



# Cost Impact Analysis for San Bernardino County of Draft Permit for MS4

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# Purpose

Beacon Economics estimates:

- **Explicit and implicit costs** assoc. with proposed Regional MS4 Permit (set forth in Tentative Order (TO))
- For local government agencies in **San Bernardino County** under the regulatory jurisdiction of the Santa Ana Regional Water Quality Control Board
- Permittees (cities, counties, and Flood Control Districts) have been regulated since 1990 under MS4 permits that set forth regulations on how stormwater runoff from urbanized areas is to be monitored and managed.
- **Tentative Order (TO)** has been drafted for a 5th iteration, where for the first time, the separate permits would transition to a single Regional MS4 permit.



# Primary Changes Driving Cost Increases

We find that most new costs are associated with the proposed:

- (1) Numeric limits** on stormwater quality, which effectively require the development of a **Watershed Management Plan (WMP)**
- (2) Increased inspections**, such as those due to the classification of general use industrial permit holders and all food and drink establishments as High Priority
- (3) Installing, maintaining and monitoring trash and litter capture devices on most street drain inlets.** While installation and maintenance have been mandated by the state's trash policy, the requirement for monitoring is a new addition
- (4) Development requirements** that increase the likelihood of public and private projects triggering a **Water Quality Management Plan (WQMP)**



# San Bernardino 20-Yr Cost Estimates

San Bernardino 20-Yr Cost Estimates (2024 \$)	
Numeric Limits Compliance/WMP	\$ 10,219,563,415.05
Development/Re-Dev.	\$ 552,204,672.74
Comm. Inspection	\$ 13,321,247.92
Trash	\$ 6,560,000.00
Ind. Inspection	\$ 1,947,649.80
<b>Total Costs</b>	<b>\$ 10,793,596,985.51</b>

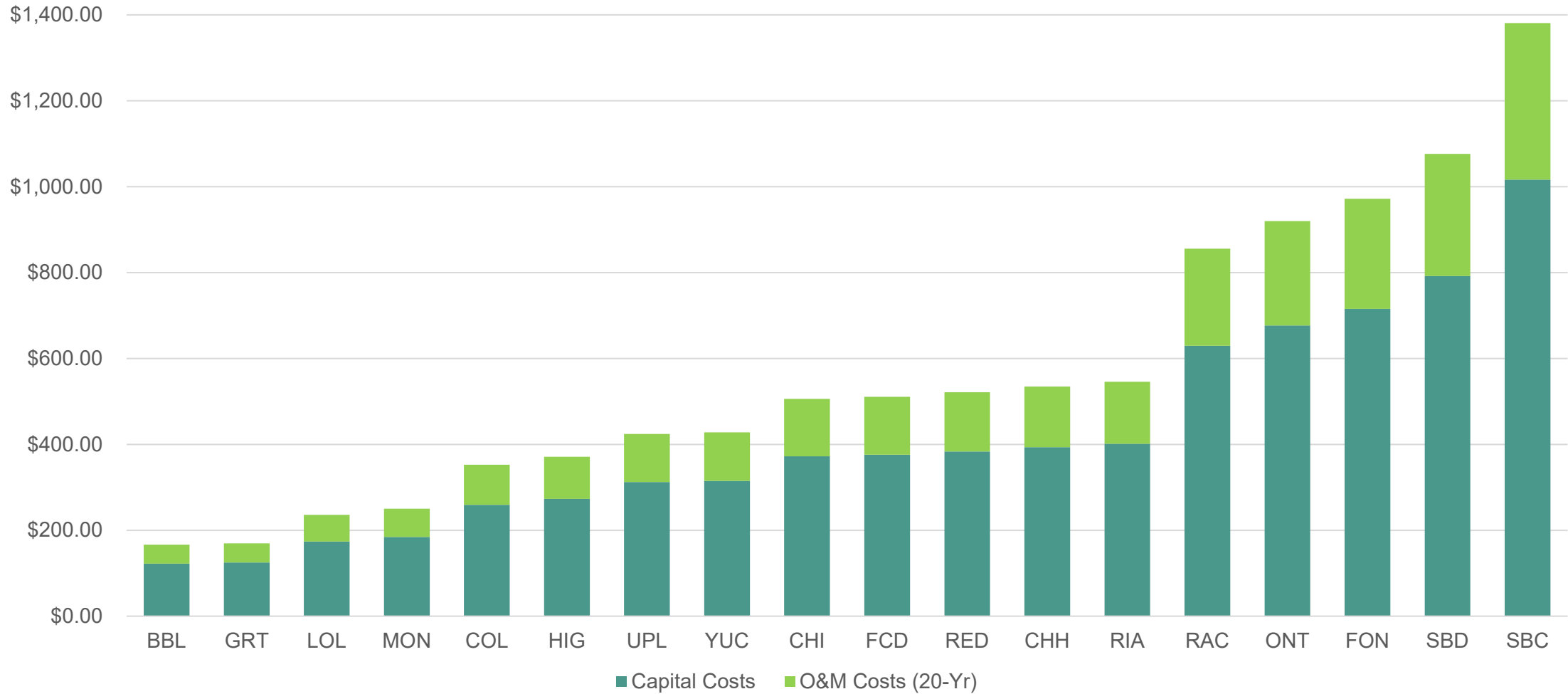
## Methodology:

