as implemented under each of the requirements listed above.

*Reimbursement is **not** required to conduct the annual effectiveness assessment of the Regional Urban Runoff Management Program.*

Offsetting Revenues and Reimbursements

The Decision and Parameters and Guidelines specify that any offsetting revenue the claimant experiences in the same program as a result of the same statutes or executive orders found to contain the mandate shall be deducted from the costs claimed. In addition, reimbursement for this mandate from any source, including but not limited to, state and federal funds, any service charge, fee, or assessment authority to offset all or part of the costs of this program, and any other funds that are not the claimant's proceeds of taxes shall be identified and deducted from any claim submitted for reimbursement. Such offsetting revenue includes the following:

- Any fees or assessments approved by the voters or property owners for any activities in the permit, including stormwater fees and those authorized by Public Resources Code section 40059 for reporting on street sweeping, and those authorized by Health and Safety Code section 5471, for conveyance-system cleaning, or reporting on conveyance-system cleaning.
- Effective January 1, 2010, fees imposed pursuant to Water Code section 16103 only to the extent that a local agency voluntarily complies with Water Code section 16101 by developing a watershed improvement plan pursuant to Statutes 2009, chapter 577, and the Regional Board approves the plan and incorporates it into the test claim permit to satisfy the requirements of the permit.

Offsetting revenues identified in the reimbursement claims totaled \$4,600 and were claimed only by City of Oceanside in its 2009-2010 claim.

Statewide Cost Estimate

Staff reviewed 46 unaudited reimbursement claims submitted by six cities and one county, as compiled by the Controller. Staff developed the Statewide Cost Estimate based on the assumptions and methodology discussed herein.

Table 1. Initial Reimbursement Period Cost Estimate

A. One-Time Activities	
1. Jointly execute and submit to the Regional Board no later than 180 days after adoption of the permit, a Memorandum of Understanding, Joint Powers Authority, or other instrument of formal agreement (Part L.1.a.(3)-(6)) that:	\$0

a. Establishes a management structure to promote consistency and develop and implement regional activities; b. Establishes standards for conducting meetings, decisions-making, and cost-sharing. c. Provides guidelines for committee and workgroup structure and responsibilities; d. Lays out a process for addressing Copermittee non-compliance with the formal agreement.	
2. Long Term Effectiveness Assessment (Part I.5 and the first sentence in Part L.1.): a. Collaborate with the other Copermittees to develop a Long Term Effectiveness Assessment (LTEA), which shall build on the results of the Copermittees' August 2005 Baseline LTEA. The LTEA shall be submitted by the Principal Permittee to the Regional Board no later than 210 days in advance of the expiration of the test claim permit. b. The LTEA shall be designed to address each of the objectives listed below, and to serve as a basis for the Copermittees' Report of Waste Discharge for the next permit cycle: • Assessment of watershed health and identification of water quality issues and concerns. • Evaluation of the degree to which existing source management priorities are properly targeted to, and effective in addressing, water quality issues and concerns. • Evaluation of the need to address additional pollutant sources not already included in Copermittee programs. • Assessment of progress in implementing Copermittee programs and activities. • Assessment of the effectiveness of Copermittee activities in addressing priority constituents and sources. • Assessment of changes in discharge and receiving water quality. • Assessment of the relationship of program implementation to changes in pollutant loading, discharge quality, and receiving water quality.	\$142,188 - \$385,944

• Identification of changes necessary to improve Copermittee programs, activities, and effectiveness assessment methods and strategies. c. The LTEA shall address outcome levels 1-6, and shall specifically include an evaluation of program implementation to changes in water quality (outcome levels 5 and 6). d. The LTEA shall assess the effectiveness of the Receiving Waters Monitoring Program in meeting its objectives and its ability to answer the five core management questions. This shall include assessment of the frequency of monitoring conducted through the use of power analysis and other pertinent statistical methods. The power analysis shall identify the frequency and intensity of sampling needed to identify a 10 percent reduction in the concentration of constituents causing the high priority water quality problems within each watershed over the next permit term with 80 percent confidence. e. The LTEA shall address the jurisdictional, watershed, and regional programs, with an emphasis on watershed assessment.	
B. Ongoing Activities	
1. Jurisdictional Urban Runoff Management Program	
a. By September 30, 2008, and each September 30th thereafter, <i>include</i> in the JURMP Annual Report the following information for the prior fiscal year: i. Street Sweeping Information (Part J.3.a.(3)(c)(x-xv)) • Identification of the total distance of curb-miles of improved roads, streets, and highways identified as consistently generating the highest volumes of trash and/or debris, as well as the frequency of sweeping conducted for such roads, streets, and highways. • Identification of the total distance of curb-miles of improved roads, streets, and highways identified as consistently generating moderate volumes of trash and/or debris, as well as the frequency of sweeping conducted for such roads, streets, and highways.	\$831,966 - \$2,258,190

