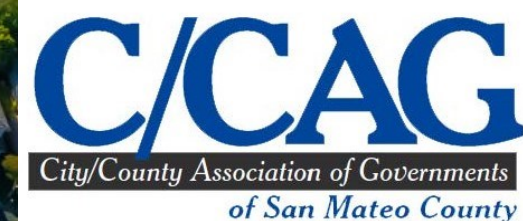




C/CAG Stormwater Program Overview and Funding Outlook

C/CAG Finance Committee

May 28, 2026



Program Background

Regulatory compliance program to address federal and state municipal stormwater requirements under the Clean Water Act and Porter-Cologne Water Quality Control Act

Support 22 agencies in San Mateo County in meeting Municipal Regional Permit requirements administered by the San Francisco Bay Water Quality Control Board (5-year permit cycles)



Program Background

Two full-time staff & consultants

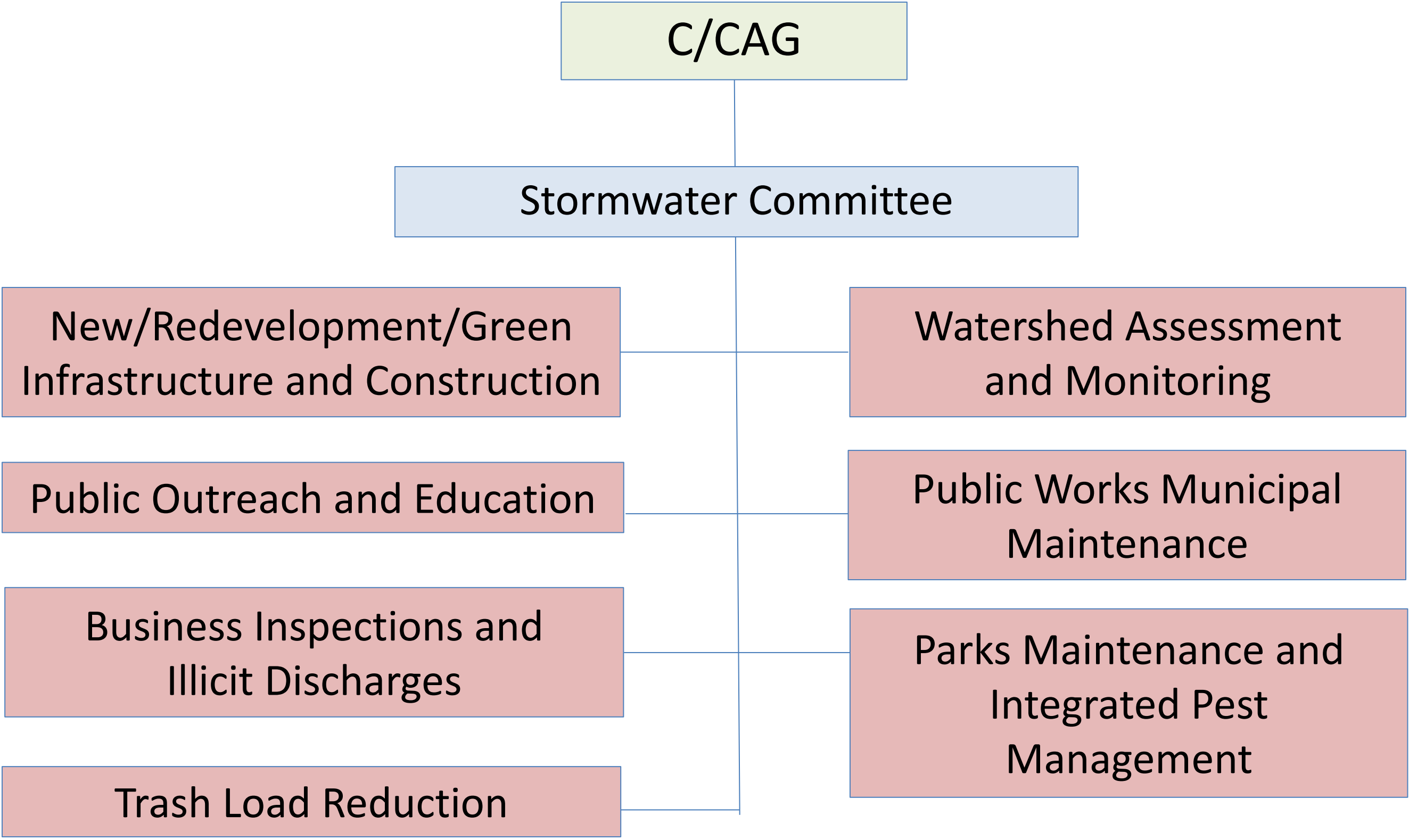
Primary areas of support:

- Local program implementation
- Do compliance directly for member agencies
- Participate in regional efforts

Focus on supporting compliance needs and advancing countywide and regional efforts to enhance climate resilience and adaptation with respect to water infrastructure and resources



Countywide Stormwater Program Structure



Countywide Stormwater Program Services

Local Program Support/Implementation

Staff Training, Workshops and On-call Support
Subcommittees and Workgroups
Technical Guidance, Implementation, Resources (design guides, model ordinances, policies, checklists, program templates, Water Quality Monitoring, Public Information and Outreach)

Countywide Planning/Program

Countywide Planning/Projects (Stormwater Resource Plan, Sustainable Streets Master Plan, OneWatershed Framework, Rain Barrels)
MRP Compliance Reports (Green Infrastructure Plans, PCBs Control Measure Plan, Regional Reports, Program Annual Reports)
Funding Support (Countywide, Subregional grants, Prop 218)

Regional

Projects (Regional MRP Compliance)
OneShoreline Partnership (collaboration on climate resilience and regional scale stormwater projects)
State and Regional Partnership (Liaise with Regional/State Waterboard and other stakeholders)





FY27 Revenue/Expenditures

- **Total Revenue: ~\$2.8M (excluding grants)**
 - NPDES Property Fees:
 - Two fees on property tax rolls: ~\$1.8M (adopted by County Flood Control District in 1994 and 2001)
 - Measure M: ~\$1M (15% since 2021)
 - Residual AB1546: (interest and revenue since 2012)
- **Total Expenditures: \$3.2M (excluding grants)**
 - Administrative/Professional Services/Other “fixed”
 - Consultant Services
- **Ongoing challenges:**
 - Prop 218 drastically limits ability to raise stormwater funding (established in 1996)
 - Significant inflation (~2.44% avg. annual rate for professional services since 1993)



Local Infrastructure Costs

- Most agencies need \$20-50M to fund local infrastructure upgrades

	Storm Drain Master Plan Capital Project Costs (total)	High Priority Projects	Med Priority Projects	Low Priority Projects
Atherton	\$45	\$18	\$24	\$3
Belmont	\$57	\$13	\$13	\$31
Brisbane	\$20	\$15	\$3	\$2
East Palo Alto	\$39	\$31	\$5	\$3
Hillsborough	\$58	\$26	\$14	\$18
Menlo Park	\$39	\$23	\$16	
Millbrae	\$42	\$3	\$30	\$9
Pacifica	\$11	\$9	\$2	
San Bruno	\$26	\$19		\$7
San Carlos	\$56	\$43	\$13	
San Mateo	\$57	\$33	\$16	\$8
South San Francisco	\$54	\$23	\$27	\$4
Total	\$504	\$256	\$163	\$85

Note: All costs in \$ millions, for jurisdictions with storm drain master plans available to C/CAG as of 2020 (plan dates and associated years for cost estimates are variable – data are for general reference only and are not to be cited)