Numeric limits compliance (WMP) cost estimates are based on 2021 Los Angeles Water Board study analyzing 20-year expected costs for MS4 permit. Extrapolation based on land area, utilizing included lands only.

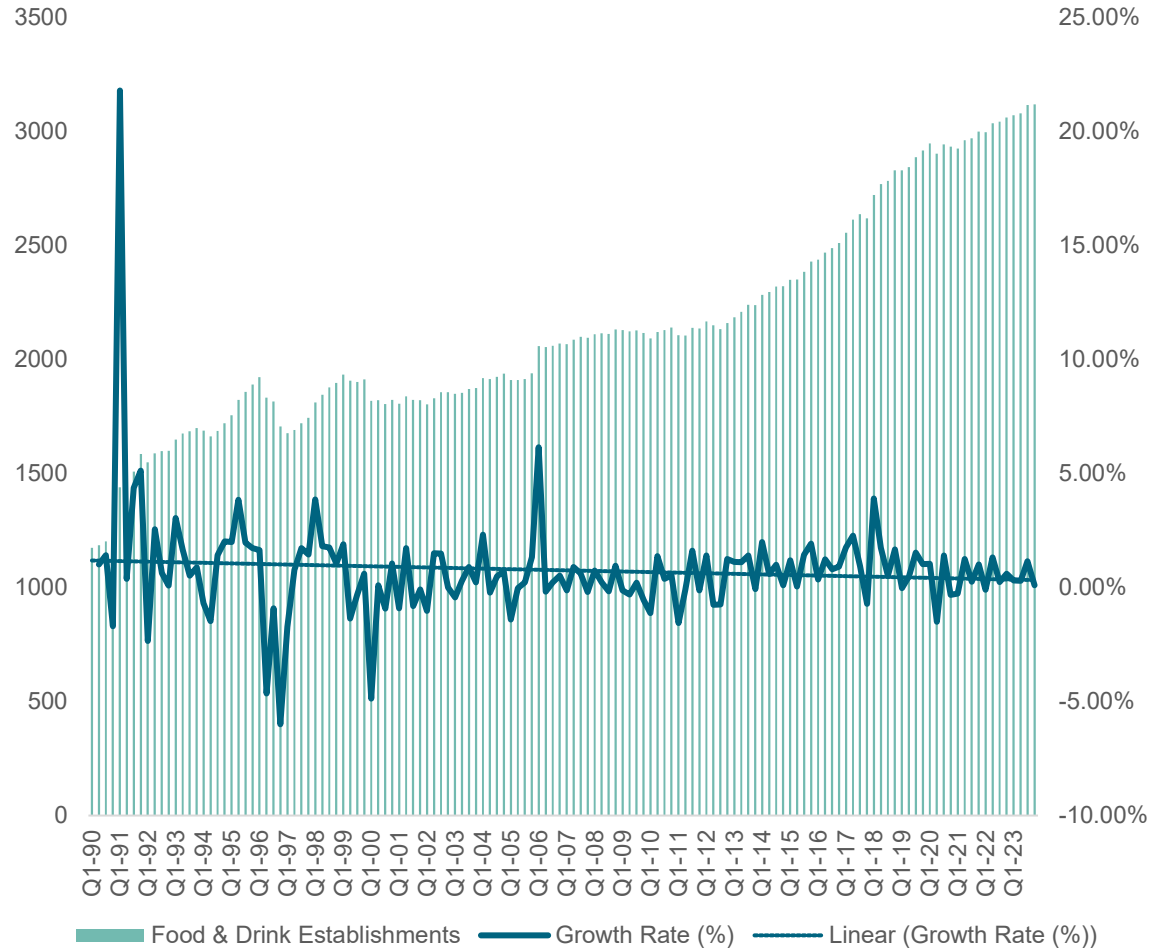
1. Each LA watershed provided one WMP cost data point, for a total of 12 estimates.
2. Each LA estimate was scaled to SB using relative land sizes.
3. To avoid biased estimates due to potential outlier watersheds, median of 12 estimates was used.
4. Using county-provided existing cost shares for SB's 17 agencies, cost burden for each agency was estimated.