• Identification of the total distance of curb-miles of improved roads, streets, and highways identified as consistently generating low volumes of trash and/or debris, as well as the frequency of sweeping conducted for such roads, streets, and highways. • Identification of the total distance of curb-miles swept. • Identification of the number of municipal parking lots, the number of municipal parking lots swept, and the frequency of sweeping. • Amount of material (tons) collected from street and parking lot sweeping. ii. Conveyance System Cleaning Information (Part J.3.a.(3)(c)(iv)-(viii)) • Identification of the total number of catch basins and inlets, the number of catch basins and inlets inspected, the number of catch basins and inlets found with accumulated waste exceeding cleaning criteria, and the number of catch basins and inlets cleaned. • Identification of the total distance (miles) of the MS4, the distance of the MS4 inspected, the distance of the MS4 found with accumulated waste exceeding cleaning criteria, and the distance of the MS4 cleaned. • Identification of the total distance (miles) of open channels, the distance of the open channels inspected, the distance of the open channels found with anthropogenic litter, and the distance of open channels cleaned. • Amount of waste and litter (tons) removed from catch basins, inlets, the MS4, and open channels, by category. • Identification of any MS4 facility found to require inspection less than annually following two years of inspection, including justification for the finding. iii. Reimbursement for the reporting activities identified in Section IV.B.1.a.i. and ii. of these Parameters and Guidelines includes the following: • The <i>one-time</i> activity of developing policies and procedures and a data tracking and analysis	
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system for gathering and reporting only the new data identified above. • <i>One-time</i> training per employee assigned to track the information identified above to ensure the staff responsible for tracking the information understand and properly implement the procedures. • The <i>ongoing</i> activity of recording the new data identified above in the data tracking system to prepare the annual street sweeping and conveyance systems report.	
b. Conveyance System Cleaning (Part D.3.a.(3)(b)(iii)). No later than March 24, 2008, the claimants shall comply with the following activities: i. Implement a schedule of maintenance activities for the MS4 and MS4 facilities (catch basins, storm drain inlets, open channels, etc.). ii. The maintenance activities shall, at a minimum, include the following: • Any catch basin or storm drain inlet that has accumulated trash and debris greater than 33% of design capacity, which shall be cleaned in a timely manner. • Any MS4 facility that is designed to be self-cleaning shall be cleaned of any accumulated trash and debris immediately. • Cleaning observed anthropogenic litter in open channels annually, which may be reduced to every other year after two years of inspections (which at the earliest would be in fiscal year 2010-2011) if the open channel requires less than annual cleaning.	\$515,571 - \$1,399,407
c. Educational Component (Parts D.5.a.(1), D.5.a.(2), D.5.b.(1)(a), D.5.b.(1)(b)(iii-vi), D.5.b.(1)(c), D.5.b.(1)(d), D.5.b.(2), D.5.b.(3), and the first sentence in Part L.1.). No later than March 24, 2008, the claimants shall comply with the following mandated activities:	
i. Each copermittee shall educate each target community (municipal departments, construction site owners and developers, industrial owners and operators, commercial owners and operators, the residential community, the general public, and school	\$1,045,533 - \$2,837,877

