C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS
OF SAN MATEO COUNTY

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside

C/CAG BOARD MEETING NOTICE
AND
SAN MATEO COUNTY AIRPORT LAND USE COMMISSION MEETING NOTICE

Meeting No. 395

Date: Thursday, September 10, 2026 **Time:** 6:30 p.m. **Location:** 55 W. Third Ave., San Mateo, CA 94402 Oak Room	**Join by Webinar:** https://us02web.zoom.us/j/89519307481?pwd=QQSPAKaqt9TeK4daNue3GUlA1SlK3A.1 **Webinar ID:** 895 1930 7481 **Password:** 091026 **Join by Phone:** (669) 900-6833

***** IN-PERSON MEETING WITH REMOTE PUBLIC PARTICIPATION AVAILABLE *****

This meeting of the C/CAG Board of Directors will be held in person at the location listed above. Members of the public will be able to participate in the meeting remotely via the Zoom platform or in person at the location above. The Board welcomes comments, including criticism, about the policies, procedures, programs, or services of the agency, or of the acts or omissions of the Board and committees. Speakers shall not disrupt, disturb, or otherwise impede the orderly conduct of a Board meeting. For information regarding how to participate in the meeting, either in person or remotely, please refer to the instructions at the end of the agenda.

1.0 **CALL TO ORDER/ ROLL CALL**

2.0 **PRESENTATIONS / ANNOUNCEMENTS**

2.1 Receive a presentation from Bay Area Housing Finance Authority (BAHFA) on its exploration of a potential housing revenue measure. INFORMATION p. 1

2.2 Receive a presentation on the Peninsula Shuttle Program Optimization and Funding Strategy. INFORMATION p. 3

Back to Top

3.0 **ACTION TO SET AGENDA AND APPROVE CONSENT AGENDA ITEMS**

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff, or public request specific items to be removed for separate action.

3.1 Approval of Minutes from June 11, 2026, C/CAG Board Meeting No. 394. ACTION p. 5

3.2 Receive a copy of the final grant application materials for C/CAG's $3,805,000 U.S. Environmental Protection Agency Region 9 San Francisco Bay Geographic Program grant to implement the Targeted Approach to Reducing PCBs in San Mateo County (TARP Project). INFORMATION p. 11

3.3 Receive a copy of the executed contract with BlinkTag Inc. for C/CAG's website maintenance and support services, covering Fiscal Year 2026-27 through Fiscal Year 2028-29, for a not-to-exceed amount of $20,000. INFORMATION p. 14

3.4 Receive a copy of the executed contract with Verano Technical Services Inc., in an amount not to exceed $49,425, for strategic project delivery, program management, and implementation support for C/CAG transportation initiatives and funding programs. INFORMATION p. 16

3.5 Receive a copy of the executed contract with recruitment firm Bob Murray & Associates for executive recruitment services, in an amount not to exceed $34,000. INFORMATION p. 18

3.6 Receive a copy of the executed CALNET and AT&T contracts for services connecting the Smart Corridor Northern Cities to the Countywide Smart Corridor system. INFORMATION p. 20

3.7 Review and approval of Resolution 26-48 authorizing the C/CAG Chair to execute Amendment No. 2 with Yunex Traffic for Smart Corridor field device maintenance and repair services, including a $369,000 increase to a new not to exceed amount of $1,869,000, extending the contract to September 30, 2027. ACTION p. 23

3.8 Review and approval of Resolution 26-49 approving Amendment No.1 to the Agreement with the San Mateo County Superintendent of Schools (San Mateo County Office of Education) for the Safe Routes to School Program, increasing the contract by $36,000 to an amount not to exceed $857,331 for Fiscal Year 2026-27. ACTION p. 28

3.9 Review and approval of Resolution 26-50 authorizing the C/CAG Executive Director to execute Amendment No. 2 with Shaw Yoder Antwih Schmelzer & Lange, Inc. for State legislative advocacy services, extending the agreement through December 31, 2027, and increasing the not-to-exceed amount by $84,000 to $420,000. ACTION p. 32

3.10 Review and approval of Resolution 26-51 amending the Stormwater Committee guidelines to designate Shayan Serajeddini, Regulatory Compliance Analyst as the alternate representative for the City of Menlo Park. ACTION p. 38

3.11 Review and approval of Resolution 26-52 determining that the proposed amendment to

Back to Top

the City of Burlingame Downtown Specific Plan (DSP) Table 3-2 height standard for the Chapin Avenue Commercial (CAC) district, and a related 5-story mixed-use development at 1430 Chapin Avenue, Burlingame, are consistent with the applicable airport/land use policies and criteria contained in the Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport (SFO ALUCP), subject to conditions. ACTION p. 46

3.12 Review and approval of Resolution 26-53 determining that the plan for the El Granada Community Park & Recreation Center (Burnham Strip), 480 Avenue Alhambra, El Granada, San Mateo County (Planning Case No. PLN2026-00225), is consistent with the applicable airport/land use policies and criteria contained in the Comprehensive Airport Land Use Compatibility Plan for the Environs of Half Moon Bay Airport (HAF ALUCP), subject to condition. ACTION p. 54

3.13 Review and approval of Resolution 26-54 authorizing the C/CAG Executive Director to execute Amendment No. 1 to the agreement with Transpo Group for professional grant writing support, including a $50,000 increase to a new not-to-exceed amount of $99,000. ACTION p. 63

3.14 Receive and approval of the Finance Committee's recommendation of no change to the C/CAG investment portfolio and accept the Quarterly Investment Report as of June 2026. ACTION p. 66

3.15 Review and approval of Resolution 26-55 adopting the annual update to the C/CAG Investment Policy. ACTION p. 68

4.0 REGULAR AGENDA

4.1 Review legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)
POSSIBLE ACTION p. 103

5.0 CLOSED SESSION

5.1 PUBLIC EMPLOYEE APPOINTMENT

Title: Executive Director

6.0 RECONVENE IN OPEN SESSION

6.1 Report out on any actions taken during the closed session.

7.0 COMMITTEE REPORTS

7.1 Chairperson's Report

7.2 Board Members Report/Communication

Back to Top

8.0 EXECUTIVE DIRECTOR'S REPORT

9.0 COMMUNICATIONS - Information Only

9.1 Written Communication – 22 Letters p. 140

10.0 PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

Members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Board. Members of the public will have two minutes each to address the Board, unless a different time limit is established by the Chair. Please refer to the instructions at the end of this agenda for details regarding how to provide public comments.

11.0 ADJOURNMENT

Next scheduled meeting October 8, 2026

PUBLIC NOTICING: All notices of C/CAG regular Board meetings, standing committee meetings, and special meetings will be posted at the San Mateo County Courtyard, 555 County Center, Redwood City, CA, and on C/CAG's website at: http://www.ccag.ca.gov.

PUBLIC RECORDS: Public records that relate to any item on the open session agenda for a regular Board meeting, standing committee meeting, or special meeting are available for public inspection. Those public records that are distributed less than 72 hours prior to a regular Board meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members, of the Board. The Board has designated the office of the City/County Association of Governments of San Mateo County (C/CAG), located at 555 County Center, 5th Floor, Redwood City, CA 94063, for the purpose of making public records available for inspection. Such public records are also available on C/CAG's website at: http://www.ccag.ca.gov. Please contact Mima Crume at (650) 599-1406 to arrange for inspection of public records.

ADA REQUESTS: Persons with disabilities who require auxiliary aids or services to participate in this meeting should contact Mima Crume at (650) 599-1406 or mcrume@smcgov.org by 10:00 a.m. prior to the meeting date.

PUBLIC PARTICIPATION DURING HYBRID MEETINGS: Members of the public may address the Board as follows:

Written comments should be emailed in advance of the meeting. Please read the following instructions carefully:

1. Your written comment should be emailed to mcrume@smcgov.org.
2. Your email should include the specific agenda item on which you are commenting or note that your comment concerns an item that is not on the agenda.
3. Members of the public are limited to one comment per agenda item.
4. If your emailed comment is received at least 2 hours prior to the meeting, it will be provided to the C/CAG Board members, made publicly available on the C/CAG website along with the agenda. Emails received less than 2 hours before the meeting will be provided to the C/CAG Board members and included in the administrative record of the meeting as soon as practicable.

Spoken comments will be accepted during the meeting in person and through Zoom. Public comments will be taken first by speakers in person followed by via Zoom. Please read the following instructions carefully:

***In-person participation:**

1. If you wish to speak to the Board, please fill out a speaker's slip located on the 2nd floor auditorium side table against the wall. If you have anything that you wish distributed to the Board and included in the official record, please hand it to the C/CAG Clerk who will distribute the information to the Board members and staff.

***Remote participation:**

1. The C/CAG Board meeting may be accessed through Zoom at the online location indicated at the top of this agenda.
2. You may download the Zoom client or connect to the meeting using an internet browser. If using your browser, make sure you are using a current, up-to-date browser. Certain functionality may be disabled in older browsers including Internet Explorer.

3. You will be asked to enter an email address and name. We request that you identify yourself by your name as this will be visible online and will be used to notify you that it is your turn to speak.
4. When the C/CAG Clerk or Chair call for the item on which you wish to speak, click on "raise hand." The Clerk will activate and unmute speakers in turn. Speakers will be notified shortly before they are called on to speak. If calling in via phone, press *9 to raise your hand and when called upon press *6 to unmute.
5. When called, please limit your remarks to the time allotted.

If you have any questions about this agenda, please contact C/CAG staff:
Interim Executive Director: Kaki Cheung (650) 459-3534 or kcheung1@smcgov.org
Clerk of the Board: Mima Crume (650) 599-1406 or mcrume@smcgov.org

ITEM 2.1

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a presentation from Bay Area Housing Finance Authority (BAHFA) on its exploration of a potential housing revenue measure.

(For further information or questions, contact Kaki Cheung at kcheung1@smcgov.org)

RECOMMENDATION

Receive a presentation from Bay Area Housing Finance Authority (BAHFA) regarding its exploration of a potential regional housing revenue measure and provide feedback.

FISCAL IMPACT

There is not any fiscal impact with the presentation at this time.

SOURCE OF FUNDS

Not applicable.

BACKGROUND

The Bay Area Housing Finance Authority (BAHFA) was created by state statute in 2019 to support regional solutions for affordable housing production, preservation, and tenant protections. Following completion of its strategic planning process, BAHFA and the Association of Bay Area Governments (ABAG) are pursuing a phased process to explore a potential regional housing revenue measure as early as 2028. The current phase focuses on stakeholder engagement and development of a policy framework that could inform potential amendments to BAHFA's enabling legislation.

The process is intended to provide multiple opportunities for local government input, including presentations to elected officials and stakeholders in all nine Bay Area counties, outreach to local housing staff, surveys, and other engagement. A Regional Housing Stakeholder Committee is also evaluating key policy issues, including potential revenue mechanisms, eligible uses of funds, labor standards, and how revenues could be distributed across the region. The stakeholder process is expected to inform a policy framework in late 2026. If statutory changes are pursued, legislative advocacy could follow in 2027, with any potential ballot measure subject to future conditions and decisions.

Bay Area Housing Finance Authority staff will be at the meeting to provide more information and seek feedback from the Board.

Back to Top

EQUITY IMPACTS AND CONSIDERATIONS

A potential regional housing revenue measure could have significant equity implications because BAHFA's statutory mission includes affordable housing production, preservation, tenant protections, and homelessness prevention.

ATTACHMENTS

The following attachment is available on the C/CAG website *(See "Additional Agenda Materials" for the September 2026 Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

1. BAHFA Presentation

Back to Top

ITEM 2.2

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a presentation on the Peninsula Shuttle Program Optimization and Funding Strategy.

(For further information or questions, contact Kaki Cheung at kcheung1@smcgov.org)

RECOMMENDATION

Receive a presentation on the Peninsula Shuttle Program Optimization and Funding Strategy.

FISCAL IMPACT

There is no fiscal impact associated with the presentation at this time. C/CAG allocates more than $550,000 annually to support a local shuttle service selected through a joint Call for Projects conducted in partnership with the San Mateo County Transportation Authority.

SOURCE OF FUNDS

The shuttle program funding comes from C/CAG's Congestion Relief Program fund.

BACKGROUND

The Peninsula Shuttle Program provides funding for shuttle services that are offered free of charge to the public to promote alternative modes of transportation and reduce congestion on highways in San Mateo County. The program is jointly funded by the San Mateo County Transportation Authority (TA) through Measure A and C/CAG through its Congestion Relief Program.

The TA, in partnership with C/CAG, Commute.org, SamTrans, and participating local jurisdictions, initiated the Peninsula Shuttle Program Optimization and Funding Strategy to address changing travel patterns, increasing operating costs, and funding constraints. The Strategy evaluates existing shuttle services and performance, future program needs and available funding, with the goal of developing a more effective and financially sustainable shuttle program.

C/CAG and the TA typically conduct a joint Call for Projects to award funding for eligible shuttle services. As part of the Shuttle Program Strategy, the TA Board will consider the local match requirement for its shuttle program at its September meeting. This decision will help determine how many shuttle routes can be supported within available program funding.

The C/CAG Board will receive the same presentation and consider the implications for C/CAG's participation in the joint Call for Projects. Given the agencies' longstanding practice of administering the Call for Projects jointly, staff anticipate that C/CAG and the TA will seek to maintain a consistent local match requirement across both programs. C/CAG typically funds one eligible shuttle project through its available Congestion Relief Program funds.

Transportation Authority staff will be at the meeting to present the findings from the Peninsula Shuttle Program Optimization and Funding Strategy and answer questions from the Board.

EQUITY IMPACTS AND CONSIDERATIONS

The Peninsula Shuttle Program supports mobility throughout San Mateo County by providing publicly accessible shuttle services that connect residents, employees, schools, community destinations, and regional transit services.

ATTACHMENTS

None.

Back to Top

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside

C/CAG BOARD MEETING NOTICE

MINUTES

Meeting No. 394

June 11, 2026

*****HYBRID MEETING - IN-PERSON AND BY VIDEOCONFERENCE*****

This meeting of the C/CAG Board of Directors was held in person and by teleconference. Members of the public were able to participate in the meeting remotely via the Zoom platform and in person.

1.0 CALL TO ORDER/ ROLL CALL

Chair Salazar called the meeting to order at 6:30 p.m. Roll call was taken.

AGENCY:	IN-PERSON:	ABSENT:	REMOTE AB 2449	REMOTE Publicly Accessible Teleconference Location:
Atherton	Elizabeth Lewis			
Belmont	Julia Mates			
Brisbane	Coleen Mackin			
Burlingame		Absent		
Colma	Thomas Walsh			
Daly City	Roderick Daus Magbual			
East Palo Alto		Absent		
Foster City	Stacy Jimenez			
Half Moon Bay	Paul Nagengast			
Hillsborough		Absent		
Menlo Park	Cecilia Taylor			
Millbrae	Anders Fung			
Pacifica	Sue Beckmeyer			
Portola Valley	Helen Wolter			
Redwood City	Elmer Martinez-Saballos			
San Bruno	Michael Salazar			
San Carlos		Absent		
San Mateo	Nicole Fernandez (proxy)			
South San Francisco	Flor Nicolas			
Woodside		Absent		
San Mateo County	Lisa Gauthier			

C/CAG EX-OFFICIO (NON-VOTING) MEMBERS				
AGENCY:	**IN-PERSON:**	**ABSENT:**	**REMOTE AB 2449**	**REMOTE Publicly Accessible Teleconference Location:**
SMCTA		Absent		
SMCTD		Absent		

C/CAG Staff Present (In-Person):	C/CAG Staff Present (Remote):
Kaki Cheung – Acting Executive Director	Audrey Shiramizu
Brian Kulich – Legal Counsel	
Mima Crume – Clerk of the Board	**Members of the Public (In-Person):**
Dan Sternkopf	Gina Papan – MTC Commissioner
Eva Gaye	Greg Wright – Pacifica
Matt Petrofsky	Elizabeth Funk – Dignity Moves
Reid Bogert	Adrian Covert – Public Policy, Bay Area Council
Van Ocampo	Daniel Iacofano – MIG
Yumi Felsinger	
	Members of the Public (Remote):
	Lizzie Guansona - SYASL

Other members of the public were in attendance remotely via the Zoom platform or in person.

2.0 PRESENTATIONS / ANNOUNCEMENTS

2.1 Receive an informational presentation on interim supportive housing approaches to address unsheltered homelessness.

Kaki Cheung, Acting Executive Director, introduced Elizabeth Funk, Founder and CEO of Dignity Moves, and Adrian Covert, Vice President of Public Policy for the Bay Area Council, to provide a presentation on interim supportive housing approaches to address unsheltered homelessness.

Ms. Funk presented information regarding interim housing strategies designed to address unsheltered homelessness while permanent housing solutions are developed. The presentation highlighted functional zero shelter goals, the use of relocatable interim housing units, the Shelter Crisis Act, local preference models, and the fiscal and humanitarian impacts associated with unsheltered homelessness.

Mr. Covert provided an overview of state and regional policy trends related to homelessness, including data regarding shelter availability, health and safety impacts of encampments, interim housing costs, and pending state legislation intended to support interim and recovery-based housing approaches.