# WMP Costs: San Bernardino Agencies

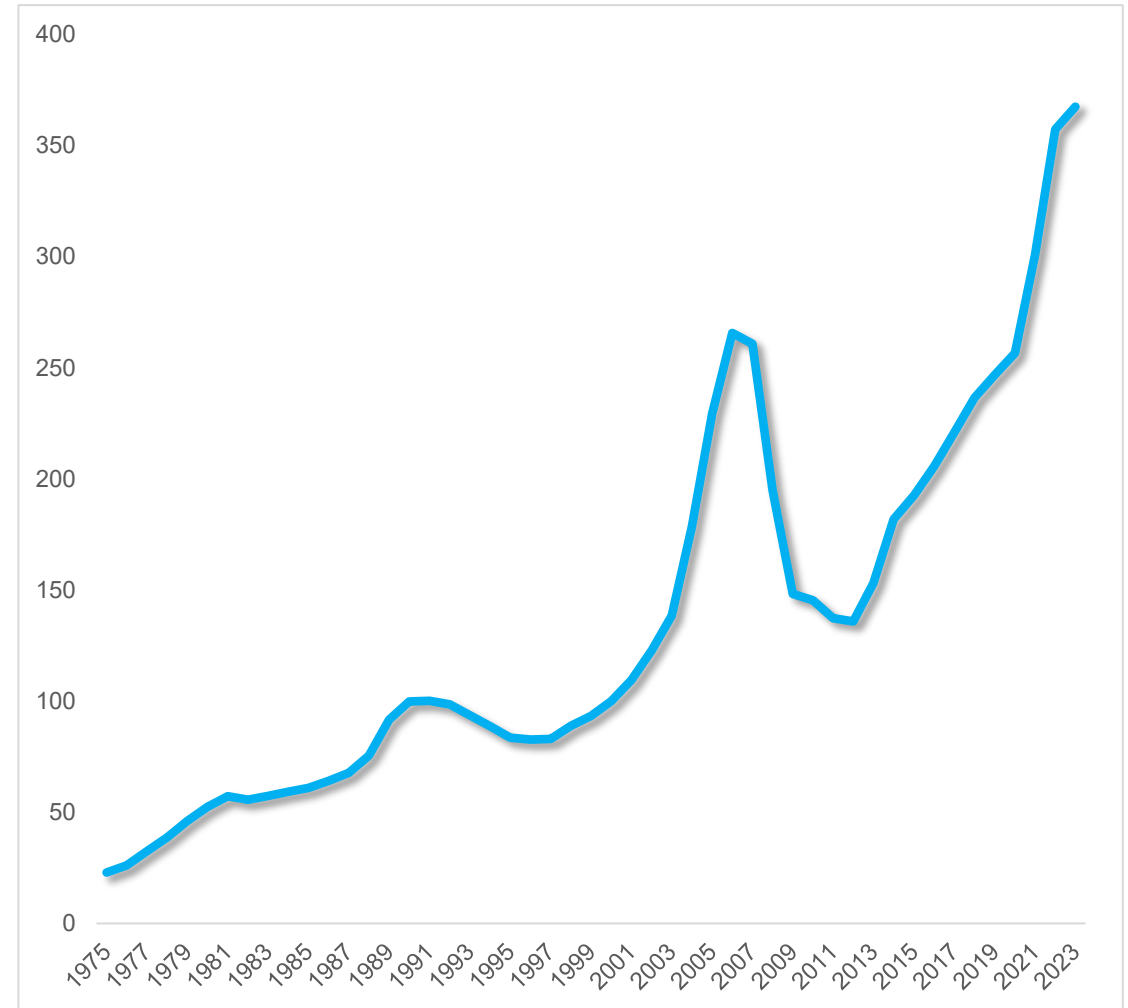
