

PALOMA
AGUIRRE
SAN DIEGO DISTRICT 1 SUPERVISOR



OFFICE OF SUPERVISOR PALOMA AGUIRRE · SAN DIEGO COUNTY, DISTRICT 1

Allocation Analysis

Applying a Potential Half-Cent Sales Tax to the Tijuana River Sewage Crisis

June 2026

Informational only. This analysis does not advocate for or against any ballot measure and does not state the position of the Board of Supervisors.

OBJECTIVE & SCOPE

An allocation analysis, conditional and illustrative, not a recommendation

The analysis answers a question constituents and reporters keep asking: if an estimated \$80 million a year were available, how could it be allocated against the part of the problem the County can influence or mitigate with local funds, subject to federal, binational, and permitting constraints? It assumes, for analysis, that the revenue exists, and it commits the County to nothing.



In Scope

- Problem and residual-gap analysis from published data
- Capital-versus-operating allocation and financing options
- Mapping to the measure's categories; governance



Out of Scope

- Engineering design and validated project costs
- Programs funded under other categories of the measure
- Any recommendation to voters on the measure

PROBLEM CHARACTERIZATION

Three decades of transboundary flows: a water and an air problem



200B+

Gallons of transboundary flows measured at the USIBWC main-channel gage since 2018



Above

The state air quality standard: hydrogen sulfide at the river hot spot, with documented odor and health symptoms

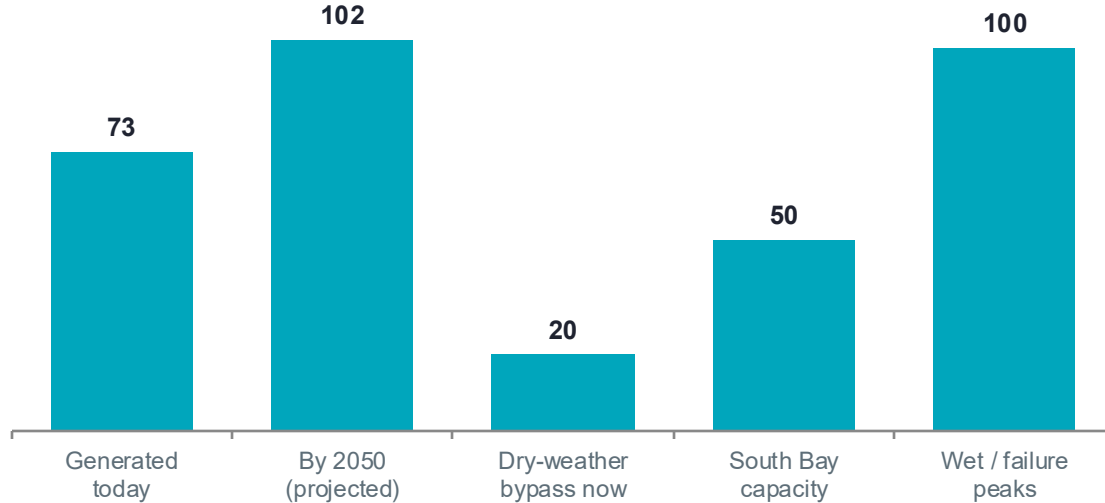


Frequent

Beach closures along the southern San Diego County coast

FUNDING GAP ANALYSIS

Funded federal and Mexican capacity does not cover projected volume



Million gallons per day (MGD)

Federal investment, and the residual

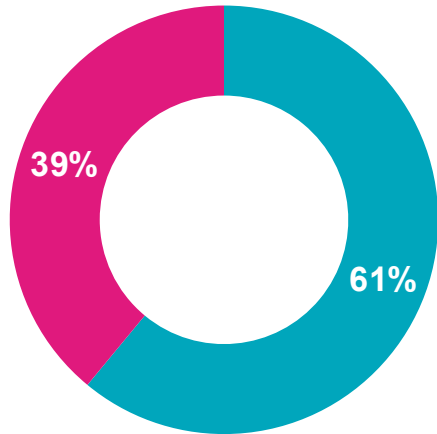
Congress secured \$300M via USMCA; federal officials cite more than \$650M in total U.S. investment.

The plant expanded 25 to 35 MGD in 2025, advancing toward 50 MGD by end of 2027.

A residual still reaches the river, especially in wet weather.