Board discussion included questions regarding the average length of stay in interim housing, the potential conversion of modular units to permanent housing, funding sources for interim housing projects, substance abuse recovery housing options, office-to-housing conversions, and implementation considerations for local jurisdictions.

3.0 ACTION TO SET AGENDA AND APPROVE CONSENT AGENDA ITEMS

This item is to set the final consent and regular agenda, and to approve the items listed on the consent agenda. All items on the consent agenda are approved by one action. There will be no separate discussion on these items unless members of the Board, staff, or public request specific items to be removed for separate action.

Chair Salazar noted a correction to the May 14, 2026 Board meeting minutes, clarifying that Board Member Paul Nagengast was not in attendance at the May meeting.

Board Member Jiminez MOVED to approve the Consent Calendar. Board Member Lewis SECONDED. A voice vote was taken. **MOTION CARRIED 16-0-0**.

3.1 Approval of Minutes from May 14, 2026, C/CAG Board and ALUC Meeting No. 393. APPROVED

3.2 Review and approval of the Finance Committee's recommendation of no change to the investment portfolio and accept the Quarterly Investment Report as of March 31, 2026. APPROVED

3.3 Review and approval of Resolution 26-41 authorizing the C/CAG Executive Director to execute Task Order EOA-19 with EOA, Inc. for an amount not to exceed $2,130,000 for technical support services to the San Mateo Countywide Water Pollution Prevention Program for Fiscal Year 2026-27. APPROVED

3.4 Review and approval of Resolution 26-42 authorizing the C/CAG Executive Director to execute a Cooperative Agreement with the San Mateo County Department of Housing for FY 2026-2027 housing-related activities, in an amount not to exceed $175,000. APPROVED

3.5 Accept the biennial review of the C/CAG Conflict of Interest Code. APPROVED

4.0 REGULAR AGENDA

4.1 Review and approval of Resolution 26-44 accepting the updated San Bruno/South San Francisco Community Based Transportation Plan. APPROVED

Kaki Cheung, Acting Executive Director, provided background on the Metropolitan Transportation Commission's (MTC) Community-Based Transportation Plan Program and introduced Daniel Iacofano (FMG), consultant for the project. The presentation provided an overview of the updated San Bruno/South San Francisco Community Based Transportation Plan, which focuses on improving mobility and transportation access within equity priority communities and historically disadvantaged populations.

The presentation summarized community outreach efforts, transportation needs, and recommended strategies to improve mobility, transit access, active transportation, and connectivity within the San Bruno and South San Francisco project area. Funding opportunities and potential implementation approaches were also discussed.

No public comments were received.

Board Member Nicolas MOVED to approve Resolution No. 26-44 accepting the updated San Bruno/South San Francisco Community Based Transportation Plan. Board Member Lewis SECONDED. A roll call vote was conducted. **MOTION CARRIED 16-0-0**.

Back to Top

4.2 Review and approval of Resolution 26-45 adopting the final draft of C/CAG Fiscal Year 2026-27 Program Budget and member fees. *(Special Voting Procedure Applies)*
APPROVED

Kaki Cheung, Acting Executive Director, presented the final draft Fiscal Year 2026-27 Program Budget and member fees. The presentation included an overview of proposed revenues and expenditures, program funding, staffing considerations, stormwater program funding needs, regional coordination efforts, and the long-term financial outlook for agency programs. Staff noted that only minor refinements had been made since presentation of the draft budget and that the Finance Committee had recommended approval.

Board discussion included questions regarding the budget resolution format, presentation of revenues and expenditures, budget attachments, and the relationship between the proposed budget and member fees. Staff indicated that future resolutions could include additional references to supporting budget documents and attachments.

Board Member Fernandez MOVED to approve Resolution No. 26-45 adopting the final draft Fiscal Year 2026-27 Program Budget and member fees. Board Member Gauthier SECONDED.

A Special Voting Procedure was taken by roll call. **MOTION CARRIED 16-0-0.** Results: 16 agencies approving, representing 76% of the agencies and 86% of the population.

Ayes:	Noes:	Absent:
Atherton		
Belmont		
Brisbane		
		Burlingame
Colma		
Daly City		
		East Palo Alto
Foster City		
Half Moon Bay		
		Hillsborough
Menlo Park		
Millbrae		
Pacifica		
Portola Valley		
Redwood City		
San Bruno		
		San Carlos
San Mateo		
South San Francisco		
		Woodside
San Mateo County		

4.3 Review legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.) NO ACTION TAKEN

Back to Top

Matt Petrofsky provided a federal legislative update, including information regarding the federal budget process, transportation reauthorization efforts, transportation funding priorities, proposed electric vehicle fees, and a congressional funding request for the Integrated Green Stormwater Streets Project.

Lizzie Guansona, Shaw Yoder Antwih Schmelzer & Lange (SYASL), provided a state legislative update regarding the State budget process, Greenhouse Gas Reduction Fund allocations, Vehicle License Fee (VLF) funding concerns, California Air Resources Board actions, e-bike legislation, municipal stormwater permit legislation, and recent advocacy efforts related to housing and airport land use compatibility.

No Board action was requested. No public comments were received.

5.0 **CLOSED SESSION**

5.1 PUBLIC EMPLOYMENT
Title: Interim Executive Director/Executive Director

5.2 PUBLIC EMPLOYEE APPOINTMENT
Title: Interim Executive Director/Executive Director

5.3 CONFERENCE WITH LABOR NEGOTIATORS
C/CAG Designated Representative: Michael Salazar/Stacy Jimenez
Unrepresented Employee: Interim Executive Director

6.0 **RECONVENE IN OPEN SESSION**

6.1 Report out on any actions taken during the closed session.

Chair Salazar reported that there were no reportable actions taken during Closed Session.

6.2 Review and approval of Resolution 26-46 appointing Kaki Cheung as the Interim Executive Director of C/CAG and approving associated compensation. APPROVED

Chair Salazar reported that the Board was recommending the appointment of Kaki Cheung as Interim Executive Director. Pursuant to the Brown Act, the Board publicly reported the proposed compensation associated with the appointment. The Interim Executive Director salary was established at $297,500, plus 1% longevity pay, for a total annual compensation of $300,475, effective June 12, 2026.

Ms. Cheung thanked the Board for its confidence and support and expressed her commitment to maintaining continuity of operations, supporting staff, and advancing the priorities of the agency.

No public comments were received.

Chair Salazar MOVED to approve Resolution No. 26-46 appointing Kaki Cheung as Interim Executive Director and approving associated compensation. Board Member Walsh SECONDED. A voice vote was taken. **MOTION CARRIED** 16-0-0.

Back to Top

6.3 Review and approval of Resolution 26-47 extending the appointment of Kaki Cheung as the Acting Executive Director until July 9, 2026, or as amended by the C/CAG Board of Directors. NO ACTION TAKEN

No action was taken. Following approval of Resolution No. 26-46 appointing Kaki Cheung as Interim Executive Director, consideration of Resolution No. 26-47 was no longer necessary.

7.0 **COMMITTEE REPORTS**

7.1 Chairperson's Report

None.

7.2 Board Members Report/Communication

None.

8.0 **EXECUTIVE DIRECTOR'S REPORT**

Acting Executive Director Kaki Cheung reported that the July 9, 2026, C/CAG Board meeting would be held at the San Mateo Main Library as a trial location and that staff would evaluate the facility following the meeting.

Ms. Cheung also announced that the Metropolitan Transportation Commission (MTC), in partnership with C/CAG and the San Mateo County Transportation Authority, would host a Vision Zero Best Practices Workshop on June 23, 2026. The workshop would provide practical tools and strategies for advancing Vision Zero and active transportation projects and improving public engagement regarding transportation safety initiatives.

9.0 **COMMUNICATIONS** - Information Only

9.1 Written Communication – 4 Letters

10.0 **PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**
Members of the public who wish to speak on matters not on the agenda will be given an opportunity to address the Board. Members of the public will have two minutes each to address the Board, unless a different time limit is established by the Chair. Please refer to the instructions at the end of this agenda for details regarding how to provide public comments.

No public comments were received.

11.0 **ADJOURNMENT**

8:21 p.m.

ITEM 3.2

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a copy of the final grant application materials for C/CAG's $3,805,000 U.S. Environmental Protection Agency Region 9 San Francisco Bay Geographic Program grant to implement the Targeted Approach to Reducing PCBs in San Mateo County (TARP Project).

(For further information or questions, contact Reid Bogert at rbogert@smcgov.org)

RECOMMENDATION

Receive a copy of the final grant application materials for C/CAG's $3,805,000 U.S. Environmental Protection Agency Region 9 San Francisco Bay Geographic Program grant to implement the Targeted Approach to Reducing PCBs in San Mateo County (TARP Project).

FISCAL IMPACT

The total project budget is $5,075,000, comprising $3,805,000 in federal grant funds (75%) and $1,270,000 in local match (25%) over the course of the five-year project term. The local match will be provided primarily through in-kind contributions committed by C/CAG and the San Mateo Countywide Water Pollution Prevention Program (Countywide Stormwater Program). C/CAG is committed to providing approximately $870,000 in in-kind match over the course of the project through planned in-kind consultant services. An additional approximately $400,000 in match contributions will be provided through cash or in-kind contributions from C/CAG partner agencies participating in control measure planning and implementation under Task 4 of the project Work Plan. The grant also includes $82,000 to reimburse C/CAG for eligible grant administration and management expenses, averaging approximately $16,400 per year. This represents a relatively modest level of administrative reimbursement given the duration and complexity of the grant. .

SOURCE OF FUNDS

Funding for the U.S. Environmental Protection Agency SF Bay Program grant is provided by annual appropriations approved at the federal level by Congress. The proposed local match provided by C/CAG will be funded through C/CAG's NPDES property fees placed on the County tax roll via planned in-kind consultant services. Additional matching funds provided by participating C/CAG member agencies will be provided as local cash or in-kind services.

BACKGROUND

Fish tissue monitoring in San Francisco Bay has revealed the bioaccumulation of polychlorinated biphenyls (PCBs) in Bay sportfish at levels posing human health risks, leading to an interim consumption advisory and the Bay's designation as an impaired water body under the Clean Water Act.

The San Francisco Bay Regional Water Quality Control Board (Regional Water Board) developed a Total Maximum Daily Load (TMDL) targeting PCBs, with an urban stormwater runoff wasteload allocation (WLA) of 2 kg/yr to be achieved by Bay Area municipalities by March 2030. This WLA is implemented through Provision C.12 of the Municipal Regional Stormwater Permit (MRP). A significant focus of C/CAG's Countywide Stormwater Program is assisting its member agencies with compliance under the MRP related to PCBs monitoring and control measure planning and implementation in old industrial areas where PCBs are more prevalent.

In March 2026, C/CAG submitted a successful grant application in response to the Request for Applications under the U.S. Environmental Protection Agency (USEPA) San Francisco Bay Geographic Program (SF Bay Program), Funding Opportunity EPA-R9-SFBay-26-01, to implement the Targeted Approach to Reducing PCBs in San Mateo County Project (TARP Project). The TARP Project is designed to make focused and measurable progress toward Bay restoration by supporting and expanding implementation of the Countywide Stormwater Program PCBs in Old Industrial Areas Control Measure Plan (CMP), which outlines strategies and actions to identify and reduce PCBs loading related to stormwater runoff throughout San Mateo County.

San Mateo County is unique in containing one of just three designated Priority Margin Units in the Bay Area – the Steinberger Slough/Redwood Creek Priority Margin Unit – where PCBs concentrations in sediment and fish tissue are among the highest recorded across the Bay Area. The TARP Project will conduct strategic monitoring, control measure feasibility and efficacy studies, targeted implementation of PCBs controls, and enhanced Fish Smart public health outreach, contributing an estimated 100–200 grams per year reduction in PCBs loading to the Bay from San Mateo County – up to 20% of the remaining load reduction needed to achieve the County's portion of the regional stormwater WLA for PCBs in the Bay.

The TARP Project grant award amount is $3,805,000, with a 25% local match requirement ($1,270,000 in matching funds), for a total project budget of $5,075,000 to be expended over approximately five years (August 2026 – June 2031). The TARP Project will be managed by C/CAG's Stormwater Program Director, Reid Bogert, as the TARP Project Manager, supported by a Project Management Team representing all project partners and a consultant/contractor team procured through a planned Request for Proposals process. This project supports regulatory compliance with MRP requirements and will substantially offset costs that C/CAG and its member agencies would otherwise incur for PCB monitoring, control measure planning and implementation. Without this grant, these activities would need to be funded through other sources during the next five-year stormwater permit term.

Project partners include the San Francisco Bay Regional Water Quality Control Board; San Mateo County Health; and selected C/CAG member agencies where known and potential PCBs source areas have been documented, including the Cities of Brisbane, Burlingame, East Palo Alto, Menlo Park, Redwood City, San Bruno, San Carlos, San Mateo, and South San Francisco, and San Mateo County.

The TARP Project is designed to achieve six key objectives:

1. Support critical MRP monitoring and TMDL implementation requirements within San Mateo County during the current (MRP 3.0) and next permit cycle (MRP 4.0, expected July 2028).

2. Targeted monitoring to identify sources of PCBs in Bay Margin Areas within San Mateo County, focusing on catchments draining to the Steinberger Slough/Redwood Creek Priority Margin Unit and other sensitive Bay margin areas.

3. Conduct feasibility analyses, planning, and implementation of new actions to reduce PCBs loading to sensitive Bay Margin Areas through focused implementation of control measures.

4. Communicate and disseminate findings to key stakeholders to assist other Bay Area Countywide Stormwater Programs and municipal agencies with effective PCBs control implementation, including through an online PCBs Best Management Practices Selection Tool.

5. Provide targeted enhancement of the existing Fish Smart outreach program in partnership with San Mateo County Health and community non-profit partners at priority Bay margin fishing locations.

6. Make significant and measurable contributions toward achieving urban runoff TMDL WLAs by reducing PCBs loading from San Mateo County watersheds by an estimated 100–200 g/yr.

Next Steps

Following the initial funding award announcement, C/CAG staff developed the required final application materials, including an Updated Project Workplan, Updated SF-424A Budget Form, Budget Detail and Administrative Forms (see Attachment 1 for the Updated Project Work Plan and Budget Detail), which were resubmitted to the USEPA Region 9 grant manager on June 12. C/CAG staff anticipate receiving the final grant agreement in September. C/CAG staff plan to issue a Request for Proposals in early October to select a consultant team to complete the project.

EQUITY IMPACTS AND CONSIDERATIONS

As detailed in the application narrative for the TARP Project, the proposed project and tasks align with multiple state and federal policy and program goals focused on addressing health and environmental impacts associated with pollutants of concern and disproportionately affected communities. Of particular relevance, the TARP Project aligns with goals and objectives of the 2022 Estuary Blueprint focused on reducing toxic contaminants to meet water quality standards and protect beneficial uses and reducing the human health risks due to legacy contaminants and contaminants in fish. In the Bay Area, many subsistence fishing populations are from lower income or historically underserved communities. Likewise, PCBs contamination is more prevalent in industrial areas where historically underserved and underinvested communities are in higher proportion. The TARP Project will address these disproportionate vulnerabilities through focused community engagement and partnership with local community-based partners and through targeted monitoring and control measure efforts in known or potential PCBs source areas.

ATTACHMENTS

The following attachments are available on the C/CAG website *(See "Additional Agenda Materials" for the relevant Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

1. TARP Updated Project Work Plan and Budget Detail (submitted to USEPA June 12, 2026)

ITEM 3.3

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a copy of the executed contract with BlinkTag Inc. for C/CAG's website maintenance and support services, covering Fiscal Year 2026-27 through Fiscal Year 2028-29, for a not-to-exceed amount of $20,000.

(For further information or questions contact Dan Sternkopf at dsternkopf@smcgov.org)

RECOMMENDATION

That the C/CAG Board receive a copy of the executed contract with BlinkTag Inc. for C/CAG website maintenance and support services covering Fiscal Year 2026-27 through Fiscal Year 2028-29, for a not-to-exceed amount of $20,000.

FISCAL IMPACT

Funding for website maintenance services is included in the C/CAG general fund and is consistent with the approved Fiscal Year 2026-27 C/CAG Agency Budget.

SOURCE OF FUNDS

Funding source for these services comes from the C/CAG general fund.

BACKGROUND

C/CAG maintains two public-facing websites that support agency operations, public communications, transportation programs, stormwater programs, and regional planning efforts. These websites serve as a primary source of information for member agencies, partner organizations, stakeholders, and the public. One website is for general information related to C/CAG operations (https://ccag.ca.gov/) and the other website is for C/CAG's Transportation Demand Management Program (https://ccagtdm.org/).

In Fiscal Year 2022-23 C/CAG completed a new website (https://ccagtdm.org/) developed by BlinkTag, Inc. dedicated to support C/CAG's Traffic Demand Management (TDM) related work. Both the C/CAG main website and the new TDM website are hosted on the County's platform, Pantheon.

