

**BAMSC Regional Project - Cost Reporting  
Presentation to C/CAG Stormwater Committee  
January 19, 2023**

**Review of Draft Cost Reporting  
Framework and Methodology**

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# Presentation Overview

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- Background on Cost Reporting Requirements
  - MRP Provision C.20 Requirements
  - Framework Approach
  - Framework Structure
  - Framework Details (switch to spreadsheet)
  - Issues for Consideration
  - Next Steps and Schedule
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# Background on Cost Reporting Requirements

- EPA CFR 122.26(d)(2)(vi) requires fiscal analysis and source of funds
- State Water Board Strategy to Optimize Resource Management of Stormwater (STORMS) Unit
  - Project 4c: standardizing cost reporting in municipal stormwater permits
  - Developed proposed cost reporting categories similar to those specified in MRP 3.0



Objective	Projects	Goal
Objective 4 Establish Financially Sustainable Storm Water Programs	Project 4a - Implement Senate Bill 985 - Incorporate Principles of Storm Water Resource Plan Guidelines into Storm Water Programs	1
		2
	Project 4b - Eliminate Barriers to Funding Storm Water Programs and Identify Funding for Storm Water Capture and Use Projects	1
		2
	Project 4c - Identify Municipal Storm Water Permit Compliance Cost	3
	Project 4d - Identify Industrial and Construction Storm Water Permit Compliance Cost	3

Source: CA Water Boards website. From STORMS, Chapter 4 "Implementation Strategy", Table 2.

# MRP 3.0 Provision C.20 Requirements

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- Develop a cost reporting framework and methodology by June 30, 2023
    - New requirement added to MRP 3.0
    - Permittees encouraged to develop collaboratively
    - BAMSC regional project
  - Each Permittee required to report costs to implement MRP requirements
    - Report annually beginning with FY 2024-25 Annual Reports
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## MRP 3.0 Provision C.20 Requirements (cont.)

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- Specific requirements for cost reporting framework:
    - Report costs by program area and in specified cost categories
    - Identify costs solely to comply with MRP requirements
    - Allow comparisons and identification of trends over time
    - Describe the source of funds used to meet the necessary expenditures, including legal restrictions on the use of such funds
    - Identify funding resources shared on a regional or countywide basis
    - Estimate costs for the upcoming fiscal year
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# MRP 3.0 Provision C.20 Requirements (cont.)

Required Program Areas
• Program management
• Municipal operations (C.2)
• New development and redevelopment (C.3)
• Industrial and commercial site controls (C.4)
• Illicit discharge detection and elimination (C.5)
• Construction site controls (C.6)
• Public information and outreach (C.7)
• Water quality monitoring (C.8)
• Pesticides toxicity control (C.9)
• Trash load reduction (C.10)
• Mercury controls (C.11)
• PCBs controls (C.12)
• Copper controls (C.13)
• Bacteria controls (C.14)
• Discharges associated with unsheltered homeless populations (C.17)
• Asset management plan development and implementation (C.21)

Required Cost Categories
• Total cost
• Capital expenditures
• Land costs
• Personnel costs
• Consultant costs
• Overhead costs
• Construction costs
• Operation and maintenance costs
• Other costs

# Framework Approach

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- Approach objectives:
    - Meet MRP requirements
    - Balance sufficient detail vs. reasonable level of effort for Permittee staff
    - Provide information in a regionally consistent but flexible manner
    - Provide value to stormwater program managers
  - Uses a “build-up” approach: estimate various categories of costs by program area, then sum up to estimate total costs
    - Alternative “break-down” approach discussed but would require different type of framework
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# Framework Approach (cont.)

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## Required Program Areas (shown before) + Additional Program Areas (shown below)

- **Conditionally Exempted Discharges (C.15)**
- **Discharges to Areas of Special Biological Significance (C.16)**
- **Control of Sediment Discharges from Coastal San Mateo County Roads (C.18)**
- **Cities of Antioch, Brentwood, and Oakley, and Unincorporated Contra Costa County and Contra Costa County Flood Control and Water Conservation District (C.19)**
- **Cost Reporting (C.20)**
- **Annual Reporting (C.22)**
- **Permit Reissuance / Report of Waste Discharge (C.25)**

## Proposed Cost Category Groupings

- **Personnel & Overhead Costs**
  - **External Professional Services (Consultant and Contractor)/Other Costs**
  - **Capital Expenditures**
    - **Planning, Design, Construction & Permitting**
    - **Land Acquisition Costs**
  - **Operation and Maintenance (O&M) Costs**
  - **Total Expenditures for Current Reporting Year**
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# Framework Approach (cont.)