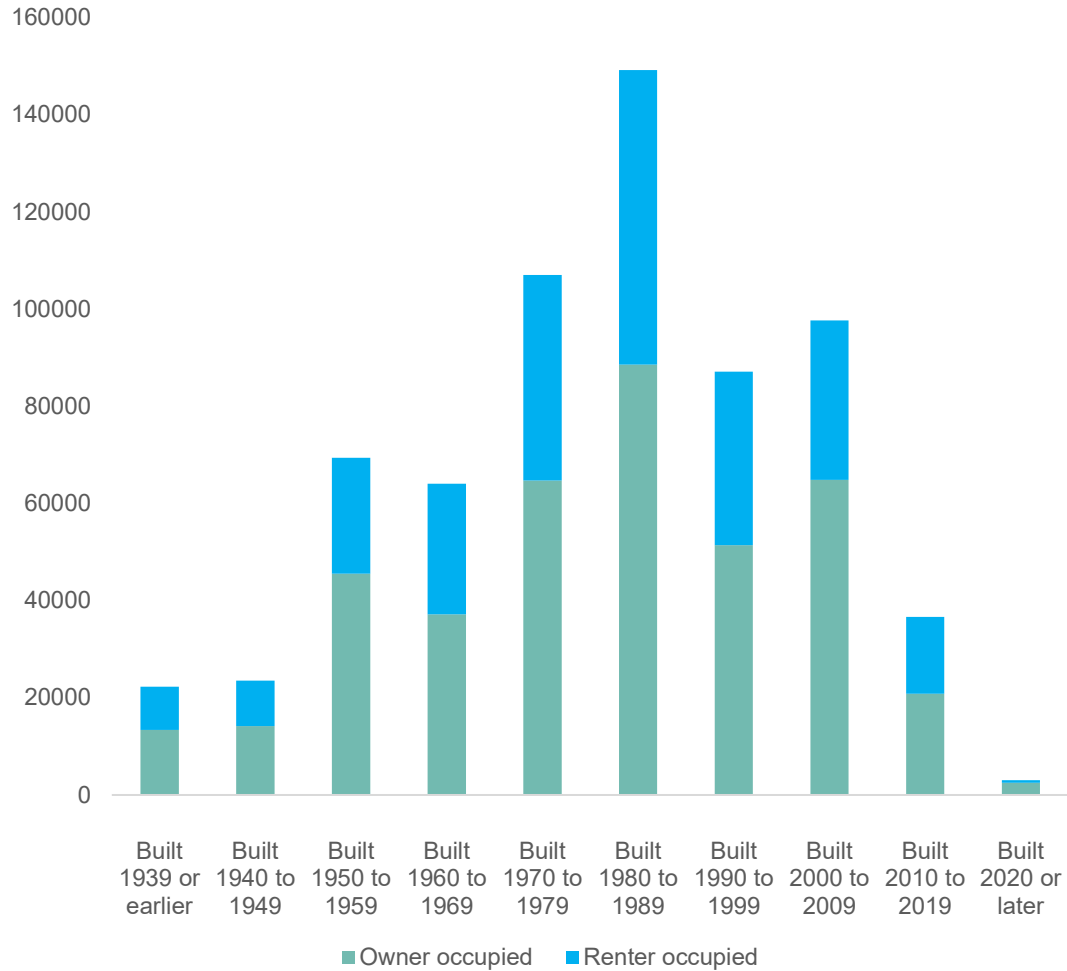