With the end of the current website hosting service contract expiring in June 2026, C/CAG staff initiated the procurement process for a new contract in May 2026. The request for quotes was focused on core website maintenance support services. Three proposals were received and evaluated: BlinkTag, Inc., Bay Area Web Solutions, and Amicable LLC.

Consistent with C/CAG's procurement policy, proposals were evaluated based on qualifications, public-sector experience, responsiveness, website security and maintenance capabilities, incident response procedures, staffing and continuity of operations, ability to support future enhancements, cost, and overall value. Through the research, BlinkTag, Inc. (BlinkTag) was deemed as qualified and a cost-effective option for providing ongoing website maintenance services for both C/CAG's websites. BlinkTag possesses extensive institutional knowledge regarding C/CAG's web environment, website architecture, hosting configuration, and content management processes. Accordingly, C/CAG's Executive Director executed a three-year agreement with BlinkTag in an amount not to exceed $20,000, with a term ending June 30, 2029.

The current scope of services does not include work associated with the new federal web accessibility requirements under Title II of the Americans with Disabilities Act, which establish WCAG 2.1 Level AA as the technical standard for covered web content and mobile applications. C/CAG will be separately planning development of a new agency website and will incorporate the applicable accessibility requirements into that effort to ensure compliance by the required federal deadline.

A copy of the contract agreement can be seen in Attachment 1.

EQUITY IMPACTS AND CONSIDERATIONS

This item is necessary for the administration/operations of C/CAG.

ATTACHMENTS

The following attachments are available on the C/CAG website *(See "Additional Agenda Materials" for the September 2026 Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

1. Attachment – Website Maintenance Services Contract with BlinkTag, Inc.

ITEM 3.4

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a copy of the executed contract with Verano Technical Services Inc., in an amount not to exceed $49,425, for strategic project delivery, program management, and implementation support for C/CAG transportation initiatives and funding programs.

(For further information, contact Jeff Lacap at jlacap@smcgov.org)

RECOMMENDATION

That the C/CAG Board receive a copy of the executed contract with Verano Technical Services Inc., in an amount not to exceed $49,425, for strategic project delivery, program management, and implementation support for C/CAG transportation initiatives and funding programs.

FISCAL IMPACT

The contract is at an amount not to exceed $49,425.

SOURCE OF FUNDS

Funding for this service comes from the C/CAG Congestion Relief Fund.

BACKGROUND

Following the vacancy in the Executive Director position, C/CAG's Deputy Executive Director was appointed to serve as Interim Executive Director, leaving the Deputy Executive Director position temporarily vacant. This transition created an immediate need for additional strategic and project delivery support to assist the Interim Executive Director and maintain continuity of agency operations and transportation program delivery.

To address this immediate organizational need, C/CAG identified Verano Technical Services Inc. based on the firm's relevant transportation experience, demonstrated project delivery capabilities, and ability to quickly provide the strategic, program management, and implementation support needed by the agency.

Consistent with the C/CAG Procurement Policy, the C/CAG Executive Director executed an agreement with the consultant for these services on July 1, 2026, in an amount not to exceed $49,425, with a term ending June 28, 2027. The scope of work includes as needed technical support for the San Bruno–Millbrae El Camino Real Multimodal Improvement Corridor Study, support for the 2026 C/CAG One Bay Area Grant Call for Projects, and other transportation projects and programs as requested by the Executive Director.

Back to Top

EQUITY IMPACTS AND CONSIDERATIONS

This item is necessary for the administration/operations of C/CAG.

ATTACHMENT

The following attachment is available on the C/CAG website *(See "Additional Agenda Materials" for the September 2026 Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

1. Agreement between C/CAG and Verano Technical Services Inc. for transportation program delivery and management support services (executed July 1, 2026)

Back to Top

ITEM 3.5

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a copy of the executed contract with recruitment firm Bob Murray & Associates for executive recruitment services, in an amount not to exceed $34,000.

(For further information, contact Jeff Lacap at jlacap@smcgov.org)

RECOMMENDATION

That the C/CAG Board receive a copy of the executed contract with recruitment firm Bob Murray & Associates for executive recruitment services, in an amount not to exceed $34,000.

FISCAL IMPACT

The contract has a not to exceed amount of $34,000.

SOURCE OF FUNDS

Funding for this service comes from the C/CAG General Fund.

BACKGROUND

Upon the departure of C/CAG Executive Director Sean Charpentier in April 2026, C/CAG determined that consultant services were needed to assist with recruiting a new Executive Director and that Bob Murray & Associates has the requisite qualifications to conduct the search.

Consistent with the C/CAG Procurement Policy, the C/CAG Chair executed an agreement with Bob Murray & Associates for these services. The Agreement, dated June 24, 2026, provides for executive recruitment services in an amount not to exceed $34,000, with the term ending September 30, 2027. The scope of work provides for a search to fill the Executive Director position, to be completed on a 12-week recruitment timeline.

EQUITY IMPACTS AND CONSIDERATIONS

This item is necessary for the administration/operations of C/CAG.

Back to Top

ATTACHMENT

The following attachment is available on the C/CAG website *(See "Additional Agenda Materials" for the September 2026 Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

1. Agreement between C/CAG and Bob Murray & Associates for executive recruitment services (executed June 29, 2026)

ITEM 3.6

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive a copy of the executed CALNET and AT&T contracts for services connecting the Smart Corridor Northern Cities to the Countywide Smart Corridor system.

(For further information or questions, contact Audrey Shiramizu at ashiramizu@smcgov.org)

RECOMMENDATION

That the C/CAG Board receive a copy of the executed CALNET and AT&T contracts for services connecting the Smart Corridor Northern Cities to the Countywide Smart Corridor system.

FISCAL IMPACT

The not-to-exceed amount is $49,000 for two years, through October 31, 2028.

SOURCE OF FUNDS

Funding for this contract will come from local Measure M funding, the $10 vehicle registration fee, and specifically, the Smart Corridor category.

BACKGROUND

The C/CAG sponsored San Mateo County Smart Corridor (Smart Corridor) project implements Intelligent Transportation System (ITS) equipment such as an interconnected traffic signal system, close circuit television (CCTV) cameras, trailblazer/arterial dynamic message signs, and vehicle detection system on predefined designated local streets and state routes to provide local cities and Caltrans day to day traffic management capabilities in addressing recurring and non-recurring traffic congestion.

Continuing with the vision to build the Smart Corridor from the Santa Clara County line to the San Francisco County line, the South San Francisco and the Northern Cities segment in the cities of Daly City and Brisbane and the Town of Colma are currently under construction.

The new segments require a direct connection to communicate data and information to the central Smart Corridor hub, located at the City of San Mateo Police Department. Most of the existing Smart Corridor segments and ITS equipment are connected through underground fiberoptic cable to the hub.

To establish a connection from Daly City and Colma to the hub, the design team considered numerous options including 1) building underground conduit and installing new underground fiber, 2) utilizing existing fiber from utility companies and/or local agencies, and 3) purchasing third-party dedicated ethernet services from a telecommunications company. Option 1 was the most expensive and time-

Back to Top

consuming option. Option 2 would not provide a complete connection between the two cities to the hub and would require fiber gaps to be filled. Additionally, option 2 would require multiple new agreements with utility vendors and local agencies. Option 3 would provide a complete connection with minimal construction but would incur a monthly service cost.

The project team proceeded with option 3 as the most cost- and time-efficient option. Additionally, C/CAG could leverage the statewide CALNET agreement, a competitively bid master service contract managed by the California Department of Technology that provides pre-negotiated telecommunications services for state and local government agencies. By leveraging the CALNET agreement, C/CAG could waive the competitive procurement process to select the telecommunications provider.

Under the CALNET agreement, C/CAG and CALNET executed an Authorization to Order (ATO) form to authorize C/CAG's ability to order service under the CALNET agreement. Additionally, C/CAG executed a CALNET Individual Price Reduction Agreement (IPRA) with AT&T Enterprises, LLC. The IPRA identified the service provider, type, locations, and monthly service cost.

The CALNET IPRA agreement is eligible for month-to-month service only. There is no term length nor not-to-exceed amount. For budgeting purposes, C/CAG will plan to utilize the service for two years at $1,866.32 per month, for a total of $44,791.68 for two years. Since the total not-to-exceed amount is below $50,000, it falls within the Executive Director's delegated signing authority. C/CAG will reconsider continuing service with AT&T in two years.

EQUITY IMPACTS AND CONSIDERATIONS

The Smart Corridor is a countywide project aimed at improving mobility throughout the region. For the existing southern segments, the Smart Corridor has helped reduce traffic times along arterial roads during major freeway incidents. This benefits all road users, especially motorists who spend a larger portion of their income or time on transportation.

Additionally, the Smart Corridor system has positive impacts for non-motorists and other vulnerable populations. For example, the system can be used to implement transit signal priority, which can reduce travel times for transit riders. In Belmont, the City used Smart Corridor infrastructure to implement an adaptive traffic control system. This allowed the City to use real-time traffic conditions to change signal timing accordingly, which resulted in reduced congestion and improved access to schools. The Smart Corridor also includes dozens of trailblazer message signs installed along arterial roads to guide road users through detour routes. These wayfinding signs are especially beneficial for users that may not have a smartphone or internet access.

Completing the Northern Cities extension of the Smart Corridor project will benefit the county's residents and visitors. The project will also further C/CAG's goal of expanding the system to provide a seamless and connected system along the US-101 corridor.

ATTACHMENTS

The following attachments are available on the C/CAG website *(See "Additional Agenda Materials" for the September 2026 Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

1. Copy of executed CALNET Authorization to Order (ATO) form
2. Copy of executed CALNET Individual Price Reduction Agreement (IPRA)

Back to Top

3. Monthly quote for AT&T Dedicated Ethernet (ADE) service

Back to Top

ITEM 3.7

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Review and approval of Resolution 26-48 authorizing the C/CAG Chair to execute Amendment No. 2 with Yunex Traffic for Smart Corridor field device maintenance and repair services, including a $369,000 increase to a new not to exceed amount of $1,869,000, extending the contract to September 30, 2027.

(For further information or questions, contact Audrey Shiramizu at ashiramizu@smcgov.org)

RECOMMENDATION

That the Board reviews and approves Resolution 26-48 authorizing the C/CAG Chair to execute Amendment No. 2 with Yunex Traffic for Smart Corridor field device maintenance and repair services, including a $369,000 increase to a new not to exceed amount of $1,869,000, extending the contract to September 30, 2027.

FISCAL IMPACT

If approved, Amendment No. 2 would add $369,000 to the contract, bringing the total not to exceed contract amount to $1,869,000.

SOURCE OF FUNDS

Funding for Amendment No. 2 would come from Measure M Intelligent Transportation System funds. Because this amendment spans two fiscal years (FY27 and FY28), part of the funding will be subject to C/CAG Board's approval of the FY28 budget.

BACKGROUND

The C/CAG sponsored San Mateo County Smart Corridor (Smart Corridor) project implements Intelligent Transportation System (ITS) equipment such as an interconnected traffic signal system, close circuit television (CCTV) cameras, trailblazer/arterial dynamic message signs, and vehicle detection system on predefined designated local streets and state routes to provide local cities and Caltrans day to day traffic management capabilities in addressing recurring and non-recurring traffic congestion.

The current Smart Corridor project limit, operating since summer 2016, extends from I-380 in San Bruno to the Santa Clara County Line in East Palo Alto along El Camino Real and includes major local streets connecting to US-101. There are more than 238 intersections, and 400 devices installed as part of the Smart Corridor, including 100 CCTV cameras, 47 trailblazer/arterial dynamic message signs, and 22 vehicle detection systems. The Cities of South San Francisco, Brisbane, and Daly City, along with the Town of Colma, are under construction and expected to be a part of the Smart Corridor program in the next year.

Smart Corridor Maintenance

For corridor consistency and economy of scale, C/CAG would be responsible for maintaining certain ITS equipment and devices deployed as part of the Smart Corridor project located within the cities' right-of-way. The equipment includes a number of CCTV cameras, trailblazer/arterial dynamic message signs, and vehicle detection system. Other equipment maintained by the cities are upgraded traffic signal controllers, traffic signals, signals interconnect equipment, and communication lines located within the cities' right-of-way. Caltrans is responsible for maintaining equipment deployed within the State right-of-way.

C/CAG has retained three (3) consultants to help with maintaining the Smart Corridor for local cities. These consultants, together, provide a comprehensive solution for maintaining the following ITS equipment:

- Communication Network and Equipment
  - San Mateo Hub equipment and controller cabinet, fiber switches, video management system and servers, message sign system and server, network management system and server
- Infrastructure and Field Devices
  - Fiber and conduit, antennas, CCTV cameras, directional signs, vehicle detection system, Arterial Dynamic Message Signs (ADMS)
- KITS Traffic Signal System
  - Central System Software, Firmware, Hardware, Field controller elements

Maintenance of Communication Network and Equipment; Infrastructure and Field Devices

This action addresses the maintenance contract for Yunex Traffic, who provides ongoing maintenance and repair services for the Smart Corridor communications equipment, infrastructure, and field devices.

On October 1, 2022, C/CAG entered into a four-year agreement with Econolite Systems, Inc. (ESI) in the amount of $1,500,000 to provide Smart Corridor field device maintenance and repair services. On February 2, 2026, C/CAG executed Amendment No. 1, identifying Yunex Traffic (Yunex) as the new contractor assigned to replace ESI, with no changes to the overall scope, budget, and term length.

Yunex has provided consistent maintenance support for the Smart Corridor. Under Amendment No. 2, Yunex will continue to provide field devices and maintenance and repair services. Additionally, Yunex will continue to provide comprehensive Underground Service Alert Northern California 811 (USA) ticket review and utility mark outs to protect the underground fiber communication cables from damage. The original RFP provides for a one-year contract extension.

Accordingly, the proposed Amendment would extend the contract through September 30, 2027, and add $369,000, for a new not-to-exceed amount of $1,869,000. The revised budget table, hourly rates, schedule, and updated scope of work are provided in the Amendment.

Because this amendment spans two fiscal years (FY27 and FY28), a portion of the $369,000 is subject to Board approval of the FY28 budget. The Board has already authorized adding up to $65,000 to Yunex's budget through FY27. The remaining $304,000 of $369,000 will be subject to Board approval of the FY28 budget.

Staff recommends that the C/CAG Board approves Amendment No. 2 with Yunex Traffic for Smart Corridor field device maintenance and repair services, including a $369,000 increase to a new not to exceed amount of $1,869,000, extending the contract to September 30, 2027.

EQUITY IMPACTS AND CONSIDERATIONS

The Smart Corridor is a countywide project aimed at improving mobility throughout the region. For the existing southern segments, the Smart Corridor has helped reduce traffic times along arterial roads during major freeway incidents. This benefits all road users, especially motorists who spend a larger portion of their income or time on transportation.

Additionally, the Smart Corridor system has positive impacts for non-motorists and other vulnerable populations. For example, the system can be used to implement transit signal priority, which can reduce travel times for transit riders. In Belmont, the City used Smart Corridor infrastructure to implement an adaptive traffic control system. This allowed the City to use real-time traffic conditions to change signal timing accordingly, which resulted in reduced congestion and improved access to schools. The Smart Corridor also includes dozens of trailblazer message signs installed along arterial roads to guide road users through detour routes. These wayfinding signs are especially beneficial for users that may not have a smartphone or internet access.

ATTACHMENTS

1. Resolution 26-48

The following attachments are available on the C/CAG website *(See "Additional Agenda Materials" for the relevant Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

2. Draft Amendment No. 2

Back to Top

ATTACHMENT 1

RESOLUTION 26-48

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY AUTHORIZING THE C/CAG CHAIR TO EXECUTE AMENDMENT NO. 2 WITH YUNEX TRAFFIC FOR SMART CORRIDOR FIELD DEVICE MAINTENANCE AND REPAIR SERVICES, INCLUDING A $369,000 INCREASE TO A NEW NOT-TO-EXCEED AMOUNT OF $1,869,000, AND EXTENDING THE CONTRACT TO SEPTEMBER 30, 2027.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG); that,

WHEREAS, the C/CAG sponsored San Mateo County Smart Corridor Project (Smart Corridor) is an Intelligent Transportation System (ITS) project that extends 20 miles along El Camino Real and major local streets connecting to US-101 and enables cities and the California Department of Transportation (Caltrans) to proactively manage daily traffic and non-recurring traffic congestion cause by diverted traffic due to major incidents on the freeway; and

WHEREAS, in addition to installation of fiber optic communication network, equipment deployed as part of the Smart Corridor project include interconnected traffic signal system, close circuit video cameras, trailblazer/arterial dynamic message signs, and vehicle detection systems; and

WHEREAS, per Memorandum of Understandings (MOUs) executed between C/CAG, Caltrans, and the cities, C/CAG is responsible for maintaining Smart Corridor specific ITS infrastructure and communication network deployed within the cities' right-of-way; and

WHEREAS, on October 1, 2022, C/CAG entered into a four-year agreement with Econolite Systems, Inc. (ESI) in the amount of $1,500,000 to provide Smart Corridor field device maintenance and repair services; and

WHEREAS, on February 2, 2026, C/CAG executed Amendment No. 1 to the agreement, identifying Yunex Traffic (Yunex) as the new contractor to be assigned to replace ESI, with no changes to the scope, budget, and term; and

WHEREAS, Yunex has provided consistent and reliable maintenance support for the Smart Corridor; and

WHEREAS, C/CAG and Yunex desire to enter into agreement amendment No. 2, including adding $369,000 to the budget for a new not to exceed amount of $1,869,000, and extending the term to September 30, 2027.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County, that the C/CAG Chair is authorized to execute Amendment No. 2 with Yunex Traffic to provide Smart Corridor field device maintenance and repair services, including a $369,000 increase for a new not to exceed amount of $1,869,000, and extending the term to September 30, 2027. Be it further resolved that the Board of Directors authorizes the Executive Director to negotiate final terms prior to execution, subject to review by Legal Counsel.