Cost Category	Definition	Assumptions	
<b>Personnel</b>	Cost of Permittee staff labor on stormwater permit-related activities	Use fully loaded rates (including overhead) for labor and Full Time Equivalent (FTEs) fractions to represent level of effort.	} <b>Personnel &amp; Overhead Costs</b>
<b>Overhead</b>	Markup on base labor rates	Included in Personnel costs.	
<b>Consultant</b>	Consultant or contractor services used by the individual Permittee	Does not include countywide program consultant services.	} <b>External Professional Services (Consultant and Contractor) and Other Costs</b>
<b>Other</b>	Costs not included in the other categories	Includes the Permittee's contribution to the countywide program budget (reported by provision/program area).	
<b>Capital Expenditures</b>	Expenditures related to the planning, design, and construction of stormwater quality related assets	Only applies to the following provisions: C.2, C.3, C.10, and C.12.	
<b>Construction</b>	Cost of construction of stormwater quality related assets	Included in Capital Expenditures.	} <b>Capital Expenditures</b>
<b>Land Acquisition</b>	One time cost of real property, exclusive of the cost of any constructed assets on the property, necessary to be acquired for projects	Included with Capital Expenditures. Typically applies to the purchase of land for construction of stormwater quality assets if the land is not already owned by the Permittee.	
<b>Operation and Maintenance (O&amp;M)</b>	Costs related to the O&M of assets constructed for stormwater permit compliance	Includes personnel, contractor, equipment, materials, and disposal costs related solely to O&M.	} <b>Operation and Maintenance</b>

# Framework Structure

Excel Workbook Tabs	Tab Color	Auto-Populated	Permittee Enters Raw Data	Included in Annual Report
<b>1. General Information</b> Tab #1 provides general information regarding the workbook content and instructions for filling out the tabs.		---	---	---
<b>2. Cost Reporting Summary</b> Tab #2 is a summary table that is automatically populated based on the information entered into the General and Provision Specific tabs. This table is included within the Annual Reports submitted to the Regional Water Board.		Yes	No	Yes
<b>3. Source of Funds Summary</b> Tab #3 is a summary table that should be filled out directly. This table is included within the Annual Reports submitted to the Regional Water Board.		No	Yes	Yes
<b>4. Next Reporting Year's Budget</b> Tab #4 is a summary table automatically populated based on information calculated in the Cost Reporting Summary Tab. It requires the entry of estimated increase rate and one-time expenditures (if applicable).		Yes	Yes	No
<b>General Tabs</b> <i>[Personnel &amp; Overhead; External Professional; Countywide Program Costs]</i> Within each tab, the white cells with red text should be filled out; apportioning the costs among the various permit provisions.		Yes	Yes	No
<b>Permit Provision Tabs</b> <i>[Program Management; C.2 Municipal Ops, etc.]</i> In each of these tabs, portions of the tables will be auto-populated based on the entries in the "General" tabs or, in some cases where there is red text, the Permittee may add values.		Yes	Yes	No

# Framework Details

- Costs in program area tabs roll up into summary table:

Permit Provision	Category	Personnel [c] & Overhead Costs [d] (Not O&M related)	External Professional Services/Other Costs [e] (Not O&M related)	Capital Expenditures [f]		Operation and Maintenance (O&M) Costs [i]	Total Expenditures for Current Reporting Year	Estimated Total Expenditures for Next Reporting Year
				Planning, Design, Construction & Permitting [g]	Land Acquisition Costs [h]			
--	Program Management [a]	\$ 89,760	\$ 31,700				\$ 121,460	\$ 125,347
	Stormwater Permit Fees		\$ 10,000				\$ 10,000	\$ 10,320
C.2	Municipal Operations	\$ 35,200	\$ 38,750	\$ 425,000	\$ 800,000	\$ 160,000	\$ 1,458,950	\$ 1,505,636
C.3	New Development and Redevelopment [b]	\$ 103,840	\$ 17,700	\$ 425,000	\$ 800,000	\$ 186,400	\$ 1,532,940	\$ 1,581,994
C.4	Industrial and Commercial Site Controls	\$ 47,520	\$ 17,450				\$ 64,970	\$ 67,049
C.5	Illicit Discharge Detection and Elimination	\$ 36,960	\$ 17,450				\$ 54,410	\$ 56,151
C.6	Construction Site Control	\$ 23,760	\$ 200				\$ 23,960	\$ 24,727
C.7	Public Information and Outreach	\$ 45,760	\$ 32,250				\$ 78,010	\$ 80,506
C.8	Water Quality Monitoring	\$ 50,160	\$ 32,750				\$ 82,910	\$ 85,563
C.9	Pesticides Toxicity Control	\$ 30,800	\$ 24,200				\$ 55,000	\$ 56,760
C.10	Trash Load Reduction	\$ 12,320	\$ 16,700	\$ 425,000	\$ 800,000	\$ 128,320	\$ 1,382,340	\$ 9,666,575
C.11	Mercury Controls	\$ 23,760	\$ 20,700				\$ 44,460	\$ 45,883
C.12	PCBs Control	\$ 28,160	\$ 16,950	\$ 425,000	\$ 800,000	\$ 126,560	\$ 1,396,670	\$ 1,441,363
C.13	Copper Control	\$ 16,720	\$ 16,700				\$ 33,420	\$ 34,489
C.14	Bacteria Control	\$ 22,880	\$ 20,950				\$ 43,830	\$ 45,233
C.15	Exempted and Conditionally Exempted Discharges	\$ 16,720	\$ 19,500				\$ 36,220	\$ 37,379
C.16	Discharges to Areas of Special Biological Significance	\$ 10,560	\$ 23,000				\$ 33,560	\$ 34,634
C.17	Discharges Associated with Unsheltered Homeless	\$ 10,560	\$ 20,250				\$ 30,810	\$ 31,796
C.18	Control of Sediment Discharges from Coastal San Mateo County Roads	\$ 10,560	\$ 19,250				\$ 29,810	\$ 30,764
C.19	Cities of Antioch, Brentwood, and Oakley, and Unincorporated Contra Costa County and Contra Costa County Flood Control and Water Conservation District	\$ 10,560	\$ 4,000				\$ 14,560	\$ 15,026
C.20	Cost Reporting	\$ 12,320	\$ 7,000				\$ 19,320	\$ 19,938
C.21	Asset Management	\$ 24,640	\$ 5,000				\$ 29,640	\$ 30,588
C.22	Annual Reports [j]	\$ 24,640	\$ 5,000				\$ 29,640	\$ 30,588
C.25	Permit Reissuance, ROWD	\$ 36,960	\$ 2,750				\$ 39,710	\$ 40,981
	<b>Total Expenditures by Category</b>	<b>\$ 688,160</b>	<b>\$ 417,450</b>	<b>\$ 1,700,000</b>	<b>\$ 3,200,000</b>	<b>\$ 601,280</b>		
				<b>Total Expenditures for Stormwater Program</b>			<b>\$ 6,646,600</b>	<b>\$ 15,099,291</b>

From "BAMSC Cost Reporting Framework\_Working Version\_010923"

# Issues for Consideration

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- Options for simplifying
    - Combine cost reporting (C.20), asset management (C.21), annual reporting (C.22), and/or permit reissuance (C.25) under Program Management
    - Report capital expenditures and O&M only under C.3 and C.10 (include C.12 stormwater treatment under C.3?)
  - Reporting municipal programs separate from stormwater compliance programs (e.g., routine street sweeping)
    - How much to include in stormwater cost reporting?
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## Next Steps and Schedule

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- Review draft Framework (Excel workbook) and Guidance Manual (Word doc) and provide comments to Reid/EOA by February 8
  - Project team to distribute second draft in March
  - Approve final draft during June 22 BAMSC meeting
  - Submit final to Water Board by June 30
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