# Food & Drink Establishment Inspection Costs: San Bernardino County

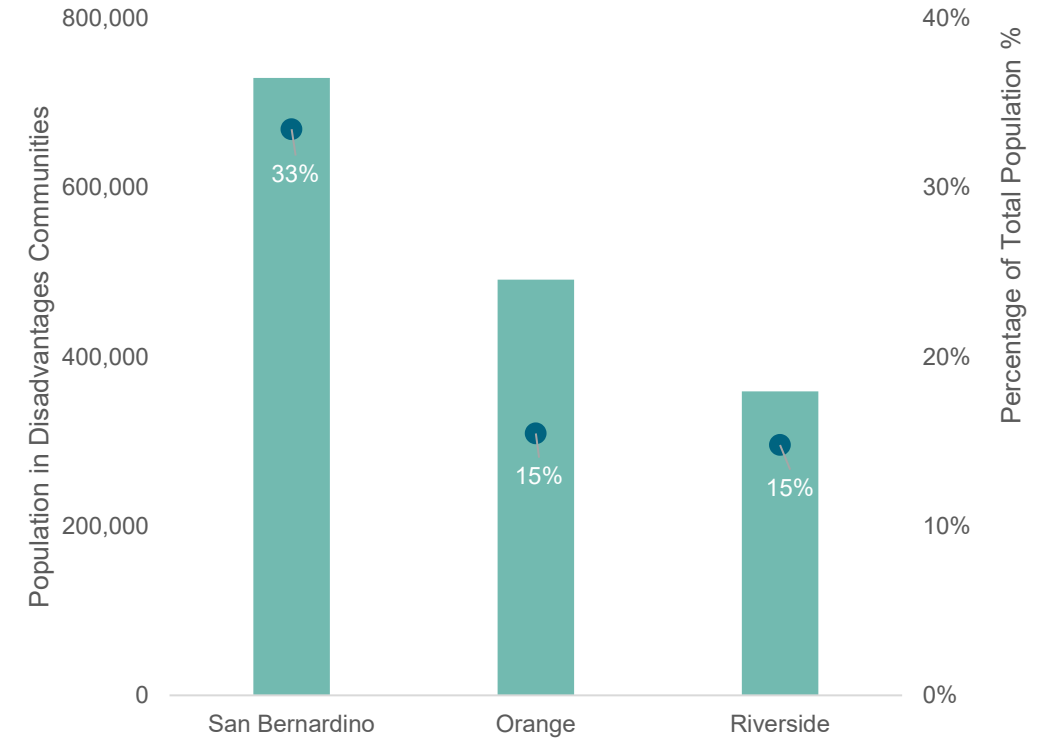
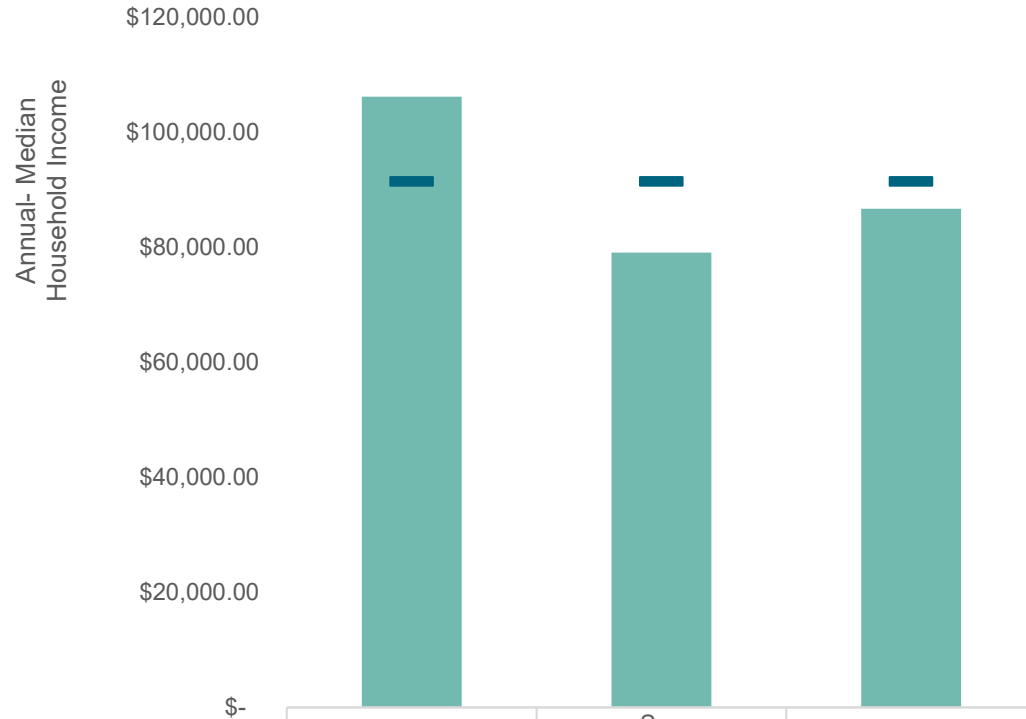