Back to Top

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

____

Michael Salazar, Chair

Back to Top

ITEM 3.8

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Review and approval of Resolution 26-49 approving Amendment No.1 to the Agreement with the San Mateo County Superintendent of Schools (San Mateo County Office of Education) for the Safe Routes to School Program, increasing the contract by $36,000 to an amount not to exceed $857,331 for Fiscal Year 2026-27.

(For further information, contact Eva Gaye at egaye@smcgov.org)

RECOMMENDATION

That the C/CAG Board review and approval of Resolution 26-49 approving Amendment No.1 to the Agreement with the San Mateo County Superintendent of Schools (San Mateo County Office of Education) for the Safe Routes to School Program, increasing the contract by $36,000 to an amount not to exceed $857,331 for Fiscal Year 2026-27.

FISCAL IMPACT

The amended contract amount for fiscal year 2026-2027 shall not exceed $857,331. Funding for the project includes $727,536 in Federal Surface Transportation Funds and $129,794 in local Measure M Funds.

SOURCE OF FUNDS

The San Mateo County Safe Routes to School (SRTS) Program is funded using a combination of federal Surface Transportation Program (STP) from the One Bay Area Grant (OBAG) Program and local Measure M funding, which is the $10 vehicle registration fee levied in San Mateo County.

BACKGROUND

The San Mateo County Safe Routes to School (SRTS) Program is a collaborative effort between the City County/Association of Governments (C/CAG) of San Mateo and the San Mateo County Office of Education (SMCOE). The program is designed to encourage and enable school children and their parents to utilize active modes of transportation (walking, bicycling, carpool, and public transit) as a means of getting to school. Through education, on pedestrian and bicycle safety as well as awareness around human impact on the environment, the SRTS program supports schools to implement projects and activities that decrease traffic congestion around school sites, reduce school-related travel emissions, and improve the health, well-being, and safety of student participants.

As the County Transportation Agency (CTA) for San Mateo County, C/CAG directs federal Surface Transportation Program (STP) and local Measure M revenues to fund the Safe Routes to School

Back to Top

(SRTS) Program. The San Mateo County Office of Education (SMCOE) serves as the lead agency responsible for day-to-day program administration and implementation of SRTS activities. C/CAG enters into an annual agreement with SMCOE to implement the program. On May 14, 2026, the C/CAG Board approved Resolution 26-24, authorizing the FY 2026-27 agreement between C/CAG and SMCOE.

SMCOE recently notified C/CAG of a $36,000 funding shortfall resulting from lower-than-anticipated funding from the California Office of Traffic Safety (OTS). To avoid impacts to planned SRTS activities and maintain current program delivery, SMCOE has requested an additional $36,000 in C/CAG Measure M funding to address the shortfall and fully fund the FY 2026-27 program.

<u>Amended Agreement No. 1 with the San Mateo County Office of Education</u>

In fiscal year 2026-2027, the program proposes to focus on the following measurable outcomes:

- More favorable attitudes toward walking, biking, carpooling and the use of transit and micromobility to school, on the part of students, parents, faculty/staff and volunteers.
- Increased numbers of students walking, biking, carpooling and utilizing transit and micromobility as means of travelling to and from school.
- Increased levels of student, parent, faculty/staff and volunteer participation in education and encouragement activities related to healthy and environmentally sound lifestyles.
- Decreased traffic and congestion around schools, one byproduct of which will be improved air quality.
- Outreach to priority schools and their respective municipalities regarding the high injury network analysis
- Coordination of the School Travel Fellowship
- Coordination of the E-Bike Collaborative
    - Elevate opportunities for e-bike and e-scooter education and training, identification of street legal e-devices, assist school districts with policy development, bring all stakeholders together to address youth e-device usage
- Support of and encouragement for county-wide walk and bike to school days
- Increased participation across the county for county-wide walk and bike to school days
- Annual data collection – student travel tallies and parent/caregiver survey
- Coordination of Safe Routes to School educational services

EQUITY IMPACTS AND CONSIDERATIONS

The San Mateo County Safe Routes to School Program's commitment to equity extends to educational opportunities, outreach events, and partnerships to improve safety in priority schools. The program further prioritizes grant funding in schools that are in Equity Priority Communities.

ATTACHMENTS

1. RESOLUTION 26-49

The following attachments are available on the C/CAG website *(See "Additional Agenda Materials" for the relevant Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

2. Draft Amended No. 1 to the Agreement between C/CAG and SMCOE for FY 2026-2027

Back to Top

ATTACHMENT 1

RESOLUTION 26-49

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY AUTHORIZING AMENDMENT NO.1 TO THE AGREEMENT WITH THE SAN MATEO COUNTY SUPERINTENDENT OF SCHOOLS (SAN MATEO COUNTY OFFICE OF EDUCATION) FOR THE SAFE ROUTES TO SCHOOL PROGRAM, INCREASING THE CONTRACT BY $36,000 TO AN AMOUNT NOT TO EXCEED $857,331 FOR FISCAL YEAR 2026-27.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG), that:

WHEREAS, C/CAG funds the San Mateo County Safe Routes to School (SRTS) Program to encourage and enable students and their families to use active and sustainable modes of transportation, including walking, bicycling, carpooling, public transit, and micromobility, for travel to and from school; and

WHEREAS, the SRTS Program supports education, encouragement, outreach, and other activities intended to improve pedestrian and bicycle safety, reduce traffic congestion and school-related travel emissions, and promote the health, well-being, and safety of students throughout San Mateo County; and

WHEREAS, since 2010, C/CAG has partnered with the San Mateo County Superintendent of Schools, also referred to as the San Mateo County Office of Education (SMCOE), to administer and implement the SRTS Program; and

WHEREAS, on May 14, 2026, the C/CAG Board of Directors adopted Resolution 26-24, authorizing an agreement with SMCOE for implementation of the SRTS Program for Fiscal Year 2026-27, in an amount not to exceed $821,331; and

WHEREAS, SMCOE subsequently notified C/CAG of a $36,000 funding shortfall resulting from lower-than-anticipated funding from the California Office of Traffic Safety (OTS); and

WHEREAS, SMCOE has requested an additional $36,000 from C/CAG to address the funding shortfall, avoid impacts to planned SRTS activities, and maintain current program delivery during Fiscal Year 2026-27, and sufficient funds are available in the adopted Fiscal Year 2026-27 C/CAG budget to accommodate this request; and

WHEREAS, Amendment No. 1 will increase the agreement by $36,000, from $821,331 to a total amount not to exceed $857,331 for Fiscal Year 2026-27; and

WHEREAS, the additional funding request for the amended agreement will be provided through local Measure M funds available to C/CAG for implementation of the SRTS Program.

ATTACHMENT 1

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City/County Association of Governments of San Mateo County that the Board hereby:

1. **Approves Amendment No. 1** to the Agreement with the San Mateo County Superintendent of Schools (San Mateo County Office of Education) for implementation of the San Mateo County Safe Routes to School Program for Fiscal Year 2026-27, increasing the agreement by $36,000, for a revised total amount not to exceed $857,331; and
2. **Authorizes the C/CAG Executive Director** to execute Amendment No. 1 and take any other actions necessary to give effect to this Resolution, subject to review by C/CAG Legal Counsel.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026,

____

Michael Salazar, Chair

ITEM 3.9

C/CAG AGENDA REPORT

Date: September 10, 2026

To: C/CAG Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Review and approval of Resolution 26-50 authorizing the C/CAG Executive Director to execute Amendment No. 2 with Shaw Yoder Antwih Schmelzer & Lange, Inc. for State legislative advocacy services, extending the agreement through December 31, 2027, and increasing the not-to-exceed amount by $84,000 to $420,000.

(For further information or response to questions, contact Matt Petrofsky mpetrofsky@smcgov.org)

RECOMMENDATION

That the C/CAG Board review and approve Resolution 26-50 authorizing the C/CAG Executive Director to execute Amendment No. 2 with Shaw Yoder Antwih Schmelzer & Lange, Inc. for State legislative advocacy services, extending the agreement through December 31, 2027, and increasing the not-to-exceed amount by $84,000 to $420,000.

FISCAL IMPACT

The cost of the State legislative advocacy services for calendar year 2027 will be $84,000 ($7,000 per month). Amendment No. 2 would increase the agreement by $84,000, for a new not-to-exceed amount of $420,000.

SOURCE OF FUNDS

Funds for state legislative advocacy services for the first six months are included in the C/CAG FY2026/2027 budget, equally split between Congestion Relief and NPDES funds. Funding for services from July through December 2027 will be subject to the approval of the FY2027/2028 C/CAG budget.

BACKGROUND

On August 15, 2022, C/CAG staff issued a Request for Proposals for state legislative advocacy services. The purpose of the RFP was to retain a part-time consultant to 1) monitor and review new pending legislation, policies, and regulations, 2) advocate C/CAG's interests with the California Legislature and its members and other parties as appropriate, and 3) support the Legislative Committee.

On November 10, 2022, the C/CAG Board approved Resolution 22-97 authorizing the C/CAG Executive Director to execute an Agreement with Shaw Yoder Antwih Schmelzer & Lange, Inc. for State Legislative Advocacy Services from January 1, 2023 through December 31, 2025, at an amount not to exceed $252,000. That agreement includes an option to extend the contract for the 2026 and 2027 legislative sessions, under the same Agreement terms and at the rate of $7,000 per month.

Back to Top

On December 16, 2025, pursuant to Board approval of Resolution 25-72, C/CAG's Executive Director executed Amendment No.1 to the Agreement with Shaw Yoder Antwih Schmeltzer & Lange, Inc. for the 2026 legislative session, which extended the term of the contract through December 31, 2026, and added $84,000 for a new not-to-exceed amount of $336,000.

Staff now recommends that C/CAG extend its contract with Shaw Yoder Antwih Schmeltzer & Lange, Inc. for one additional year. The continuity of services this contract extension will provide serves C/CAG in three main ways:

1. Over the last four years Shaw Yoder Antwih Schmelzer & Lange, Inc has gained a strong institutional knowledge of the priorities of C/CAG and its member agencies, and of the relational dynamics among San Mateo County's stakeholders. This knowledge has provided value throughout the course of the contract, leading to successful funding requests and the advancement of C/CAG initiatives.

2. An extension with Shaw Yoder Antwih Schmelzer & Lange, Inc would allow C/CAG to contract for State Advocacy Services at the firm's existing rate, which remains unchanged since 2022 at $84,000 annually. This rate is favorable compared with rates for similar services obtained recently by other local and regional agencies.

3. A one-year contract extension will grant staff additional time to conduct a comprehensive RFP and transition to a consultant for the next multi-year term.

Staff recommends Board approval of Amendment No. 2 with Shaw Yoder Antwih Schmelzer & Lange, Inc. for State legislative advocacy services, extending the agreement through December 31, 2027, and increasing the not-to-exceed amount by $84,000 to $420,000.

EQUITY IMPACTS AND CONSIDERATIONS

Through enhanced State advocacy, C/CAG will strengthen its ability to secure competitive funding on behalf of all jurisdictions within San Mateo County. Increased investment enables the region to deliver projects that improve safety, expand mobility options, reduce greenhouse gas emissions, and enhance resilience, particularly in communities that have historically experienced underinvestment or disproportionate transportation burdens.

ATTACHMENT

1. Resolution 26-50

2. Draft Amendment No. 2 to the Agreement between C/CAG and Shaw Yoder Antwih Schmelzer & Lange

Back to Top

Attachment 1

RESOLUTION 26-50

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY AUTHORIZING THE C/CAG EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT NO. 2 WITH SHAW YODER ANTWIH SCHMELZER & LANGE, INC. FOR STATE LEGISLATIVE ADVOCACY SERVICES, EXTENDING THE AGREEMENT THROUGH DECEMBER 31, 2027, AND INCREASING THE NOT-TO-EXCEED AMOUNT BY $84,000 TO $420,000.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG); that,

WHEREAS, C/CAG is a joint powers agency representing all twenty-one local jurisdictions in San Mateo County, and

WHEREAS, the C/CAG Board has determined that it is vital and necessary that its interests be actively advocated for with the California Legislature and Administration, and

WHEREAS, C/CAG has determined that outside legislative advocacy services would be the most appropriate method to ensure that C/CAG is adequately represented in the legislative and administrative processes in the capitol of the State of California, and

WHEREAS, on August 15, 2022, C/CAG staff issued a Request for Proposals for state legislative advocacy services, and

WHEREAS, through a competitive process, Shaw Yoder Antwih Schmeltzer & Lange, Inc. was selected as the most qualified candidate to provide legislative advocacy services, and

WHEREAS, the Agreement established an initial completion date of December 31, 2025; and

WHEREAS, the Agreement includes an option to extend the term for the 2026 and 2027 legislative sessions, under the same Agreement terms and at the same rate of $7,000 per month, subject to approval by the C/CAG Board and execution of an amendment by the Parties; and

WHEREAS, on December 16, 2025, pursuant to Board approval of Resolution 25-72, C/CAG's Executive Director executed amendment No.1 to the Agreement with Shaw Yoder Antwih Schmelzer & Lange, Inc. for state legislative advocacy services for the 2026 legislative session, which extended the term of the contract through December 31, 2026, and added $84,000 for a new not-to-exceed amount of $336,000; and

WHEREAS, over the last four years Shaw Yoder Antwih Schmelzer & Lange, Inc has gained a strong institutional knowledge of the priorities of C/CAG and its member agencies, and of the relational dynamics among San Mateo County's stakeholders, which has provided value throughout the course of the contract, leading to successful funding requests and the advancement of C/CAG initiatives; and

WHEREAS, the existing contract allows for an extension of that contract for an additional year at the firms existing rate, which remains unchanged since 2022 at $84,000 annually, and which is favorable compared with rates for similar services obtained recently by other local and regional agencies; and

WHEREAS, a one-year contract extension will grant staff additional time to conduct a comprehensive RFP and transition to a consultant for the next multi-year term; and

WHEREAS, C/CAG and the Consultant now wish to amend the Agreement as set forth herein.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County, that the C/CAG Executive Director is hereby authorized to execute Amendment No. 2 with Shaw Yoder Antwih Schmelzer & Lange, Inc. for State legislative advocacy services, extending the agreement through December 31, 2027, and increasing the not-to-exceed amount by $84,000 to $420,000. Be it further resolved that the Board of Directors authorize the Executive Director to negotiate final terms prior to execution, subject to review by Legal Counsel.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

____

Michael Salazar, Chair

Back to Top

AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY AND SHAW YODER ANTWIH SCHMELZER & LANGE, INC.

WHEREAS, the City/County Association of Governments of San Mateo County (hereinafter referred to as "C/CAG") and Shaw Yoder Antwih Schmelzer & Lange, Inc. (hereinafter referred to as "Consultant") are parties to an Agreement originally dated November 10, 2022, for state legislative advocacy services for the C/CAG staff, the C/CAG Legislative Committee, and the C/CAG Board, covering the period of calendar years 2023, 2024, and 2025 (the "Project"); and

WHEREAS, the Agreement established an initial completion date of December 31, 2025; and

WHEREAS, the Agreement includes an option to extend the term for the 2026 and 2027 legislative sessions, under the same Agreement terms and at the same rate of $7,000 per month, subject to approval by the C/CAG Board and execution of an amendment by the Parties; and

WHEREAS, On December 16, 2025, pursuant to Board approval of Resolution 25-72, C/CAG's Executive Director executed Amendment No.1 to the Agreement with Shaw Yoder Antwih Schmelzer & Lange, Inc. for state legislative advocacy services for the 2026 legislative session, which extended the term of the contract through December 31, 2026, and added $84,000 for a new not-to-exceed amount of $336,000; and

WHEREAS, C/CAG and Consultant now wish to amend the Agreement to continue services for the 2027 legislative session, as set forth herein.

NOW, THEREFORE, IT IS HEREBY AGREED by C/CAG and Consultant as follows:

1. **Payment**. The aggregate total amount of payment in Section 2, "Payment," shall be increased from three hundred thirty-six thousand dollars ($336,000) to four hundred and twenty thousand dollars ($420,000).

2. **Term**. The term of the Agreement set forth in Section 5, "Contract Term/Termination," shall be extended to a new termination date of December 31, 2027.

3. Except as expressly amended herein, all other provisions of the Agreement shall remain in full force and effect.

This amendment shall take effect upon the date of execution by both parties.