children) on the following topics: erosion prevention, non-stormwater discharge prohibitions, and BMP types: facility or activity specific, LID, source control, and treatment control. (Part D.5.a.(1).) The educational programs shall emphasize underserved target audiences, high-risk behaviors, and “allowable” behaviors and discharges, including various ethnic and socioeconomic groups and mobile sources. (Part D.5.a.(2).)	
ii. Implement an education program so that planning boards and elected officials, if applicable, have an understanding of: (i) Federal, state, and local water quality laws and regulations applicable to Development Projects; and (ii) The connection between land use decisions and short and long-term water quality impacts (i.e., impacts from land developments and urbanization). (Part D.5.b.(1)(a).)	\$0
iii. Implement an education program so that planning and development review staffs as well as planning boards and elected officials have an understanding of: (iii) How to integrate LID BMP requirements into the local regulatory program(s) and requirements; (iv) Methods of minimizing impacts to receiving water quality resulting from development, including: [1] Storm water management plan development and review; [2] Methods to control downstream erosion impacts; [3] Identification of pollutants of concern; [4] LID BMP techniques; [5] Source control BMPs; and [6] Selection of the most effective treatment control BMPs for the pollutants of concern.” (Part D.5.b.(1)(a).)	\$0
iv. Implement an education program that includes annual training prior to the rainy season for its construction, building, code enforcement, and grading review staffs, inspectors, and other responsible construction staff have, at a minimum, an understanding of the topics in parts D.5.b.(1)(b)(iii), (iv), (v), and (vi) of the permit, as follows: • Proper implementation of erosion and sediment control and other BMPs to minimize the impacts to receiving water quality resulting from construction activities.	\$0

• The Copermittee's inspection, plan review, and enforcement policies and procedures to verify consistent application. • Current advancements in BMP technologies. • SUSMP [Standard Urban Storm Water Mitigation Plan] requirements including treatment options, LID BMPs, source control, and applicable tracking mechanisms. (Part D.5.b.(1)(b)(iii) - (vi).)	
v. Each Copermittee shall train staff responsible for conducting storm water compliance inspections and enforcement of industrial and commercial facilities at least once a year. Training shall cover inspection and enforcement procedures, BMP implementation, and reviewing monitoring data. (Part D.5.b.(1)(c).)	\$0
vi. Municipal Other Activities – Each Copermittee shall implement an education program so that municipal personnel and contractors performing activities which generate pollutants have an understanding of the activity-specific BMPs for each activity to be performed. (Part D.5.b.(1)(d).)	\$0
vii. As early in the planning and development process as possible and all through the permitting and construction process, implement a program to educate project applicants, contractors, property owners, and community planning groups who are not developers or construction site owners. The education program shall provide an understanding of the topics listed in Sections D.5.b.(1)(a) [Municipal Development Planning] and D.5.b.(1)(b) [Municipal construction Activities] above, as appropriate for the audience being educated. The education program shall also educate these groups on the importance of educating all construction workers in the field about stormwater issues and BMPs through formal or informal training. (Part D.5.b.(2).)	\$0
viii. Each Copermittee shall collaboratively conduct or participate in development and implementation of a plan to educate residential, general public, and school children target communities on those topics listed in Table 3 of the test claim permit. The plan shall evaluate use of mass media, mailers, door hangers, booths at public events, classroom education, field trips, hands-on experiences, or	\$5,602,093 - \$15,205,681

other educational methods. (Part D.5.b.(3) and the first sentence in Part L.1.)	
2. Watershed Urban Runoff Management Program (WURMP, Parts E.2.f, E.2.g, and the first sentence in Part L.1.). No later than March 24, 2008, the claimants shall comply with the following activities:	
a. Each Copermittee shall collaborate with other Copermittees within its Watershed Management Area (WMA) identified in Table 4 of the test claim permit, with frequent regularly scheduled meetings, to develop and implement an updated WURMP for each watershed to reduce the discharge of pollutants from the MS4 to the MEP (maximum extent practicable) and prevent urban runoff discharges from the MS4 from causing or contributing to a violation of water quality standards, as specified below. (Part E.2.g. and the first sentence in Part L.1.)	\$17,248 - \$46,816
b. Update the WURMP to include and implement <i>only</i> the following elements: i. Watershed Activities that address the high priority water quality problems in the WMA. Watershed Activities shall include both Watershed Water Quality Activities and Watershed Education Activities. Watershed Water Quality Activities are activities other than education that address the high priority water quality problems in the WMA. A Watershed Water Quality Activity implemented on a jurisdictional basis must be organized and implemented to target a watershed's high priority water quality problems or must exceed the baseline jurisdictional requirements of section D of this Order. Watershed Education Activities are outreach and training activities that address high priority water quality problems in the WMA. These activities may be implemented individually or collectively, and may be implemented at the regional, watershed, or jurisdictional level. ii. Submit a Watershed Activities List with each updated WURMP and updated annually thereafter. The Watershed Activities List shall include both Watershed Water Quality Activities and Watershed Education Activities, along with a description of how each activity was selected, and how all of the	\$54,610 - \$148,222