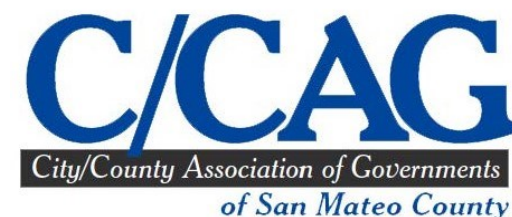
Local and Countywide Water Quality Costs

- Stormwater compliance costs far exceed existing revenue



Agency	Estimated Future Annual Costs	Estimated Annual Dedicated Revenue
C/CAG	\$2,752,320	\$ 2,220,000
Atherton	\$298,267	\$ 80,000
Belmont	\$1,739,544	\$ 427,726
Brisbane	\$1,415,466	\$ 148,442
Burlingame	\$2,231,982	\$ 329,841
Colma	\$537,880	\$ 37,500
Daly City	\$2,265,544	\$ 837,507
East Palo Alto	\$1,597,787	\$ 218,967
Foster City	\$1,449,464	\$ 75,000
Half Moon Bay	\$282,257	\$ 37,500
Hillsborough	\$266,425	\$ 117,436
Menlo Park	\$3,021,189	\$ 401,649
Millbrae	\$1,568,084	\$ 330,932
Pacifica	\$879,653	\$ 322,515
Portola Valley	\$182,137	\$ 75,000
Redwood City	\$3,902,863	\$ 338,278
San Bruno	\$1,994,691	\$ 593,279
San Carlos	\$3,817,215	\$ 550,676
San Mateo	\$4,137,166	\$ 612,922
SSF	\$6,514,467	\$ 629,858
Woodside	\$320,576	\$ 75,000
SM County	\$31,501,565	\$ 612,166
TOTALS	\$46,041,837	\$ 9,072,194

Note: data from C/CAG's 2014 funding needs analysis, likely not representative of current regulatory requirements or revenue