Signatures on the following page

City/County Association of Governments (C/CAG)

Shaw Yoder Antwih Schmelzer & Lange, Inc (Consultant)

____

Kaki Cheung, Interim Executive Director

____

Date: _______________________

Date: _______________________

Approved as to form:

____

Melissa Andrikopoulos
Legal Counsel for C/CAG

ITEM 3.10

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim C/CAG Executive Director

Subject: Review and approval of Resolution 26-51 amending the Stormwater Committee guidelines to designate Shayan Serajeddini, Regulatory Compliance Analyst as the alternate representative for the City of Menlo Park.

(For further information or questions, contact Dan Sternkopf at dsternkopf@smcgov.org)

RECOMMENDATION

That the C/CAG Board review and approve Resolution 26-51 amending the Stormwater Committee guidelines to designate Shayan Serajeddini, Regulatory Compliance Analyst as the alternate representative for the City of Menlo Park.

FISCAL IMPACT

There is no fiscal impact related to this item.

SOURCE OF FUNDS

Not applicable.

BACKGROUND

C/CAG's Stormwater Committee was convened in November 2012 and was created to provide policy input and recommendations to the C/CAG Board of Directors on issues pertaining to compliance with the Municipal Regional Stormwater Permit, administered by the San Francisco Bay Regional Water Quality Control Board (Regional Water Board). The Committee is comprised of director-level staff from C/CAG's 21 member agencies, each city and the County represented by one seat, and a non-voting staff from the Regional Water Board.

At the October 12, 2023 C/CAG Board meeting, the Board approved the addition of alternates to the Stormwater Committee. The Stormwater Committee Guidelines also include the named executive level position(s) from each jurisdiction in the Committee roster. The C/CAG Board approved the appointment of these positions, automatically enlisting jurisdiction staff fulfilling these roles onto the Committee. This streamlines the appointment process, reducing the need for City Managers to recommend and the CCAG Board of Directors to approve a new member every time when there is a staffing change. For unique positions or situations where there are multiple positions (for example if a city has two Assistant Public Works Directors), the C/CAG Board makes individual named appointments.

Back to Top

The table below is an example.

Member Agency	TAC & Stormwater Committee Member	Alternate
City A	Public Works Director	City Engineer, or Assistant or Deputy Public Works Director

Recently, the City of Menlo Park submitted a formal request to change the appointed alternate on the Stormwater Committee, as reflected in Attachment 3. The changes are reflected below:

Member Agency	Stormwater Committee Member	Alternate
City of Menlo Park	Public Works Director	Regulatory Compliance Analyst, Shayan Serajeddini

Staff recommends that the C/CAG Board review and approve Resolution 26-51 adopting the revised membership guidelines for the Stormwater Committee (Attachment 1 and 2 respectively).

EQUITY IMPACTS AND CONSIDERATIONS

This item is necessary for the administration/operations of C/CAG.

ATTACHMENTS

1. Resolution 26-51
2. Stormwater Committee Guidelines (redlined)
3. Letter recommending Stormwater Representative from Justin Murphy, City Manager

Back to Top

RESOLUTION 26-51

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY ADOPTING THE AMENDED MEMBERSHIP GUIDELINES FOR THE STORMWATER COMMITTEE.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG), that

WHEREAS, C/CAG's existing bylaws designate a Stormwater Committee; and

WHEREAS, the Stormwater Committee is comprised of director-level staff who make technical and policy recommendations to the C/CAG Board of Directors related municipal stormwater permit compliance; and

WHEREAS, the Stormwater Committee Guidelines were last updated on December 22, 2020, September 21, 2023, September 12, 2024, March 13, 2025, June 12, 2025 and September 11, 2025; and

WHEREAS, at the request of the City of Menlo Park, C/CAG is amending the Stormwater Committee roster by designating Shayan Serajeddini, Regulatory Compliance Analyst as the City's alternate representative on the Committee.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the City/County Association of Governments of San Mateo County hereby adopts the amended membership guidelines for the Stormwater Committee.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

____

Michael Salazar, Chair

Attachment 2

Stormwater Committee Guidelines

Established: November 8, 2012
Revised: December 22, 2020/September 21, 2023/September 12, 2024/February 13, 2025/March 13, 2025/June 12, 2025/September 11, 2025, September 10, 2026

Description
The Stormwater Committee provides policy and technical advice and recommendations to the C/CAG Board of Directors and direction to technical subcommittees on all matters relating to stormwater management and compliance with associated regulatory mandates from the State Water Resources Control Board and San Francisco Bay Regional Water Quality Control Board.

The following are the general issues typically addressed by the Committee:

- Review and provide recommendations for the Countywide Water Pollution Prevention Program (Countywide Program)'s annual budget as part of the overall C/CAG budget approval process.
- Authorize submittal of countywide and regional compliance documents on behalf of their respective agencies for activities performed via C/CAG through the Countywide Program or the Bay Area Municipal Stormwater Collaborative (previously, the Bay Area Stormwater Management Agencies Association).
- Convey relevant program and compliance information and direction to appropriate staff and departments within their jurisdictions.
- Form ad-hoc work groups to address particular stormwater-related issues on an as-needed basis.
- Discuss and provide policy recommendations on stormwater issues, such as:
- funding stormwater compliance activities at the local and countywide level;
- unfunded mandate test claims;
- permit appeals and litigation;
- reissuance of the Municipal Regional Permit;
- permit requirements, especially those related to new and redevelopment, monitoring, and pollutants of concern, including trash, mercury, PCBs, and pesticides;
- training and technical support needs for municipal staffs
- legislation and statewide policy issues impacting member agencies

Membership
The Stormwater Committee includes director-level staff (or equivalent) with decision-making authority for implementing stormwater management programs within the member agencies in compliance with requirements in the Municipal Regional Permit. There is one representative from each of C/CAG's 21 member agencies, one representative from the San Mateo County Flood and Sea Level Rise Resiliency District (also known as OneShoreline), and one non-voting executive management representative from the Regional Water Quality Control Board staff.

Term Limits
There are no term limits for the Stormwater Committee. Members can remain on the Committee indefinitely or until a member voluntarily relieves themselves from the membership.

Chair and Vice Chair
The Chair and Vice Chair for the Stormwater Committee are annually nominated and voted upon by Committee members at a regularly scheduled meeting. The Chair manages the Committee meetings by calling the meeting to order, leading the Committee through the agenda topics,

Back to Top

monitoring meeting discussion to ensure all discussion remains on topic, and leading the motion and approval of all action items. The role of the Vice Chair is to support the Chair and act as a stand in should the Chair be unable to attend a meeting.

Selection and Appointment Process

To streamline the process and ensure continuous representation, the Roster Table can include designated positions and/or individually named appointments. The Roster Table also includes a Primary Member and an Alternate Member.

The C/CAG Board of Directors shall approve all appointments of Primary and Alternate Members.

Designated positions are executive level positions where there may be only one position (ie Public Works Director) in the agency or there may be multiple positions (i.e., having multiple Deputy Public Works Directors).

The C/CAG's Board of Directors will approve the appointment of these designated positions, effectively automatically appointing the staff member filling the designated position.

For designated positions where there are multiple positions, the jurisdiction or agency will need to propose a member by name, and the C/CAG Board will need to approve such appointment on an individual basis.

The City Manager or equivalent will notify the C/CAG Executive Director of any changes to the personnel filling the designated positions, or changes to the named positions themselves. The C/CAG Board will approve changes to the designated positions or name as necessary.

Interim or Acting appointments by the appropriate Executive to the designated positions where there is only one position (i.e., Public Works Director) are acceptable.

Primary Members

- Primary Stormwater Committee members for C/CAG's member agencies and OneShoreline shall be the Public Works Director (or executive level equivalent), City Engineer/Managing Engineer (or equivalent) held by a single person, or a staff member holding a comparable executive position identified by the jurisdiction or agency with responsibility for compliance under the Municipal Regional Permit.
- The Regional Water Quality Control Board member shall be the Watershed Management Supervisor or a specified staff holding a comparable executive position identified by the Regional Water Quality Control Board.

Alternate Members

- Each agency can have an alternate member.
- The alternate for C/CAG's member agencies and OneShoreline can be the City Engineer/Managing Engineer or Assistant or Deputy Director of Public (or equivalent) held by a single person, or a staff member holding a comparable executive position identified by the jurisdiction or agency with responsibilities for compliance under the Municipal Regional Permit.

Back to Top

- The alternate for the Regional Water Quality Control Board member can be the Watershed Management Manager or a staff member holding a comparable executive position identified by the Regional Water Quality Control Board.
- The alternate has the authority to cast votes in lieu of the primary member.
- Attendance of an alternate member will not be recorded as attendance for the primary member.

The Roster Table below identifies the primary and alternate Stormwater Committee members, either by designated position or by name, where necessary, of the 2023 Stormwater Committee:

Member Agency	**Primary Stormwater Committee Member**	**Alternate**
City of Atherton (Vice Chair)	Director of Public Works	Associate Engineer
City of Belmont	Director of Public Works	Assistant Public Works Director
City of Brisbane (Chair)	Director of Public Works/City Engineer	Regulatory Compliance Manager
City of Burlingame	Director of Public Works	Environmental Compliance Manager
City of Daly City	Director of Public Works	City Engineer
City of East Palo Alto	City Engineer	Environmental Services Aide
City of Foster City	Director of Public Works	Manager of Engineering
City of Half Moon Bay	Director of Public Works	Associate Engineer
City of Menlo Park	Director of Public Works	Regulatory Compliance Analyst, Shayan Serajeddini~~Assistant Public Works Director~~
City of Millbrae	Director of Public Works	City Engineer/Deputy Public Works Director
City of Pacifica	Deputy Director of Public Works/City Engineer	Director of Public Works
City of Redwood City	Engineering and Transportation Director	Senior Civil Engineer, Paige Saber
City of San Bruno	Director of Public Works	Deputy Director of Public Works, Hae Won Ritchie

Formatted Table

Back to Top

City of San Carlos	Director of Public Works	City Engineer
City of San Mateo	Director of Public Works	Deputy Public Works Director, Katherine Sheehan
City of South San Francisco	Director of Public Works/City Engineer	Deputy Public Works Director
San Mateo County	Director of Public Works	Deputy Director Engineering & Resource Protection
San Mateo County Flood and Sea Level Rise Resiliency District	Director of Project Management	Project Manager
Town of Colma	Director of Public Works and Planning	Deputy Public Works Director/City Engineer
Town of Hillsborough	Director of Public Works	Deputy Director of Public Works
Town of Portola Valley	Director of Public Works	Building Director
Town of Woodside	Director of Public Works/Town Engineer	Deputy Town Engineer
Regional Water Board	Watershed Management Supervisor	Watershed Management Manager

Attachment 3

City Manager's Office

CITY OF MENLO PARK

August 11, 2026

Reid Bogert
C/CAG of San Mateo County
555 County Center, 5th Floor
Redwood City, CA 94063-1665

Subject: C/CAG Stormwater Committee Alternative Member

Dear Mr. Bogert,

The City of Menlo Park is requesting to add Regulatory Compliance Analyst, Shayan Serajeddini, as an Alternative Member of the C/CAG Stormwater Committee in accordance with Public Works Director, Azalea Mitch.

If you have any questions, please feel free to contact Azalea Mitch at aamitch@menlopark.gov or 650-330-6692.

Sincerely,

DocuSigned by:
Justin Murphy
8379C4D5DD3E486...

Justin I. C. Murphy
City Manager

Cc: Azalea Mitch, Public Works Director
Shayan Serajeddini, Regulatory Compliance Analyst

Back to Top

Item 3.11

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim C/CAG Executive Director

Subject: Review and approval of Resolution 26-52 determining that the proposed amendment to the City of Burlingame Downtown Specific Plan (DSP) Table 3-2 height standard for the Chapin Avenue Commercial (CAC) district, and a related 5-story mixed-use development at 1430 Chapin Avenue, Burlingame, are consistent with the applicable airport/land use policies and criteria contained in the Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport (SFO ALUCP), subject to conditions.

(For further information please contact Matt Petrofsky, mpetrofsky@smcgov.org)

RECOMMENDATION

That the C/CAG Board of Directors, acting as the San Mateo County Airport Land Use Commission, approve a resolution determining that (a) the proposed DSP Table 3-2 amendment increasing the CAC district Special Permit height maximum from 55 feet to 75 feet, and (b) the proposed mixed-use development at 1430 Chapin Avenue, are conditionally consistent with the SFO ALUCP subject to the six conditions set forth in Exhibit A to the attached resolution, the principal of which are summarized below:

1. Prior to issuance of any building permit for 1430 Chapin Avenue, the project sponsor shall obtain and submit a site-specific reading of the SFO ALUCP critical aeronautical surface (Exhibits IV-17/18) elevation at the project parcel, expressed in true NAVD88 AMSL, together with confirmation that the highest point of the proposed structure does not penetrate that surface.
2. For the DSP Table 3-2 amendment, the City of Burlingame shall require a parcel-specific AP-3 showing (per Condition 1) for any future Special Permit application within the CAC district relying on the amended 75-foot maximum.
3. The City of Burlingame shall formally advise the project sponsor of the real estate disclosure requirements outlined in Policy IP-1 of the SFO ALUCP.

Back to Top

BACKGROUND/ PROJECT DESCRIPTION

The City of Burlingame has referred (1) a proposed 87,307-square-foot, five-story mixed-use development on a 0.70-acre site at 1430 Chapin Avenue (APN 029-121-440), with a proposed building height of 75 feet via Special Permit plus a rooftop mechanical screen reaching approximately 84 feet above grade, and (2) a related district-wide amendment to DSP Table 3-2 increasing the Chapin Avenue Commercial (CAC) district Special Permit height maximum from 55 feet to 75 feet. The CAC district extends along Chapin Avenue between El Camino Real and Primrose Road, and encompasses approximately 20 parcels, per the DSP Land Use chapter (burlingame.org/DocumentCenter/View/633/30-Land-Use-PDF). Ground elevation at 1430 Chapin Avenue is estimated at 32–38 feet AMSL (USGS) per the application materials; an NGS-sourced reading independently retrieved by staff at the parcel's coordinates (37.578164, -122.350608) returned 37.67 feet AMSL, consistent with that range.

Environmental Review: An Initial Study and Mitigated Negative Declaration has been prepared for the project. The IS/MND was published for a 30-day public review period on July 27, 2026 (State Clearinghouse No. 2026071049).

Development Project Information:

1. Latitude/Longitude of development site (WGS84, center of parcel, per Fuscoe Engineering, 7/27/26): Latitude 37° 34′ 41.39″ N; Longitude 122° 21′ 02.19″ W
2. Ground elevation: approximately 32-38 ft above mean sea level (USGS, per FAA OE/AAA Pre-Screening Tool; consistent with project surveyor NAVD88 estimate). Note: the City-provided average top of curb of 103.08 ft used for City height measurement is on a local assumed datum, not a sea-level reference.
3. Maximum building height: 75 ft above grade per the proposed DSP standard; approximately 84 ft above grade to top of rooftop mechanical screen (highest point of structure); overall height approximately 122 ft above mean sea level. FAA OE/AAA Pre-Screening Tool result (7/27/26): no notice to the FAA required (see attached exhibit).
4. Scaled plans – see Exhibits Package

Basis of Referral

California Government Code Section 65302.3 requires that a local agency's General Plan and any affected specific plan be consistent with the applicable airport/land use criteria in the adopted ALUCP. Because the proposed action would amend an adopted specific plan within the SFO Airport Influence Area, Public Utilities Code (PUC) Section 21676(b) requires that the amendment be referred to the ALUC for a consistency determination prior to adoption, and the related development project has been referred together with the amendment for concurrent review. (Burlingame's local plans and Zoning Code Chapter 25.24 have previously been brought into consistency with the SFO ALUCP through prior C/CAG Board actions. The individual-project review track of PUC Section 21676.5(a) is therefore not the operative basis of referral.) Accordingly, the City has referred both items to C/CAG, acting as the San Mateo County Airport Land Use Commission, for a determination of consistency with the SFO ALUCP.

Per the application materials, an FAA Obstruction Evaluation/Airport Airspace Analysis (OE/AAA) Pre-Screening Tool screening dated July 27, 2026 indicated no FAA notification was required for the structure at its proposed height.

Back to Top

Discussion

ALUCP Consistency Evaluation

The SFO ALUCP contains policies and criteria addressing four issues relevant to this referral: (a) aircraft noise compatibility; (b) safety compatibility; (c) height of structures/airspace protection; and (d) real estate disclosure. The following sections address each, which are also stated in Chapter 25.24 of the Burlingame Zoning Code, Comprehensive Airport Land Use Compatibility Plan Consistency.

Aircraft Noise Compatibility

The 65 dB CNEL (Community Noise Equivalent Level) aircraft noise contour defines the threshold for airport noise impacts established in the SFO ALUCP. The CAC district, including the subject property, lies entirely outside this contour and is therefore determined to be consistent with the SFO ALUCP noise policies and criteria.