activities on the list will collectively abate sources and reduce pollutant discharges causing the identified high priority water quality problems in the WMA. iii. Each activity on the Watershed Activities List shall include the following information: • A description of the activity; • A time schedule for implementation of the activity, including key milestones; • An identification of the specific responsibilities of Watershed Copermittees in completing the activity; • A description of how the activity will address the identified high priority water quality problem(s) of the watershed; • A description of how the activity is consistent with the collective watershed strategy; • A description of the expected benefits of implementing the activity; and • A description of how implementation effectiveness will be measured. iv. Reimbursement for the Watershed Activities List identified in Section IV.B.2.b.ii. and iii. of these Parameters and Guidelines includes the following: • The <i>one-time</i> activity and pro-rata share of costs to develop a data tracking and analysis system for gathering and reporting the new data required to be included in the Watershed Activities List identified above. Reimbursement is not required to the extent that the data tracking and analysis system was developed for the purpose of submitting the WURMP annual report as a whole. • The <i>ongoing</i> activity of recording the data identified above in the data tracking system to prepare the Watershed Activities List.	
c. Each Watershed copermittee shall implement identified Watershed Activities pursuant to established schedules. For each Permit year, no less than two Watershed Water Quality Activities and two Watershed Education Activities shall be in an active implementation phase. A Watershed Water Quality Activity is in an active implementation phase when significant pollutant load reductions, source	\$0

abatement, or other quantifiable benefits to discharge or receiving water quality can reasonably be established in relation to the watershed's high priority water quality problem(s). Watershed Water Quality Activities that are capital projects are in active implementation for the first year of implementation only. A Watershed Education Activity is in an active implementation phase when changes in attitudes, knowledge, awareness, or behavior can reasonably be established in target audiences. (Part E.2.f.)	
3. Regional Urban Runoff Management Program (Parts F.1-F.3, and the first sentence in Part L.1.) No later than March 24, 2008, each copermittee shall collaborate with the other copermitees to develop, implement, and update as necessary a Regional Urban Runoff Management Program that reduces the discharge of pollutants from the MS4 to the MEP, and prevents urban runoff discharges from the MS4 from causing or contributing to a violation of water quality standards. The Regional Urban Runoff Management Program shall include the following: a. Develop and implement a Regional Residential Education Program which shall include the following: • Pollutant specific education which focuses educational efforts on bacteria, nutrients, sediment, pesticides, and trash. If a different pollutant is determined to be more critical for the education program, the pollutant can be substituted for one of these pollutants. • Education efforts focused on the specific residential sources of the pollutants listed in section F.1.a. (bacteria, nutrients, sediment, pesticides, and trash). (Part F.1.) b. Develop the standardized fiscal analysis method required in section G of the permit. The standardized fiscal analysis method shall: • Identify the various categories of expenditures attributable to the urban runoff management programs, including a description of the specific items to be accounted for in each category of expenditures.	\$0

Identify expenditures that contribute to multiple programs or were in existence prior to implementation of the urban runoff management program. (Part F.2.) c. Facilitate the assessment of the effectiveness of jurisdictional, watershed, and regional programs. This includes facilitating consistency in the assessment programs and developing, annually reviewing, and updating as necessary subject-specific standards for the assessments. (Part F.3.)	
4. Program Effectiveness Assessments (Parts I.1, I.2., I.5.) a. Annual Effectiveness Assessment of Jurisdictional Urban Runoff Management Program (Part I.1.) 1. Each Copermittee shall annually assess the effectiveness of its Jurisdictional Urban Runoff Management Program implementation. At a minimum, the annual effectiveness assessment shall: (i) Specifically assess the effectiveness of each of the following: - Each significant jurisdictional activity/BMP or type of jurisdictional activity/BMP implemented; - Implementation of each major component of the Jurisdictional Urban Runoff Management Program (Development Planning, Construction, Municipal, Industrial/Commercial, Residential, Illicit Discharge Detection and Elimination, and Education); and - Implementation of the Jurisdictional Urban Runoff Management Program as a whole. (ii) Identify and utilize measurable targeted outcomes, assessment measures, and assessment methods for each of the bulleted items listed above. (iii) Utilize outcome levels 1-6, as defined in Attachment C to Order No. R9-2007-0001, to assess the effectiveness of each of the bulleted items listed above, where applicable and feasible. (iv) Utilize monitoring data and analysis from the Receiving Waters Monitoring Program to assess	\$0