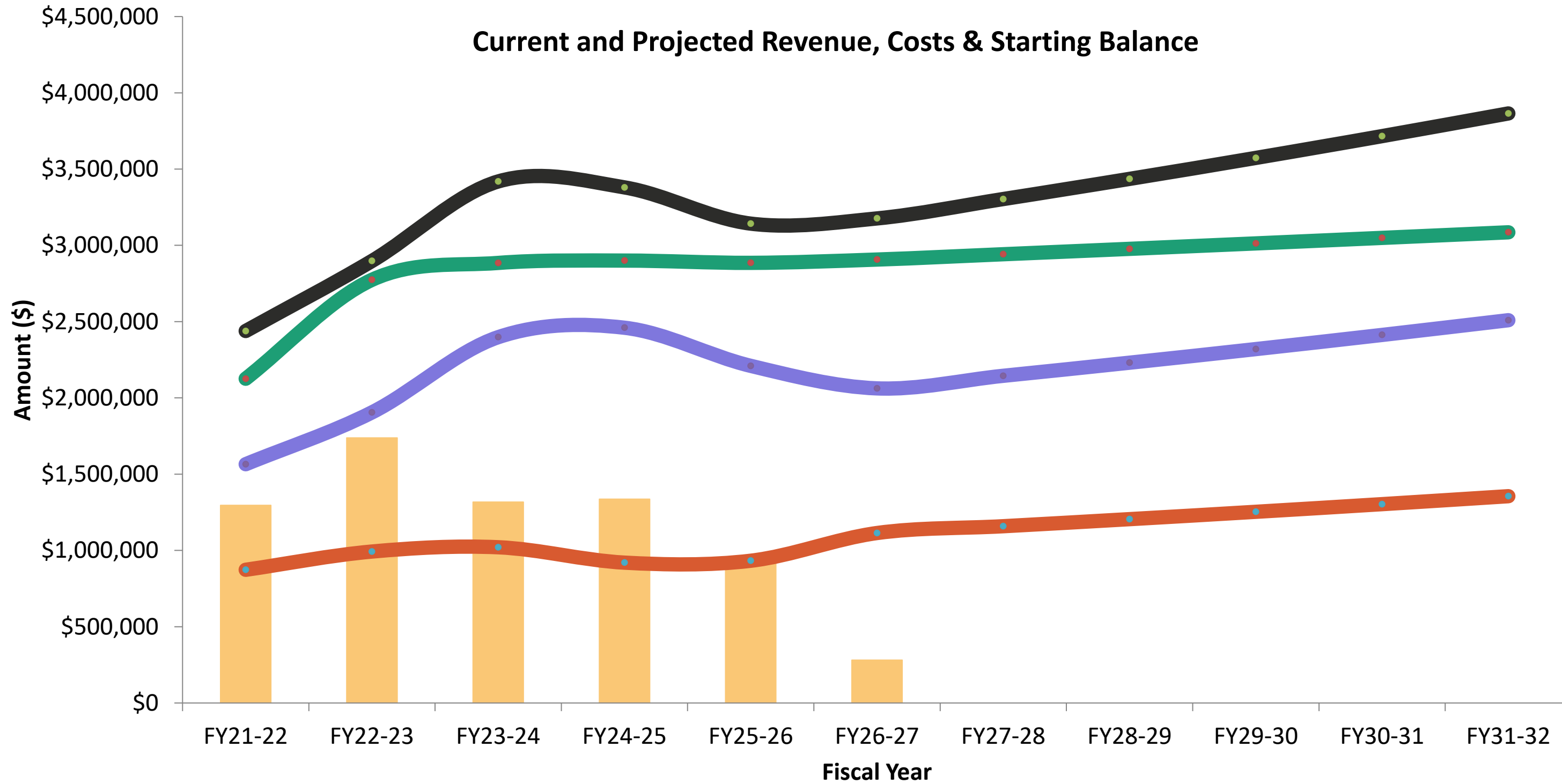


Looking Back and Future Challenges

- The Program has maintained a relatively healthy budget over past 25 years
 - The second “additional” stormwater fee was added on the tax roll in 2001
 - Budget conservatively
 - Reduced consultant costs to core compliance in FY19-20 based on structural deficit
 - Maintaining \$500K in Funding Initiative Reserve and \$120K in General Program Reserve
- Future Challenges
 - Costs rise with each permit cycle (i.e., increased consultant budget)
 - Program/Admin costs increasing over time (overhead, legislative advocacy, membership dues)
 - Anticipating \$0 starting balance beginning FY27-28
 - More reliance on grants for compliance based work (Water Quality Monitoring)