Safety Compatibility

The SFO ALUCP includes five safety zones and related land use compatibility policies and criteria. The CAC district, including the project site, is located entirely outside the safety zones established in the SFO ALUCP. The proposed amendment and project are therefore consistent with the SFO ALUCP safety compatibility policies and criteria.

Height of Structures/Airspace Protection

Structure Height

Pursuant to SFO ALUCP Policy AP-3, *the maximum height of a new building must be the lower of (1) the height shown on the SFO Critical Aeronautical Surfaces map or (2) the maximum height determined not to be a "hazard to air navigation" by the FAA in an aeronautical study prepared pursuant to the filing of Form 7460-1*. (Consolidated CCAG ALUCP, Nov. 2012; CCAG Attachment A, AP-3 text)

Prong 2 (FAA determination) is not triggered (rather than "satisfied"): the FAA OE/AAA Pre-Screening Tool result (July 27, 2026) shows that no Form 7460-1 filing is required at the proposed structure height. Because no filing is required, no FAA aeronautical study or hazard determination exists or is needed, and the AP-3 "lower of" test resolves under prong (1) alone. The screening result affirmatively supports consistency, but it is not an FAA "determination."

Prong 1 (critical aeronautical surfaces map) is not yet satisfied on the current record. The governing reference under AP-3 is the combined critical aeronautical surfaces shown on SFO ALUCP Exhibits IV-17 (northwest side) and IV-18 (southeast side), which integrate Part 77, FAA TERPS instrument-procedure surfaces, and one-engine-inoperative (OEI) departure surfaces into a single controlling elevation at each location, per the ALUCP's 2012 methodology update.
A visual review of the published Exhibit IV-18 map suggests the critical surface in the vicinity of Downtown Burlingame may fall roughly in the 163–210-foot AMSL range; if accurate, the project's reported maximum height (≈122 feet AMSL, combining a ≈38-foot ground elevation with the 84-

foot structure/screen height) would fall below that range. However, SFO ALUCP Exhibits IV-17/18 themselves state they are provided for "informational and conceptual planning purposes" only, "do not represent actual survey data," and are not intended as "the sole source of information regarding compatibility with airspace clearance requirements." A map read therefore cannot substitute for the tool-based or survey-based showing that AP-3 requires, and staff does not rely on this figure as a consistency finding.

Because the district-wide DSP Table 3-2 amendment would extend the 75-foot allowance to approximately 20 parcels along Chapin Avenue, each sitting at a different point on the critical-surface gradient and at a different ground elevation, a single site reading — even once obtained — could not establish consistency for the district as a whole. Staff recommends Condition 2 (parcel-specific showing at future Special Permit review) to address this.

Other Flight Hazards

Within the Airport Influence Area, certain land use characteristics are recognized as hazards to air navigation and, per SFO ALUCP Policy AP-4, must be evaluated for compatibility with FAA rules and regulations. These characteristics include:

- Sources of glare, such as highly reflective buildings, building features, or bright lights, including search lights or laser displays, that would interfere with the vision of a pilot in command of an aircraft in flight;
- Distracting lights that could be mistaken for airport identification lighting, runway edge lighting, runway end identification lighting, or runway approach lighting;
- Sources of dust, smoke, water vapor, or steam that may impair the visibility of a pilot in command of an aircraft in flight;
- Sources of electrical/electronic interference with aircraft communications/navigation equipment; or
- Any use that creates an increased attraction for wildlife, particularly large flocks of birds, inconsistent with FAA rules and regulations, including FAA Order 5200.5A and FAA Advisory Circular 150/5200-33B and any successor or replacement orders or circulars.

AP-4 was not addressed in the application materials reviewed by staff. Staff recommends Condition 6 to confirm compliance prior to permit issuance.

Height Datum Reconciliation

The application materials reference a locally assumed site datum (103.08 feet) that the application reconciles only approximately to NAVD88 (noting the curb reference lies roughly 68 feet above the NAVD88 datum), and the FAA OE/AAA Pre-Screening Tool submission’s 84-foot structure height figure has not been confirmed against the as-designed top of the rooftop mechanical screen. Staff recommends Condition 3 to resolve both items prior to permit issuance, since the AP-3 prong-1 and prong-2 showings both depend on an accurate, common height reference.

Real Estate Disclosure

The project site is located within the Airport Influence Area of SFO (Area B), the real estate disclosure area. Pursuant to Policy IP-1, notification is required, prior to sale or lease of property located within the AIA, of the proximity of the airport and that the property may be subject to some

Back to Top

of the annoyances or inconveniences associated with proximity to airport operations. Staff recommends Condition 4 to ensure consistency with this provision.

Equity Impacts and Considerations
The C/CAG Board of Directors is the designated Airport Land Use Commission for San Mateo County, mandated by State law to develop and administer ALUCPs for each airport in its jurisdiction. The overall purpose of ALUCP policies and procedures, and the companion ALUCP consistency review process, is to minimize the public's exposure to excessive noise and safety hazards while providing for the orderly expansion of airports. This planning effort applies to all areas located within the Airport Influence Area (AIA).

ATTACHMENTS

1) Resolution 26-52

The following attachments are available on the C/CAG website (See "Additional Agenda Materials" for the relevant Board Meeting) at: https://ccag.ca.gov/committees/board-of-directors-2/

2) Application materials, project description, and plan set excerpts
   a) Proposed DSP Amendment: Table 3-2 redline (Height, CAC district)
   b) SFO Airport Influence Area B map (ALUCP Exhibit IV-2) with project site identified
   c) FAA OE/AAA Pre-Screening Tool result (no FAA notice required)
   d) Downtown Specific Plan zoning map, with Chapin Avenue Commercial (CAC) zoning district.
   e) Chapin Project Plans, including ALTA/NSPS Land Title Survey, 1430 Chapin Avenue (Luk & Associates, Nov. 2021)
3) SFO ALUCP Exhibit IV-6 – Noise Compatibility Zones
4) SFO ALUCP Exhibit IV-8 – Safety Compatibility Zones
5) SFO ALUCP Exhibits IV-17/18 – Critical Aeronautical Surfaces (NW/SE sides) — site-specific reading pending; see flagged data gap above
6) Related Memorandums provided by the City of Burlingame

RESOLUTION 26-52

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY, ACTING AS THE SAN MATEO COUNTY AIRPORT LAND USE COMMISSION, DETERMINING THAT THE PROPOSED AMENDMENT TO THE CITY OF BURLINGAME DOWNTOWN SPECIFIC PLAN (DSP) TABLE 3-2 HEIGHT STANDARD FOR THE CHAPIN AVENUE COMMERCIAL (CAC) DISTRICT, AND A RELATED 5-STORY MIXED-USE DEVELOPMENT AT 1430 CHAPIN AVENUE, BURLINGAME, ARE CONSISTENT WITH THE APPLICABLE AIRPORT/LAND USE POLICIES AND CRITERIA CONTAINED IN THE COMPREHENSIVE AIRPORT LAND USE COMPATIBILITY PLAN FOR THE ENVIRONS OF SAN FRANCISCO INTERNATIONAL AIRPORT (SFO ALUCP), SUBJECT TO CONDITIONS.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG), in its capacity as the San Mateo County Airport Land Use Commission, that,

WHEREAS, California Government Code Section 65302.3 requires that a local agency General Plan and any affected specific plan be consistent with the applicable airport/land use criteria in the relevant adopted Airport Land Use Compatibility Plan (ALUCP), and, per PUC Section 21676.5(a), if a jurisdiction has not made its local plans consistent with the ALUCP, proposed development projects and plan amendments within the Airport Influence Area may be subject to ALUC review; and

WHEREAS, Burlingame adopted a Zoning Ordinance update in 2021 that included Chapter 25.24, "Comprehensive Airport Land Use Compatibility Plan Consistency," and subsequently amended the chapter as a condition of a 2023 determination by the C/CAG Board, acting as the ALUC (Resolution 23-89), that found the update conditionally consistent with the SFO ALUCP, subject to amendments to Chapter 25.24 and other zoning provisions; and

WHEREAS, the City of Burlingame has referred (1) a proposed amendment to Downtown Specific Plan (DSP) Table 3-2 raising the Chapin Avenue Commercial (CAC) district Special Permit height maximum from 55 feet to 75 feet, and (2) a related 5-story mixed-use development at 1430 Chapin Avenue, both located within Airport Influence Area B of San Francisco International Airport (SFO), to C/CAG, acting as the San Mateo County Airport Land Use Commission, for a determination of consistency with the SFO ALUCP; and

WHEREAS, four sets of airport/land use compatibility policies and criteria in the SFO ALUCP relate to these items: (a) noise compatibility; (b) safety compatibility; (c) airspace protection; and (d) real estate disclosure, as discussed below:

a) Noise Compatibility – The 65 dB CNEL aircraft noise contour defines the threshold for airport noise impacts established in the SFO ALUCP. The CAC district, including the subject property, lies entirely outside this contour and is therefore consistent with the SFO ALUCP noise policies and criteria.
b) Safety Compatibility – The SFO ALUCP includes five safety zones and related land use compatibility policies and criteria. The CAC district, including the project site, is located

Back to Top

outside these safety zones, and the proposed amendment and project are therefore consistent with the safety compatibility policies.

c) Airspace Protection – Structure Height – Pursuant to SFO ALUCP Policy AP-3, the maximum height of a new building must be the lower of (1) the height shown on the SFO Critical Aeronautical Surfaces map (Exhibits IV-17/18) or (2) the maximum height determined not to be a "hazard to air navigation" by the FAA. The FAA OE/AAA Pre-Screening Tool result (July 27, 2026) confirms that no FAA notification is required, so prong (2) is not triggered and the determination rests entirely on prong (1). Prong (1) has not yet been established: staff's attempt to obtain a site-specific Exhibit IV-17/18 reading through the SFO/C/CAG iALP Online Airspace Tool was unsuccessful due to a confirmed technical malfunction in the tool's coordinate-conversion function, and no critical-surface elevation has been independently verified for the site or for the broader CAC district; and
d) Other Flight Hazards – Per SFO ALUCP Policy AP-4, certain land use characteristics are recognized as hazards to air navigation. This item was not addressed in the application materials and remains subject to Condition 6, below; and

WHEREAS, the project site is located within the Airport Influence Area (AIA) of SFO (Area B), the real estate disclosure area, and Policy IP-1 requires notification, prior to sale or lease of property within the AIA, of the property's proximity to airport operations; a condition is included below to ensure compliance; and

WHEREAS, the Airport Land Use Committee reviewed this item at its meeting of August 27, 2026, and recommended that the Board make the determination set forth below;

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the City/County Association of Governments for San Mateo County, acting as the San Mateo County Airport Land Use Commission, that, subject to the conditions contained in Exhibit A, attached, the proposed amendment to the City of Burlingame Downtown Specific Plan (DSP) Table 3-2 Height Standard for the Chapin Avenue Commercial (CAC) District, and a related 5-story mixed-use development at 1430 Chapin Avenue, Burlingame, are determined to be conditionally consistent with the policies and criteria contained in the Comprehensive Airport Land Use Compatibility Plan for the Environs of San Francisco International Airport.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

____

Michael Salazar, Chair

Back to Top

EXHIBIT A

Conditions of Consistency Determination:

1. Prior to issuance of any building permit for 1430 Chapin Avenue, the project sponsor shall obtain and submit a site-specific reading of the SFO ALUCP Exhibit IV-17/18 critical aeronautical surface elevation at the project parcel, expressed in true NAVD88 AMSL — via the SFO/C/CAG iALP Online Airspace Tool once its current coordinate-conversion malfunction is resolved, or via direct engagement with SFO Airport Planning and Environmental Affairs staff for an equivalent GIS-based reading — together with written confirmation that the highest point of the proposed structure, including the rooftop mechanical screen, does not penetrate that surface.

2. For the DSP Table 3-2 amendment, the City of Burlingame shall require that any future Special Permit application within the CAC district relying on the amended 75-foot maximum include a parcel-specific AP-3 showing consistent with Condition 1, independent of this district-level finding, given that critical-surface elevation and ground elevation both vary across the approximately 20 parcels between El Camino Real and Primrose Road.

3. Prior to issuance of a building permit, the project sponsor shall reconcile the locally assumed site datum (103.08 feet) with true NAVD88 AMSL and confirm that the FAA OE/AAA Pre-Screening Tool submission accurately reflects the highest point of the structure as designed, including the rooftop mechanical screen.

4. The City of Burlingame shall formally advise the project sponsor of the real estate disclosure requirements outlined in Policy IP-1 of the SFO ALUCP.

5. Prior to issuance of any building or grading permit, the project sponsor shall determine the maximum height of any construction equipment or cranes and, if required, file FAA Form 7460-1 for such equipment, submitting the determination in writing.

6. Prior to issuance of a building permit, the project sponsor shall confirm in writing that the proposed project does not include design features that would constitute "Other Flight Hazards" under SFO ALUCP Policy AP-4 (glare, distracting lighting, dust/smoke/steam, electronic interference, or wildlife attractants).

Back to Top

Item 3.12

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim C/CAG Executive Director

Subject: Review and approval of Resolution 26-53 determining that the plan for the El Granada Community Park & Recreation Center (Burnham Strip), 480 Avenue Alhambra, El Granada, San Mateo County (Planning Case No. PLN2026-00225), is consistent with the applicable airport/land use policies and criteria contained in the Comprehensive Airport Land Use Compatibility Plan for the Environs of Half Moon Bay Airport (HAF ALUCP), subject to condition.

(For further information please contact Matt Petrofsky, mpetrofsky@smcgov.org)

RECOMMENDATION

That the C/CAG Board of Directors, acting as the Airport Land Use Commission, determine that the plan for the El Granada Community Park & Recreation Center (Burnham Strip), 480 Avenue Alhambra, El Granada, San Mateo County (Planning Case No. PLN2026-00225), is consistent with the applicable airport/land use policies and criteria contained in the Comprehensive Airport Land Use Compatibility Plan for the Environs of Half Moon Bay Airport (HAF ALUCP), subject to the following conditions:

1. Prior to issuance of any building or grading permit, the project sponsor shall submit written confirmation that the existing on-site seasonal wetland/drainage habitat features and the proposed bioretention areas do not constitute a material increase in hazardous wildlife attraction under FAA Advisory Circular 150/5200-33B or any successor circular (currently AC 150/5200-33C).
2. The Granada Community Services District shall provide the standard airport-proximity and overflight disclosure notice applicable to properties within the Airport Influence Area (Zone 7).
3. No new structure on the project site shall exceed 100 feet above ground level (AGL), and no new tree planting or improvement reasonably expected to exceed 100 feet AGL at maturity shall be installed, without further review and approval by the Airport Land Use Commission.
4. Prior to commencement of construction, the project sponsor shall determine the maximum height of construction equipment and screen those heights against the notification criteria of 14 CFR Section 77.9 (including the 100:1 notification surface that applies within 20,000 feet of the runway), and file FAA Form 7460-1 where notice is required, providing the resulting determination in writing to the County and ALUC staff.

BACKGROUND/ PROJECT DESCRIPTION

The Granada Community Services District (GCSD), an independent special district, proposes to develop the "Burnham Strip" — a collection of parcels inland of Highway 1 in unincorporated El Granada, San Mateo County — into the Granada Community Park & Recreation Center. The project comprises three character areas: an approximately 1.9-acre Intermittent Drainage/Dirt Lot/Burnham Creek Riparian Zone with no proposed development; an approximately 1.7-acre Active Recreation Zone (play structures, picnic area, skate/scooter zone, dog park, half basketball court, fitness stations, modular restroom, 16 parking stalls); and an approximately 3.4-acre Community Recreation Center and Passive Recreation Zone (a renovated ±2,815 sf building and a new ±3,000 sf single-story building, open grassland, walking trails, 20 parking stalls). Proposed grading is 1,560 cubic yards cut / 3,450 cubic yards fill (net import). No significant tree removal is proposed. The project's Arborist's Report identifies only one non-native, declining tree (a 20-foot Victorian box) for removal; all nine regulated blue gum eucalyptus along Burnham Creek are retained (see Existing Vegetation Height, below).

Applicant: Tom Conroy, Kankel Conroy Rose & Hill Landscape Architecture. Owner: Granada Community Services District. Assessor's Parcel Numbers 047-251-100, 047-251-110, and 047-262-010 were merged per an April 2025 Lot Merger Topographic Survey into a single 6.96±-acre site (7.29 acres per the biological study area boundary used in the project's Aquatic Resources Delineation). Ground elevation is described in the Initial Study/Mitigated Negative Declaration (IS/MND) as 15–20 feet above mean sea level, without a stated vertical datum.

Environmental Review: An IS/MND for the Granada Community Park & Recreation Center was released for public review in May 2024 and approved by the GCSD Board of Directors in March 2025.