the effectiveness of each of the bulleted items listed above, where applicable and feasible. (v) Utilize Implementation Assessment, Water Quality Assessment, and Integrated Assessment, as defined in Attachment C of Order No. R9-2007-0001, where applicable and feasible. 2. Based on the results of the effectiveness assessment, each copermittee shall annually review its jurisdictional activities or BMPs to identify modifications and improvements needed to maximize Jurisdictional Urban Runoff Management Program effectiveness, as necessary to achieve compliance with section A of this Order (Prohibitions and Receiving Water Limitations). The copermitees shall develop and implement a plan and schedule to address the identified modifications and improvements. Jurisdictional activities/BMPs that are ineffective or less effective than other comparable jurisdictional activities/BMPs shall be replaced or improved upon by implementation of more effective jurisdictional activities/BMPs. Where monitoring data exhibits persistent water quality problems that are caused or contributed to by MS4 discharges, jurisdictional activities or BMPs applicable to the water quality problems shall be modified and improved to correct the water quality problems. 3. Each copermittee shall <i>include</i> in the Jurisdictional Urban Runoff Management Program Annual Report, due September 30, 2008 and every September 30 thereafter for the previous fiscal year, a report on the effectiveness assessment conducted the prior fiscal year as implemented under each of the requirements listed above. b. Annual Effectiveness Assessment of the Watershed Urban Runoff Management Program Watershed (Part I.2.) 1. Each watershed group of Copermitees identified in Table 4 of the test claim permit shall annually assess the effectiveness of its Watershed Urban Runoff Management Program implementation. At	
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a minimum, the annual effectiveness assessment shall: (i) Specifically assess the effectiveness of each of the following: • Each Watershed Water Quality Activity implemented; • Each Watershed Education Activity implemented; and • Implementation of the Watershed Urban Runoff Management Program as a whole. (ii) Identify and utilize measurable targeted outcomes, assessment measures, and assessment methods for each of the bulleted items that are part of the WURMP listed above. (iii) Utilize outcome levels 1-6 to assess the effectiveness of each Watershed Water Quality Activity implemented and each Watershed Education Activity implemented, where applicable and feasible. (iv) Utilize outcome levels 1-4 to assess the effectiveness of implementation of the Watershed Urban Runoff Management Program as a whole, where applicable and feasible. (v) Utilize outcome levels 5 and 6 to qualitatively assess the effectiveness of implementation of the Watershed Urban Runoff Management Program as a whole, focusing on the high priority water quality problem(s) of the watershed. These assessments shall attempt to exhibit the impact of Watershed Urban Runoff Management Program implementation on the high priority water quality problem(s) within the watershed. (vi) Utilize monitoring data and analysis from the Receiving Waters Monitoring Program to assess the effectiveness of each of the bulleted items that are part of the WURMP listed above, where applicable and feasible. (vii) Utilize Implementation Assessment, Water Quality Assessment, and Integrated Assessment, where applicable and feasible.	
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2. Based on the results of the effectiveness assessment, the watershed Copermittees shall annually review their Watershed Water Quality Activities, Watershed Education Activities, and other aspects of the Watershed Urban Runoff Management Program to identify modifications and improvements needed to maximize Watershed Urban Runoff Management Program effectiveness, as necessary to achieve compliance with section A of this Order (Prohibitions and Receiving Water Limitations). The copermittees shall develop and implement a plan and schedule to address the identified modifications and improvements. Watershed Water Quality Activities/Watershed Education Activities that are ineffective or less effective than other comparable Watershed Water Quality Activities/Watershed Education Activities shall be replaced or improved upon by implementation of more effective Watershed Water Quality Activities/Watershed Education Activities. Where monitoring data exhibits persistent water quality problems that are caused or contributed to by MS4 discharges, Watershed Water Quality Activities and Watershed Education Activities applicable to the water quality problems shall be modified and improved to correct the water quality problems. 3. Each watershed group of Copermittees shall <i>include</i> in the WURMP Annual Report, due by January 31, 2009 and every January 31 thereafter for the previous fiscal year, a report on the effectiveness assessment conducted the prior fiscal year as implemented under each of the requirements listed above.	
Total Direct Costs	\$8,209,209 - \$22,282,137
Indirect Costs	\$88,083 - \$2,228,214
Offsetting Revenues or Other Reimbursements	- (\$4600 - \$12,471)
Subtotal	\$8,292,692 - \$24,497,880
10 Percent Late Filing Penalty	-(\$0 - \$1,430,348)
Total Costs	\$8,292,692 - \$23,067,532