- **2,282** food and drink establishments in San Bernardino that would be subject to the MS4 TO
- Additional annual cost of requiring annual inspections for food and drink establishments equals **\$529,726**.
- 20-year cost of requiring annual inspections for food and drink establishments is approximately **\$10.6 million**

# Housing Construction & Home Price Index: San Bernardino



# Median HH Income & Disadvantaged Populations



Median Household Income	\$106,209.00	\$79,091.00	\$86,748.00
California Median Household Income	\$91,551.00	\$91,551.00	\$91,551.00
Median Household Income Index(California = 100)	116%	86%	95%

■ Population in DAC ● Population under DAC



# Relative Costs: San Bernardino County

	Cost Share %	Capital (M)	1-Yr O&M (M)	20-Yr O&M (M)	General Fund	Share of General Fund		
						Capital	1-Yr O&M	Capital/5 + 1-Yr O&M
<b>Estimated Median Cost (WMP)</b>		<b>\$7,522</b>	<b>\$135</b>	<b>\$2,698</b>				
Grand Terrace	1.66%	\$125	\$2	\$45	\$7.86	1588.5%	28.5%	346.2%
Highland	3.63%	\$273	\$5	\$98	\$23.85	1144.9%	20.5%	249.5%
Yucaipa	4.19%	\$315	\$6	\$113	\$28.81	1093.9%	19.6%	238.4%
Chino Hills	5.23%	\$393	\$7	\$141	\$55.27	711.8%	12.8%	155.1%
Loma Linda	2.31%	\$174	\$3	\$62	\$26.71	650.4%	11.7%	141.7%
Rancho Cucamonga	8.37%	\$630	\$11	\$226	\$117.83	534.3%	9.6%	116.4%
County of San Bernardino	13.51%	\$1,016	\$18	\$364	\$193.00	526.5%	9.4%	114.7%
Upland	4.15%	\$312	\$6	\$112	\$61.30	509.2%	9.1%	111.0%
Big Bear Lake	1.63%	\$123	\$2	\$44	\$24.26	505.5%	9.1%	110.2%
Fontana	9.51%	\$715	\$13	\$257	\$149.08	479.8%	8.6%	104.6%
Montclair	2.45%	\$184	\$3	\$66	\$39.36	468.2%	8.4%	102.0%
Colton	3.45%	\$259	\$5	\$93	\$65.94	393.5%	7.1%	85.8%
San Bernardino	10.53%	\$792	\$14	\$284	\$224.81	352.3%	6.3%	76.8%
Chino	4.95%	\$372	\$7	\$134	\$112.30	331.5%	5.9%	72.3%
Redlands	5.10%	\$384	\$7	\$138	\$115.73	331.5%	5.9%	72.2%
Rialto	5.34%	\$402	\$7	\$144	\$129.29	310.7%	5.6%	67.7%
Ontario	9.00%	\$677	\$12	\$243	\$428.87	157.8%	2.8%	34.4%
SB County Flood	5.00%	\$376	\$7	\$135	-	-	-	
<b>Average</b>	<b>6%</b>	<b>\$418</b>	<b>\$7</b>	<b>\$150</b>	<b>\$106.13</b>	<b>594%</b>	<b>11%</b>	<b>129%</b>
<b>Median</b>	<b>5%</b>	<b>\$374</b>	<b>\$7</b>	<b>\$134</b>	<b>\$65.94</b>	<b>505%</b>	<b>9%</b>	<b>110%</b>