Development Project Information:

1. Assessor's Parcel Numbers: 047-251-100 (35,963.05± sf), 047-251-110 (31,235.38± sf), 047-262-010 (5.42± ac); merged site 6.96± acres (April 2025 Lot Merger Topographic Survey), or 7.29 acres per the biological study area boundary.
2. Ground elevation: approximately 15–20 feet above mean sea level per the IS/MND; no vertical datum stated in the record reviewed.
3. Maximum building height: single-story throughout — a renovated ±2,815 sf building and a new ±3,000 sf building, both far below the 100-foot AGL airspace-review threshold.
4. Existing vegetation: nine regulated blue gum eucalyptus (Trees #1–9) along Burnham Creek per the certified Arborist's Report (Jan. 20/21, 2026); tallest estimated at 225 feet (Tree #9). None proposed for removal.
5. Grading: 1,560 cubic yards cut / 3,450 cubic yards fill (net import).
6. Scaled plans and project narrative — see Exhibits Package. Note: the Project Plans (Appendix A), IS/MND (Appendix B), and Biological Resources Assessment (Appendix F) PDFs submitted with the referral were corrupted on receipt and could not be reviewed by staff; resubmission has been requested.

Basis of Referral

Public Utilities Code Section 21676.5(a) provides for ALUC review of individual development actions where a local agency has not made its general plan or specific plan consistent with the applicable ALUCP; the statute does not speak in terms of special-district "facilities master plans." For a special district such as GCSD, whose facilities are not governed by a city or county general

Back to Top

plan, the referral obligation arises under the HAF ALUCP's own review policies for development proposals by special districts. GCSD has not produced a Section 4.1.11 special-district exemption from ALUC review; accordingly, the County of San Mateo has referred the project to C/CAG, acting as the San Mateo County Airport Land Use Commission, for a determination of consistency with the HAF ALUCP.

Per the Agency Referral Sheet (Planning Case No. PLN2026-00225, dated July 14, 2026), the project was formally referred to the Airport Land Use Commission among approximately a dozen referral agencies, with a response requested by July 28, 2026. That referral-sheet date is a courtesy deadline for commenting agencies; the operative ALUC review period properly runs from receipt of a complete referral package. County Planning's pre-application comments (Summary Letter / Appendix C) independently confirm the site lies within the Half Moon Bay Airport Influence Area Requirements and that the project must comply with FAA safety and lighting standards.

DISCUSSION

ALUCP Consistency Evaluation

The HAF ALUCP contains policies and criteria addressing four issues relevant to this referral: (a) aircraft noise compatibility; (b) safety/intensity compatibility; (c) height of structures/airspace protection, including existing vegetation and other flight hazards; and (d) real estate disclosure. The following sections address each.

Aircraft Noise Compatibility

The 60 dB CNEL (Community Noise Equivalent Level) aircraft noise contour defines the noise compatibility threshold established in the HAF ALUCP. Based on the ALUCP's adopted 2032 noise contour exhibit (Exhibit 4B), the project site — approximately 1.5+ miles from the runway — lies entirely outside this contour and is therefore consistent with the HAF ALUCP noise policies and criteria.

Safety/Intensity Compatibility

HAF ALUCP establishes seven compatibility zones (Exhibit 4C). The project site is located outside Zones 1 through 6 and lies entirely within Zone 7, the Airport Influence Area (AIA), which permits non-residential development of up to 300 persons per acre and requires that a minimum of 10 percent of the site remain as open land. The project's maximum credible combined peak occupancy is approximately 43 persons per acre computed across the full ≈7.0-acre site, and no more than approximately 88 persons per acre under the most conservative single-area worst-case scenario — in each case well below the 300-persons-per-acre threshold. The approximately 1.9-acre drainage/riparian zone left undeveloped, together with additional open grassland within the Passive

Recreation Zone, substantially exceeds the 10 percent open-land requirement. The project is therefore consistent with the HAF ALUCP safety/intensity compatibility policies and criteria.

Height of Structures/Airspace Protection

Structure Height

Within Zone 7 (AIA), the HAF ALUCP requires ALUC airspace review only for proposed structures exceeding 100 feet above ground level (AGL). The tallest structures proposed by the project — a renovated single-story building of approximately 2,815 square feet and a new single-story building of approximately 3,000 square feet — fall far below this threshold, and no ALUC airspace review is triggered by the project's proposed construction.

Existing Vegetation Height

The certified Arborist's Report (Kankel Conroy Rose & Hill, dated January 20/21, 2026) identifies nine regulated blue gum eucalyptus along Burnham Creek, none proposed for removal. Estimated heights for five of the nine exceed the AIA's 100-foot AGL airspace-review trigger: Tree #9 at an estimated 225 feet, Tree #8 at 200 feet, Tree #1 (off-property) at 200 feet, and Trees #2 and #7 at 180 feet each.

Because these are existing trees being retained, not new structures proposed by the applicant, they do not by themselves render the project inconsistent with the HAF ALUCP's height criteria, which are oriented toward proposed construction. However, no document in the referral record contains an FAA obstruction evaluation, Part 77 critical-surface elevation, or prior airspace clearance for this grove, and staff has not independently confirmed the critical surface elevation at this location (approximately 1.5+ miles from the runway).

Staff makes an advisory recommendation to the project sponsor that they, in coordination with the Half Moon Bay Airport operator (County of San Mateo), confirm the applicable Part 77 critical-surface elevation at the project site and whether the existing eucalyptus grove — specifically Tree #9, estimated at 225 feet — has previously undergone FAA obstruction evaluation, or that it does not penetrate the applicable surface. This advisory recommendation does not constitute a condition of ALUCP consistency evaluation.

Other Flight Hazards — Wildlife Attractants

Within all compatibility zones, including the AIA, the HAF ALUCP prohibits land uses that constitute hazards to flight, including uses that increase the attraction of wildlife, particularly large flocks of birds, inconsistent with FAA rules and regulations, including FAA Advisory Circular 150/5200-33B, Hazardous Wildlife Attractants on or Near Airports.

The project site includes a small (0.070-acre) seasonal freshwater wetland, two intermittent drainages (0.036 acre / 448 linear feet), and a 0.015-acre ephemeral drainage — none of which contain a permanent pond, lake, or open-water feature of the kind most directly targeted by FAA guidance. The project's proposed stormwater design uses four small lined bioretention areas (1,795 square feet total) engineered for storm-event-only ponding that drains within approximately four

Back to Top

hours, not permanent or seasonal detention. No agency comment letter or biological report reviewed identifies these features as an airport wildlife attractant.
Staff's conclusion is qualified, however, by the unavailability of the Biological Resources Assessment (Appendix F) and the IS/MND (Appendix B), which were corrupted on receipt and could not be reviewed; Condition 1 is recommended to close that gap prior to permit issuance.

Real Estate Disclosure

The project site is located within the Airport Influence Area of the Half Moon Bay Airport, the real estate disclosure area established by the HAF ALUCP. Staff recommends Condition 3 to ensure the required airport-proximity disclosure notice is provided.

Equity Impacts and Considerations

The C/CAG Board of Directors is the designated Airport Land Use Commission for San Mateo County, mandated by State law to develop and administer ALUCPs for each airport in its jurisdiction. The overall purpose of ALUCP policies and procedures, and the companion ALUCP consistency review process, is to minimize the public's exposure to excessive noise and safety hazards while providing for the orderly expansion of airports. This planning effort applies to all areas located within the Airport Influence Area (AIA) and supports the development and public use of the El Granada Community Park & Recreation Center as a community recreation resource.

ATTACHMENTS

1. Resolution 26-53

The following attachments are available on the C/CAG website (See "Additional Agenda Materials" for the relevant Board Meeting) at: https://ccag.ca.gov/committees/board-of-directors-2/

2. Application materials, project description, and plan set excerpts
3. Agency Referral Sheet, Application Forms 1–4, and companion pages
4. HAF ALUCP Exhibit 4B – Noise Compatibility Contours
5. HAF ALUCP Exhibit 4C – Compatibility Zones Map
6. Pre-Application Comment Summary Letter (Appendix C)
7. Arborist's Report (Appendix I)
8. Aquatic Resources Delineation (Appendix G)
9. Preliminary Stormwater Management Plan (Appendix J)
10. Lot Merger Topographic Survey (Appendix K)

Attachment 1

Resolution 26-53

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY, ACTING AS THE SAN MATEO COUNTY AIRPORT LAND USE COMMISSION, DETERMINE THAT THE PLAN FOR THE EL GRANADA COMMUNITY PARK & RECREATION CENTER (BURNHAM STRIP), 480 AVENUE ALHAMBRA, EL GRANADA, SAN MATEO COUNTY (PLANNING CASE NO. PLN2026-00225), IS CONSISTENT WITH THE APPLICABLE AIRPORT/LAND USE POLICIES AND CRITERIA CONTAINED IN THE COMPREHENSIVE AIRPORT LAND USE COMPATIBILITY PLAN FOR THE ENVIRONS OF HALF MOON BAY AIRPORT, SUBJECT TO CONDITIONS.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG), in its capacity as the San Mateo County Airport Land Use Commission, that,

WHEREAS, the Airport Land Use Compatibility Plan for the Environs of Half Moon Bay Airport (ALUCP) requires Airport Land Use Commission (ALUC) review of development proposals by special districts within the Airport Influence Area, and Public Utilities Code (PUC) Section 21676.5(a) separately provides for ALUC review of individual development actions where local general plans or specific plans have not been made consistent with the applicable ALUCP; and

WHEREAS, the Granada Community Services District (GCSD), an independent special district, proposes to develop the Granada Community Park & Recreation Center on the Burnham Strip parcels in El Granada, San Mateo County, comprising approximately 6.96± acres (APNs 047-251-100, 047-251-110, and 047-262-010, merged per an April 2025 Lot Merger Topographic Survey); the site lies within the Airport Influence Area of the Half Moon Bay Airport, and GCSD has not obtained a Section 4.1.11 special-district exemption from ALUC review, such that this proposed development action — Planning Case No. PLN2026-00225 — has been referred by the County of San Mateo to C/CAG, acting as the San Mateo County Airport Land Use Commission, for a determination of consistency with the Airport Land Use Compatibility Plan for the Environs of Half Moon Bay Airport (HAF ALUCP); and

WHEREAS, six sets of airport/land use compatibility policies and criteria in the HAF ALUCP relate to this project: (a) noise compatibility; (b) safety/intensity compatibility; (c) airspace protection – structure height; (d) airspace protection – existing vegetation height; (e) other flight hazards, including wildlife attractants; and (f) real estate disclosure, as discussed below:

a) Noise Compatibility – The 60 dB CNEL aircraft noise contour defines the noise compatibility threshold established in the HAF ALUCP. Based on the ALUCP's adopted 2032 noise contour exhibit, the project site lies entirely outside this contour and is therefore consistent with the HAF ALUCP noise policies and criteria; and
b) Safety/Intensity Compatibility – The project site lies entirely within Zone 7, the Airport Influence Area (AIA), which permits up to 300 persons per acre and requires a minimum

of 10 percent open land. The project's maximum credible combined peak occupancy is approximately 43 persons per acre computed across the full site, and no more than approximately 88 persons per acre under the most conservative single-area worst-case scenario, in each case well below the threshold, and open land on the site substantially exceeds the 10 percent requirement; the project is therefore consistent with the HAF ALUCP safety/intensity compatibility policies and criteria; and

c) Airspace Protection – Structure Height – Within Zone 7 (AIA), ALUC airspace review is required only for proposed structures exceeding 100 feet above ground level (AGL). The tallest proposed structures — single-story buildings of approximately 2,815 and 3,000 square feet — fall far below this threshold, and no ALUC airspace review is triggered by the project's proposed construction; and
d) Airspace Protection – Existing Vegetation Height – The project's certified Arborist's Report identifies nine regulated blue gum eucalyptus along Burnham Creek, none proposed for removal, five of which are estimated to exceed 100 feet AGL, including Tree #9 at an estimated 225 feet; because these are existing trees being retained rather than new structures proposed by the applicant, they do not render the project inconsistent, but no FAA obstruction evaluation or Part 77 critical-surface reading for this grove appears in the record; an advisory recommendation – which is not a condition for ALUCP consistency evaluation - is included below to seek such an evaluation; and
e) Other Flight Hazards – Wildlife Attractants – The HAF ALUCP prohibits, in all compatibility zones including the AIA, land uses that increase the attraction of wildlife, particularly large flocks of birds, inconsistent with FAA rules and regulations, including FAA Advisory Circular 150/5200-33B; the project site includes a small seasonal wetland and intermittent/ephemeral drainages, and the project's proposed stormwater bioretention areas are designed for storm-event-only ponding rather than permanent detention; staff's review of these features was limited by the Biological Resources Assessment and IS/MND submittals, and a condition is included below to require confirmation; and

WHEREAS, the project site is located within the Airport Influence Area of the Half Moon Bay Airport, the real estate disclosure area established by the HAF ALUCP; a condition is included below to ensure the required airport-proximity disclosure notice is provided; and

WHEREAS, the Airport Land Use Committee reviewed this item at its meeting of August 27, 2026, and recommended that the Board make the determination set forth below;

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County, acting as the San Mateo County Airport Land Use Commission, that, subject to the conditions contained in Exhibit A, attached, the El Granada Community Park & Recreation Center (Burnham Strip), 480 Avenue Alhambra, El Granada, San Mateo County (Planning Case No. PLN2026-00225), is determined to be consistent with the policies and criteria contained in the Airport Land Use Compatibility Plan for the Environs of Half Moon Bay Airport.

Back to Top

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

Michael Salazar, Chair

EXHIBIT A

Conditions of Consistency Determination:

1. Prior to issuance of any building or grading permit, the project sponsor shall submit written confirmation — supported by the certified IS/MND record and/or coordination with the airport operator — that the existing on-site seasonal wetland/drainage habitat features and the proposed bioretention areas do not constitute a material increase in hazardous wildlife attraction under FAA Advisory Circular 150/5200-33B or any successor circular (currently AC 150/5200-33C).

2. Prior to issuance of any building permit, the Granada Community Services District shall provide the standard airport-proximity and overflight disclosure notice applicable to properties within the Airport Influence Area (Zone 7), consistent with the HAF ALUCP's real estate disclosure policy.

3. No new structure on the project site shall exceed 100 feet above ground level (AGL), and no new tree planting or improvement reasonably expected to exceed 100 feet AGL at maturity shall be installed, without further review and approval by the Airport Land Use Commission. Any future modification of the project proposing a structure or vegetation height exceeding 100 feet AGL shall be returned to the Commission for airspace review prior to approval.

4. Prior to commencement of construction, the project sponsor shall determine the maximum height of construction equipment and screen those heights against the notification criteria of 14 CFR Section 77.9 (including the 100:1 notification surface that applies within 20,000 feet of the runway), and file FAA Form 7460-1 where notice is required, providing the resulting determination in writing to the County and ALUC staff.

Advisory Recommendation:

1. Prior to issuance of any building or grading permit, the project sponsor, in coordination with the Half Moon Bay Airport operator (County of San Mateo) as needed, should confirm the applicable Part 77 critical-surface elevation at the project site and provide written confirmation that the existing eucalyptus grove — specifically Tree #9, estimated at 225 feet — either has previously undergone FAA obstruction evaluation with no hazard determined, or does not penetrate the applicable critical surface. This advisory recommendation does not constitute a condition of ALUCP consistency evaluation.

Back to Top

ITEM 3.13

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Review and approval of Resolution 26-54 authorizing the C/CAG Executive Director to execute Amendment No. 1 to the agreement with Transpo Group for professional grant writing support, including a $50,000 increase to a new not-to-exceed amount of $99,000.

(For further information, contact Audrey Shiramizu at ashiramizu@smcgov.org)

RECOMMENDATION

That the Board reviews and approves Resolution 26-54 authorizing the C/CAG Executive Director to execute Amendment No. 1 to the agreement with Transpo Group for professional grant writing support, including a $50,000 increase to a new not-to-exceed amount of $99,000.

FISCAL IMPACT

If approved, Amendment No. 1 would add $50,000 to the contract, bringing the total not-to-exceed contract amount to $99,000. There is sufficient funding in the adopted FY 2026/2027 budget to accommodate the increase.

SOURCE OF FUNDS

Funding for Amendment No. 1 would come from Congestion Relief Program funds.

BACKGROUND

C/CAG actively pursues federal, state, regional, and local grant opportunities to bring additional resources to San Mateo County and advance transportation projects consistent with the agency's adopted priorities. These funding opportunities can help accelerate project implementation and leverage C/CAG's available resources. However, preparing competitive applications is often time-intensive and requires specialized expertise. Given the number of anticipated funding opportunities and existing staff capacity constraints, C/CAG has used Transpo Group to provide grant-development and application support.

Since January of 2026, with Transpo Group's support, C/CAG has applied for several grants for the Safety Applications For Every Traveler (SAFE-T) project. SAFE-T is a countywide safety initiative focused on reducing serious injuries and fatalities for all road users and improving emergency responder safety and response times. C/CAG applied for the USDOT's Better Utilizing Investments to Leverage Development (BUILD) and Safe Streets For All (SS4A) grants, Transportation Development Act Article 3 (TDA 3), and One Bay Area Grant (OBAG) Cycle 4. Although the BUILD application was not selected for funding, USDOT subsequently notified C/CAG that the application was rated as a "Project of Merit," demonstrating the quality and competitiveness of the work completed with Transpo Group's support.