Assumptions

1. The amount claimed for the initial period of reimbursement may be higher if late or amended claims are filed. Of the 19 eligible claimants, only seven filed reimbursement claims.¹⁷ This may be because the Parameters and Guidelines require claimants to support actual costs incurred and claimed with contemporaneous source documents, which many claimants no longer possess. This matter was held up in court until 2022, and the reimbursement period is from January 24, 2007, through December 31, 2017. The claimants requested the Commission to adopt a reasonable reimbursement methodology for each reimbursable activity, totaling over \$252 million for program, pursuant to Government Code 17518.5 so that source documents would not have to be provided. However, their requests were denied by the Commission since they were based on average cost estimates to perform the reimbursable activities, supported by survey data, which does not meet the evidentiary standards for determining the costs mandated by the state for all eligible claimants.

For purposes of calculating the high-end projection of this Statewide Cost Estimate, it is presumed that no late or amended claims will be filed by the seven claimants. This Statewide Cost Estimate is based on the initial claims filed and the claims which the 12 eligible non-filer claimants could file late.

2. No costs were claimed for Activities A.1., B.1.c.ii., B.1.c.iii., B.1.c.iv., B.1.c.v., B.1.c.vi., B.1.c.vii., B.2.c., B.3., and B.4. Therefore, no data exists upon which to make a projection for non-filer claimants and a \$0 estimate is provided. However, statewide costs may be higher if non-filers file late claims and seek reimbursement for these activities.
3. Projected indirect costs are low because overhead was only claimed by two claimants at 10 percent which averages 1.07 percent across the seven claimants. Since this percentage is far less than the 10 percent direct labor, excluding fringe benefits, available under the Office of Management and Budget Circular 2 CFR, Chapter I and Chapter II, Part 200 et al., the high-end projection will be the default 10 percent.¹⁸
4. Projected offsetting revenues are low because the only offsetting revenues identified in the reimbursement claims totaled \$4,600 and were claimed solely by the City of Oceanside in its 2009-2010 claim. The Decision on the Parameters and Guidelines, however, identified potential offsetting revenues, including stormwater fees approved and imposed by the City of Coronado, City of Del Mar,

¹⁷ The claimants include the County of San Diego and the Cities of San Marcos, San Diego, Poway, Oceanside, National City and Lemon Grove.

¹⁸ Exhibit B, Decision and Parameters and Guidelines, page 225.

City of Escondido, and City of San Diego. Thus, costs may be lower than this estimate based on offsetting revenues applied to the reimbursable activities.

5. Costs may be lower than projected if either no reimbursable costs were incurred or if costs of less than \$1,000 were incurred by non-filers, in which case a late reimbursement claim cannot be filed.¹⁹
6. Costs may be lower if the Controller audits the claims and determines that costs were improperly claimed or were not supported or that other offsetting revenues (i.e., funds that are not the claimant's proceeds of taxes) were used by a claimant to pay for the reimbursement activities.

Methodology

As explained below, the low-end statewide cost estimate represents the costs actually claimed by the seven local agencies. The high-end statewide cost estimate represents the costs actually claimed plus the costs that could be claimed in late claims filed by the remaining 12 eligible claimants.