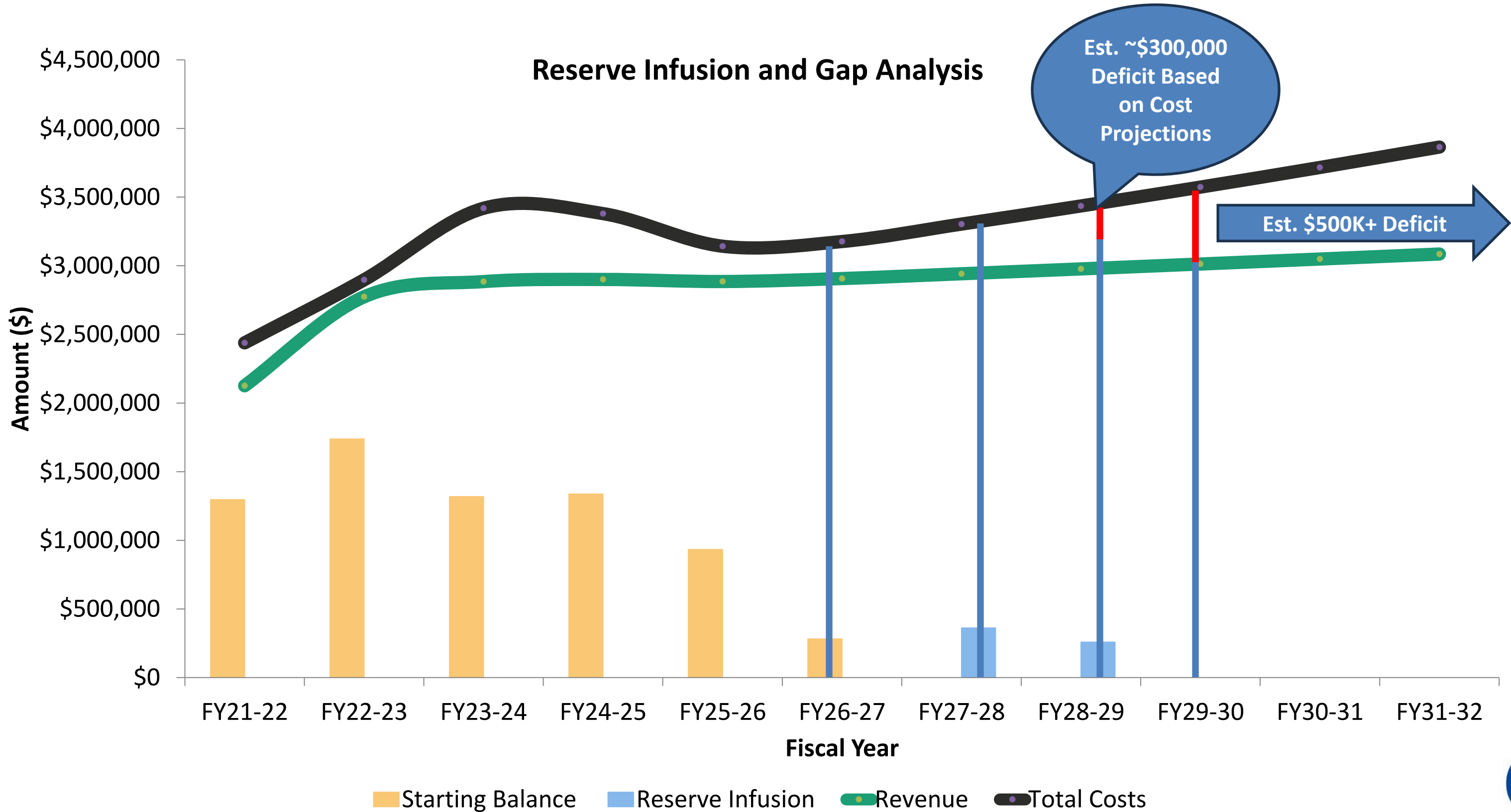
Stormwater Program Funding Outlook



Starting Balance Revenue Total Costs Tech Consultant Admin Costs



Stormwater Program Funding Outlook



Risk of Structural Deficit Moving Forward

- May need to reduce countywide services
- Uncertainty about future permit needs (new permit FY27-28)
- Compliance burden shifts to local municipalities and increased compliance risk
- Additional local staffing/consultant support needed
- Diminished regional coordination with Regional Water Board and others
- Limited budget flexibility/contingencies
- Grant leverage opportunities may reduce

Strategies for Consideration

- Reduce C/CAG services to match revenue and consider transferring compliance work back to local agencies
- Continue to seek external funding through state/federal grants and philanthropic programs
 - Just awarded two grants for litter reduction and pollutant monitoring and cleanup
- Consider partnering with OneShoreline on future funding initiative (could leverage \$500K for fee initiative – if deemed unpromising, offset costs in MRP 4 year 1-2)
- Consider a C/CAG membership-based fee similar to Transportation Program (likely needed to correct structural issue)
- Consider leveraging \$500K reserve to support countywide fee initiative (C/CAG unlikely to be successful alone)

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Next Steps

- Seek input from Finance Committee on potential strategies and ongoing discussion with Finance Committee
- Continue discussion with Stormwater Committee and Funding & Finance Ad-hoc Workgroup about funding options
- Following direction and follow-up actions, report to C/CAG Board (likely fall)



Q&A

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