ALLOCATION FRAMEWORK

An \$80M/yr funding stream splits into capital financing and recurring operating



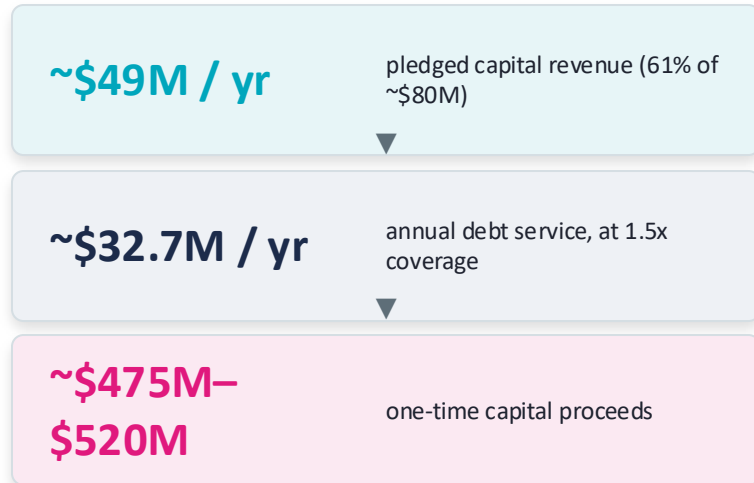
61% capital / 39% operating

Category	Share	Approx./yr
Capital pledge for bond debt service	~61%	~\$49M
Community air quality & public health	~10%	~\$8M
Operations, maintenance & delivery	~18.5%	~\$14.8M
Sediment, trash & stormwater (operating)	~6%	~\$5M
Habitat & estuary restoration	~2.5%	~\$2M
Independent oversight & audit	≤1.5%	≤\$1.2M

Percentages are planning targets; the Board sets annual allocations through the budget process.

CAPITAL FINANCING OPTIONS

Pledged revenue, sized at 1.5x coverage, funds one-time construction







Scenario	Proceeds
Gross pledge (no coverage)	~\$710M-\$750M
With 1.5x coverage (prudent)	~\$475M-\$520M
Planning range used	~\$475M-\$520M

30-year term, 4.5 to 5% interest. Final figures are set with County finance staff and bond counsel at issuance. Recurring costs are funded from the 39% operating pool, not bonded.

SPENDING CATEGORIES & EXPECTED OUTPUTS

Each category funds a defined function with a trackable indicator

Outputs are projected, not guaranteed; engineering and validated designs follow through the County capital process.

	<p>Flows crossing the border</p>	<p>Capture and convey flows at the border; build treatment for flow, trash, sediment, and industrial contaminants the federal system cannot capture.</p>	<p><i>Transboundary flow days at the gage; volume captured and treated</i></p>
	<p>Air quality & hydrogen sulfide</p>	<p>Indoor air protection, facility filtration, engineering controls at hot spots, continuous public monitoring.</p>	<p><i>Households and facilities covered; H2S vs. standard</i></p>
	<p>Sediment & trash</p>	<p>Sediment basins and trash-capture structures plus recurring dredging to intercept material upstream.</p>	<p><i>Volume intercepted; priority sites with active capture</i></p>
	<p>Damaged watershed</p>	<p>Estuary and wetland restoration, using County funds as local match for larger grants.</p>	<p><i>Acres under restoration; matching dollars secured</i></p>

PROJECTED RESULTS UNDER THE MODELED ALLOCATION**Projected results are conditional, tied to indicators, and bounded****Projected direction (if funded and built as modeled)**

Reduce transboundary flows: fewer dry-weather flow days at the gage.

Reduce air impacts: lower indoor exposure for covered homes and facilities; public monitoring baseline.

Reduce sediment and trash: less material reaching the estuary and beaches from priority sites.

Restore the watershed: more acres under restoration; grants leveraged.

**What it would not achieve**

- Not every beach open every day.
- Storm-driven and Mexican-side flows remain, outside County control.
- Durable results depend on sustained operations funding.

Each result is tracked against its indicator and reported annually through independent oversight.

Spending maps to the measure’s categories, subject to legal and fiscal review

Measure category (\$22.519)	Limit	Fit
Tijuana River environmental mitigation	≤22.5%	All framework spending; ≥20% to infrastructure that stops flows
Healthcare, nutrition, children, families	≤60%	Crisis-related health within mitigation; rest out of scope
Public safety, wildfire, 911	17.5%	Out of scope; funded separately
Administration	≤1.5%	Oversight, audit, reporting within cap



Citizen oversight committee

Reviews spending and reports to the public.



Annual independent audit

Fiscal and performance audit, published yearly.



Validated costs before bonds

Engineering and design completed before issuance.

Compliance of the modeled allocation is subject to legal and fiscal review.

Phased delivery, with explicit limits on what this establishes

1

Year 1

Stand up the program and oversight; deploy air protection; fund a health study; plan restoration.

2

Years 2–3

Engineering design for capture and treatment; begin restoration; finalize federal conveyance agreements.

3

Years 4–5

Construct capture and treatment; complete sediment and trash programs; scale health and habitat.

4

Years 6–10

Operate and maintain infrastructure; sustain programs; report annually on flows, air, and spending.

Key limitations

- Planning-level estimates, not validated costs.
- Conditional on an ~\$80M/yr revenue stream.
- Outputs are projected, not guaranteed.
- Any expenditure requires Board approval.
- Compliance subject to legal and fiscal review.
- Not a position on any ballot measure.