Activity A.1. consists of the one-time activity of jointly executing and submitting to the Regional Board an updated instrument of formal agreement. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity A.2. potential claims, which address the one-time activity regarding the long term effectiveness assessment, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity A.2. actual costs claimed [\$142,188] / the number of filers [7] = average
Activity A.2. cost per filer [\$20,313]

Average activity A.2. cost per filer [\$20,313] x number of non-filers [12] = total
estimated non-filer Activity A.2. costs [\$243,756]

Activity A.2. actual costs claimed [\$142,188] + estimated non-filer Activity A.2.
costs that could be claimed in late claims [\$243,756] = Total potential Activity
A.2. costs [\$385,944]

Activity B.1.a potential claims, which address reporting certain street sweeping and conveyance system cleaning information in the JURMP Annual Report, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity B.1.a. actual costs claimed [\$831,966] / the number of filers [7] = average
Activity B.1.a. cost per filer [\$118,852]

Average activity B.1.a. cost per filer [\$118,852] x number of non-filers [12] = total
estimated non-filer Activity B.1.a. costs [\$1,426,224]

¹⁹ Government Code section 17564.

Activity B.1.a. actual costs claimed [\$831,966] + estimated non-filer Activity B.1.a. costs that could be claimed in late claims [\$1,426,224] = Total potential Activity B.1.a. costs [\$2,258,190]

Activity B.1.b. potential claims, which address conveyance system cleaning, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity B.1.b. actual costs claimed [\$515,571] / the number of filers [7] = average Activity B.1.b. cost per filer [\$73,653]

Average activity B.1.b. cost per filer [\$73,653] x number of non-filers [12] = total estimated non-filer Activity B.1.b. costs [\$883,836]

Activity B.1.b. actual costs claimed [\$515,571] + estimated non-filer Activity B.1.b. costs that could be claimed in late claims [\$883,836] = Total potential Activity B.1.b. costs [\$1,399,407]

Activity B.1.c.i potential claims, which address educating target communities, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity B.1.c.i actual costs claimed [\$1,045,533] / the number of filers [7] = average Activity B.1.c.i cost per filer [\$149,362]

Average Activity B.1.c.i cost per filer [\$149,362] x number of non-filers [12] = total estimated non-filer Activity B.1.c.i costs [\$1,792,344]

Activity B.1.c.i actual costs claimed [\$1,045,533] + estimated non-filer Activity B.1.c.i costs that could be claimed in late claims [\$1,792,344] = Total potential Activity B.1.c.i costs [\$2,837,877]

Activity B.1.c.ii. consists of implementing an education program for planning boards and elected officials on water quality laws and land use. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.1.c.iii. consists of implementing an education program for planning boards and staff and elected officials on LID BMP requirements and receiving water quality. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.1.c.iv. consists of implementing an annual education program claimant's construction, building, code enforcement, and grading review staff, inspectors, and other responsible construction staff. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.1.c.v. consists of annually training staff responsible for conducting stormwater compliance inspections and enforcement of industrial and commercial facilities. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.1.c.vi. consists of implementing an education program for municipal personnel and contractors performing activities which generate pollutants. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.1.c.vii. consists of implementing an education program for project applicants, contractors, property owners, and community planning groups who are not developers or construction site owners. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.1.c.viii. potential claims, which address educating residential, general public, and school children target communities, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity B.1.c.viii. actual costs claimed [\$5,602,093] / the number of filers [7] = average Activity B.1.c.viii. cost per filer [\$800,299]

Average Activity B.1.c.viii. cost per filer [\$800,299] x number of non-filers [12] = total estimated non-filer Activity B.1.c.viii. costs [\$9,603,588]

Activity B.1.c.viii. actual costs claimed [\$5,602,093] + estimated non-filer Activity B.1.c.viii. costs that could be claimed in late claims [\$9,603,588] = Total potential Activity B.1.c.viii. costs [\$15,205,681]

Activity B.2.a. potential claims, which address collaborating to develop and implement an updated WURMP for each watershed, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity B.2.a. actual costs claimed [\$17,248] / the number of filers [7] = average Activity B.2.a. cost per filer [\$2,464]

Average Activity B.2.a. per filer [\$2,464] x number of non-filers [12] = total estimated non-filer Activity B.2.a. costs [\$29,568]

Activity B.2.a. actual costs claimed [\$17,248] + estimated non-filer Activity B.2.a. costs that could be claimed in late claims [\$29,568] = Total potential Activity B.2.a. costs [\$46,816]

Activity B.2.b. potential claims, which address updating and implementing certain WURMP elements including the Watershed Activities List, are calculated by using the average costs claimed multiplied by the eligible claimants that have not yet filed claims.

Activity B.2.b. actual costs claimed [\$54,610] / the number of filers [7] = average Activity B.2.b. cost per filer [\$7,801]

Average Activity B.2.b. cost per filer [\$7,801] x number of non-filers [12] = total estimated non-filer Activity B.2.b. costs [\$93,612]

Activity B.2.b. actual costs claimed [\$54,610] + estimated non-filer Activity B.2.b. costs that could be claimed in late claims [\$93,612] = Total potential Activity B.2.b. costs [\$148,222]

Activity B.2.c. consists of implementing identified Watershed Activities pursuant to established schedules. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.3. consists of collaborating with the other copermittees to develop, implement, and update as necessary a Regional Urban Runoff Management Program. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Activity B.4. consists of annually assessing the effectiveness of its Jurisdictional Urban Runoff Management Program implementation. No costs were claimed for this activity in initial claiming. Thus, there is no projection for non-filer claimants.

Indirect Costs: The low-end of the range for indirect costs is those indirect costs actually claimed. The high-end, in addition to indirect costs actually claimed, assumes that all eligible claimants who have not yet filed claims will file claims for indirect costs at the default rate of 10 percent.

Indirect Cost Rate [10%] x Estimated Direct Costs (sum of all estimated activity costs for the initial claim period) [\$22,282,137] = High-End of the Estimated Indirect Costs [\$2,228,214].

Offsetting Revenues: The low-end of the range for offsetting revenues is the total amount of offsetting revenues actually identified and deducted. The high-end assumes that all eligible claimants will file claims, with offsetting revenues reported by all eligible claimants at the same average rate and is calculated by dividing the offsetting revenue identified by the actual direct and indirect costs to get the offsetting revenue as a percentage of total costs claimed. Multiply the rate by the estimated direct and indirect costs not claimed. Then add the estimated offsetting revenue for non-filing claimants to the offsetting revenue actually claimed.

Actual Offsetting Revenues [\$4,600] / Actual Direct and Indirect Costs [\$8,297,292] = Offsetting Rate (offsetting revenues as a percentage of total costs claimed) [0.055%].

Estimated Non-filer Direct and Indirect Costs [\$14,311,347] x Offsetting Rate [0.055%] = Non-filer Offsetting Revenues [\$7,871].

Actual Offsetting Revenues [\$4600] + Non-filer Offsetting Revenues [\$7,871] = High-End of Estimated Offsetting Revenues [\$12,471]

Late Filing Penalties: The low-end is \$0 because none of the initial claims compiled by the Controller were assessed a late filing penalty. The high-end assumes that all non-filers will file claims for the initial period of reimbursement, which will be subject to a late filing penalty of ten percent of non-filer direct plus indirect costs.

Estimated Non-filer Direct and Indirect Costs [\$14,311,347] – Estimated Non-filer Offsets [\$7,871] = Estimated Non-filer Net Costs [\$14,303,476].

Estimated Non-filer Net Costs [\$14,303,476] x (10% late filing penalty) =
Estimated Non-filer Late Filing Penalties [\$1,430,348].

Actual Late Filing Penalties [\$0] + Estimated Non-filer Late Filing Penalties
[\$1,430,348] = High-End of Estimated Late Filing Penalties [\$1,430,348].

Draft Proposed Statewide Cost Estimate

On September 2, 2026, Commission staff issued the Draft Proposed Statewide Cost Estimate.²⁰ No comments were filed on the Draft Proposed Statewide Cost Estimate.

Staff Recommendation

Staff recommends that the Commission adopt this Statewide Cost Estimate of \$8,292,692 - \$23,067,532 for the Initial Claim Period that began on January 24, 2007 and ends on December 31, 2017.

²⁰ Exhibit C, Draft Proposed Statewide Cost Estimate.