C/CAG also continues to prioritize resiliency and congestion management, including safety and emergency preparedness for the coastal communities. Earlier this year, C/CAG received $1.2M of federal earmark funding from Congressmember Sam Liccardo to ensure critical infrastructure along Highway 1 remains operational during emergencies. C/CAG is seeking consultant support to apply for additional funds to implement this project. Additionally, C/CAG is seeking support to apply for funding to develop an Incident Response Plan along Highway 35.

Given the number and complexity of upcoming funding opportunities and existing staff workload, additional consultant support is needed to prepare competitive applications without affecting delivery of other C/CAG programs. Therefore, C/CAG is seeking additional support from Transpo Group to apply for other grants, including the San Mateo County Transportation Authority's (SMCTA) Pedestrian and Bike Program and Alternative Congestion Relief/Transportation Demand Management (ACRTDM) Program and the Caltrans Sustainable Transportation Planning Grant.

STAFF RECOMMENDATION

C/CAG issued Notice to Proceed (NTP) to Transpo Group in January 2026 under an agreement with a not-to-exceed amount of $49,000. Since that time, Transpo Group has successfully supported C/CAG in applying for numerous funding opportunities. Given upcoming opportunities and staff capacity constraints, staff recommend increasing the agreement by $50,000, for a new not-to-exceed amount of $99,000. The amendment would allow Transpo Group to provide additional grant-development and application support as needs arise and within the approved budget. The revised budget table, hourly rates, schedule, and updated scope of work are provided in the Amendment.

EQUITY IMPACTS AND CONSIDERATIONS

The grant-development support would help C/CAG pursue funding for projects intended to improve roadway safety, emergency preparedness, and transportation resilience throughout San Mateo County. When developing grant applications and identifying project locations, C/CAG will consider demonstrated safety needs, vulnerable road users, disadvantaged communities, and communities with limited transportation or emergency-response alternatives.

ATTACHMENTS

1. Resolution 26-54

The following attachments are available on the C/CAG website *(See "Additional Agenda Materials" for the September 2026 Board Meeting)* at: https://ccag.ca.gov/committees/board-of-directors-2/

2. Amendment No. 1 between C/CAG and Transpo Group.

Back to Top

ATTACHMENT 1

RESOLUTION 26-54

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY AUTHORIZING THE C/CAG EXECUTIVE DIRECTOR TO EXECUTE AMENDMENT NO. 1 WITH TRANSPO GROUP FOR PROFESSIONAL GRANT WRITING SUPPORT, INCLUDING A $50,000 INCREASE TO A NEW NOT-TO-EXCEED AMOUNT OF $99,000.

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG); that,

WHEREAS, C/CAG actively pursues federal, state, regional, and local grant opportunities to bring additional resources to San Mateo County and advance transportation projects consistent with the agency's adopted priorities; Given the number of anticipated funding opportunities and existing staff capacity constraints, C/CAG has used Transpo Group to provide grant-development and application support. C/CAG prioritizes roadway safety as a core policy objective, consistent with the Countywide Local Roadway Safety Plan (LRSP), the High Injury Network (HIN), and the agency's broader efforts to reduce serious injuries and fatalities for all road users; and

WHEREAS, preparing competitive applications is often time-intensive and requires specialized expertise; and

WHEREAS, in January 2026, C/CAG entered into an agreement with Transpo Group in the amount of $49,000 to provide grant writing support for a countywide safety project; and

WHEREAS, Transpo Group has provided consistent and reliable grant writing support for C/CAG; and

WHEREAS, C/CAG and Transpo Group desire to enter into agreement amendment No. 1, including adding $50,000 to the budget for a new not to exceed amount of $99,000.

NOW THEREFORE BE IT RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County, that the C/CAG Executive Director is authorized to execute Amendment No. 1 with Transpo Group to provide professional grant writing support, including a $50,000 increase for a new not to exceed amount of $99,000. Be it further resolved that the Board of Directors authorizes the Executive Director to negotiate final terms prior to execution, subject to review by Legal Counsel.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

____

Michael Salazar, Chair

Back to Top

Item 3.14

C/CAG Agenda Report

Date: September 10, 2026

To: C/CAG Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Receive and approval of the Finance Committee's recommendation of no change to the C/CAG investment portfolio and accept the Quarterly Investment Report as of June 2026.

(For further information contact kcheung1@smcgov.org)

RECOMMENDATION

That the C/CAG Board of Directors receive and approve the Finance Committee's recommendation of no change to the C/CAG investment portfolio and accept the Quarterly Investment Report as of June 2026.

FISCAL IMPACT

Changes to the investment portfolio may impact the overall yield and risk profile for C/CAG investments, potentially resulting in higher or lower returns and associated risk exposure.

SOURCE OF FUNDS

C/CAG funds are held by the C/CAG Financial Agent (City of San Carlos) and invested in LAIF and the San Mateo County Investment Pool, in accordance with the Agency's investment policy.

BACKGROUND

In accordance with the C/CAG Investment Policy adopted on September 10, 2020, the Finance Committee is required to review the C/CAG investment portfolio at least quarterly. The policy states:

"The portfolio should be analyzed not less than quarterly by the C/CAG Finance Committee, and modified as appropriate periodically as recommended by the Finance Committee and approved by the C/CAG Board, to respond to changing circumstances in order to achieve the Safety of Principal."

Attached are the monthly investment statements for the quarter ending June 30, 2026. As of this date, the investment portfolio remains within the approved allocation parameters, originally established by the C/CAG Board on November 14, 2013:

Local Agency Investment Fund (LAIF) 50% to 70%
San Mateo County Investment Pool (COPOOL) 30% to 50%

In addition, per guidance from the Finance Committee on December 2, 2020—approved by the Board on December 10, 2020—staff has been targeting a 60% allocation to the Local Agency Investment Fund (LAIF) and 40% to the San Mateo County Investment Pool (COPOOL), with adjustments based on prevailing interest rates.

Back to Top

Portfolio Performance – Quarter Ending June 30, 2026:

Metric	LAIF	COPOOL
Net Interest Earning Rate	3.81%	4.01%
Average Life / Maturity	269 days (0.74 year)	2.8 years
Average Duration	N/A	2.48 years

The investment portfolio balances as of June 30, 2026, are presented below. For reference and comparison, the balances as of March 31, 2026, are also included.

	3/31/2026		6/30/2026	
	Amount	Percent	Amount	Percent
LAIF	$21,125,362	60%	$19,429,217	58%
COPOOL	$14,097,910	40%	$14,228,707	42%
Total	$35,223,272	100%	$33,657,924	100%

The June 30, 2026 portfolio allocation of 58% LAIF and 42% COPOOL remains within the approved allocation parameters. While changes to the investment portfolio can impact overall yield and risk exposure, the current allocation continues to balance the priorities of principal safety, liquidity, and optimal yield as outlined in the Investment Policy.

The Finance Committee last reviewed the portfolio on August 27, 2026, and recommended maintaining the 60% LAIF and 40% COPOOL investment allocation.

EQUITY IMPACTS AND CONSIDERATIONS

C/CAG's Investment Policy supports investment in authorized issuers that display adherence to strong environmental, social and governance (ESG) principles, including but not limited to, environmental sustainability, social and economic justice, and good corporate governance.

ATTACHMENTS

The following attachments are available on the C/CAG website (See "Additional Agenda Materials" for the relevant Board Meeting) at: https://ccag.ca.gov/committees/board-of-directors-2/

1. Quarterly Investment Report as of June 30, 2026 from San Carlos.
2. Overview of Market and Investment Statements Quarter Ending June 30, 2026.

Back to Top

Item 3.15

C/CAG Agenda Report

Date:	September 10, 2026
To:	C/CAG Board of Directors
From:	Kaki Cheung, Interim Executive Director
Subject:	Review and approval of Resolution 26-55 adopting the annual update to the C/CAG Investment Policy.
	(For further information please contact Kaki Cheung at kcheung1@smcgov.org)

RECOMMENDATION

That the C/CAG Board of Directors review and approve Resolution 26-55 adopting the annual update to the C/CAG Investment Policy.

FISCAL IMPACT

Adoption of the Investment Policy will affect the return on investments and impact the safety of the principal.

SOURCE OF FUNDS

The Investment Policy applies to all C/CAG funds held by the C/CAG Financial Agent (City of San Carlos).

BACKGROUND

On September 10, 2020, the C/CAG Board approved Resolution 20-50 adopting the C/CAG Investment Policy update as recommended by the Finance Committee. The C/CAG Investment Policy states that the policy shall be reviewed at least annually, and that it shall be adopted by resolution of the C/CAG Board on an annual basis.

Prior modifications to the policy have been made to be consistent with standards as recommended by the California Debt and Investment Advisory Commission (CDIAC). The amendments are primarily statutory and administrative updates that conform C/CAG's policy to current State law and CDIAC guidance. They do not change the Policy's fundamental investment objectives or priorities of safety, liquidity, and yield, nor have any practical impact to C/CAG's portfolio. Even though the policy allows for investment in 11 different investment vehicles, C/CAG only utilizes two of these, which are LAIF and the County pool.

Equity Impacts and Considerations

C/CAG's Investment Policy supports investment in authorized issuers that display adherence to strong environmental, social and governance (ESG) principles, including but not limited to, environmental sustainability, social and economic justice, and good corporate governance.

Attachments

1. Resolution 26-55
2. Investment Policy Change Summary
3. C/CAG Investment Policy (Track Changes Shown)
4. C/CAG Investment Policy (Clean Version)

RESOLUTION 26-55

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY ADOPTING THE 2026 ANNUAL UPDATE TO THE C/CAG INVESTMENT POLICY

RESOLVED, by the Board of Directors of the City/County Association of Governments of San Mateo County (C/CAG), that:

WHEREAS, the City of San Carlos serves as C/CAG's fiscal agent and invests C/CAG funds in accordance with the direction and policies adopted by the C/CAG Board of Directors;

WHEREAS, the C/CAG Investment Policy establishes the objectives, standards, and authorized investment practices governing the prudent investment of C/CAG funds and requires review and adoption by the Board at least annually;

WHEREAS, the proposed 2026 annual update incorporates statutory and administrative revisions to conform the Investment Policy to current State law and guidance from the California Debt and Investment Advisory Commission;

WHEREAS, the proposed revisions do not change C/CAG's fundamental investment objectives of safety, liquidity, and yield; and

WHEREAS, the Board has reviewed the proposed 2026 annual update to the C/CAG Investment Policy.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the City/County Association of Governments of San Mateo County hereby approves and adopts the 2026 annual update to the C/CAG Investment Policy.

PASSED, APPROVED, AND ADOPTED, THIS 10TH DAY OF SEPTEMBER 2026.

____

Michael Salazar, Chair

ATTACHMENT 2

C/CAG Investment Policy – 2026 Annual Update

Summary of Proposed Changes and Implications

Policy Area	Proposed Change	Implication for C/CAG	Characterization
Commercial paper – maximum maturity	Increases the maximum maturity for eligible commercial paper from 270 days to 397 days.	Conforms the policy to the 2026 statutory change under Government Code § 53601(h). Provides additional maturity flexibility but does not require C/CAG to purchase longer-dated commercial paper.	Statutory alignment
Commercial paper - portfolio limit	Clarifies that a local agency, other than a county or a city and county, with less than $100 million in investment assets under management may invest no more than 25% of its moneys in eligible commercial paper.	Aligns the policy with the statutory eligibility requirements in Government Code Section 53601(h). C/CAG's existing 25% portfolio limit is retained; the change does not expand C/CAG's investment authority.	Statutory alignment / clarification
U.S. government-issued or government-backed securities	Recognizes the extension through January 1, 2031 of authority under Government Code § 53601.6 for certain U.S. government-issued or government-backed securities that may result in zero-interest accrual if held to maturity.	Extends an existing statutory investment authority. It does not require C/CAG to invest in these securities.	Statutory alignment

Prohibited investments	Clarifies that annuities, real estate investment trusts (REITs), exchange-traded funds (ETFs), and equities are prohibited investments.	Makes the policy clearer regarding investment types that are not permissible for the C/CAG portfolio; does not expand investment authority.	Clarifying / administrative
Financial disclosure requirements	Updates the ethics and conflicts-of-interest provision to reflect Form 700 filing requirements for officials who manage public investments.	Aligns the policy with updated State financial disclosure requirements and clarifies who is subject to those requirements.	Compliance / administrative
Other technical and housekeeping revisions	Makes minor terminology, grammar, and conforming edits, including updates within the qualified broker/dealer and authorized investment provisions.	Improves consistency and clarity without changing C/CAG's underlying investment objectives or overall risk framework.	Administrative / housekeeping

Back to Top

ATTACHMENT 3

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY (C/CAG)

INVESTMENT POLICY

Adopted on September 10, 2026

POLICY

The investment of the funds of the City and County Association of Governments (C/CAG) is directed to the goals of safety, liquidity and yield. This Investment Policy incorporates the policies defined by the certified investment policy standards recommended by the California Debt and Investment Advisory Commission (CDIAC). The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53600 through 53686. C/CAG's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The three objectives, in priority order, of the investment policy of the City and County Association of Governments are:

1- SAFETY OF PRINCIPAL - The primary objective of the investment policy of the City and County Association of Governments is SAFETY OF PRINCIPAL. Investments shall be placed in those securities as outlined by type and maturity sector in this document to achieve this objective. The portfolio should be analyzed not less than quarterly by the C/CAG Finance Committee and modified as appropriate periodically as recommended by the Finance Committee and approved by the C/CAG Board, to respond to changing circumstances in order to achieve the Safety of Principal.

2- LIQUIDITY TO MEET NEEDS - Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The portfolio should have adequate liquidity to meet the immediate and short-term needs.

3- RETURN ON INVESTMENT - A reasonable return on investment should be pursued. Safety of Principal should not be reduced in order to achieve higher yield.

C/CAG's investment portfolio shall be designed and managed in a manner responsive to the public trust and consistent with State and local law. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give C/CAG the optimum combination of safety of principal, necessary liquidity, and optimal yield based on cash flow projections.

SCOPE

The investment policy applies to all financial assets of the City and County Association of Governments as accounted for in the Annual Financial Statements. Policy statements outlined in this document focus on C/CAG's pooled funds.

PRUDENCE

The standard to be used by investment officials shall be that of a "prudent investor" and shall be applied in the context of managing all aspects of the overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

It is C/CAG's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic, bond market or individual security credit analysis. These occasional losses must be considered within the context of the overall investment program objectives and the resultant long-term rate of return.

The Administrative Services Director of the City of San Carlos (City) and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

OBJECTIVES

<u>Safety of Principal</u>

Safety of principal is the foremost objective of the City and County Association of Governments. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default or erosion of market value. C/CAG shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm C/CAG's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of C/CAG's investment portfolio to two years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

Back to Top

Liquidity

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that C/CAG's investment portfolio will remain sufficiently liquid to enable C/CAG to meet all reasonably anticipated operating requirements. The C/CAG Executive Director will provide a projected cash flow schedule in consultation with the C/CAG Chair.

MATURITY MATRIX

Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored and the portfolio will be invested accordingly. The weighted average maturity of the pooled portfolio should not exceed two years and the following percentages of the portfolio should be invested in the following maturity sectors:

Maturity Range	Suggested Percentage
1 day to 7 days	10 to 50%
7 days to 180	10 to 30%
180 days to 360 days	10 to 30%
1 year to 2 years	10 to 20%
2 years to 3 years	0 to 20%
3 years to 4 years	0 to 20%
4 years to 5 years	0 to 20%

No more than 30% of the portfolio shall have a maturity of 2-5 years.

PERFORMANCE EVALUATION

Day-to-day management of C/CAG's portfolio is conducted by the C/CAG Fiscal Agent Financial Services Manager. Investment performance is monitored and evaluated by the Fiscal Agent's Investment Committee and provided to the **C/CAG Finance Committee** and C/CAG Board on a quarterly basis. Investment performance statistics and activity reports are generated on a quarterly basis for review by the Fiscal Agent's Investment Committee and presentation to the **C/CAG Finance Committee**, and to the C/CAG Board. Annually, a statement of investment policy, and any proposed changes to the policy, will be rendered to the **C/CAG Finance Committee** and to the C/CAG Board for consideration at a public meeting.

C/CAG's investment portfolio is designed to at least attain a market average rate of return through economic cycles. The market average rate of return is defined as average return on the Local Agency Investment Fund (assuming the State does not adversely affect LAIF's returns due to budget constraints).

Back to Top

DELEGATION OF AUTHORITY

The Joint Powers Authority Agreement of the City and County Association of Governments of San Mateo County and the authority granted by the C/CAG Board, assign the responsibility of investing unexpended cash to the City's Administrative Services Director. Daily management responsibility of the investment program may be delegated to the City's Financial Services Manager, who shall establish procedures for the operation consistent with this investment policy. For the longer-term investments the C/CAG Fiscal Agent shall invest in accordance with the directions provided by C/CAG Board.

FISCAL AGENT INVESTMENT COMMITTEE

An investment committee consisting of the City of San Carlos Treasurer, City Manager, and Administrative Services Director shall be established to provide general oversight and direction concerning the policy related to management of C/CAG's investment pool. The Financial Services Manager shall not be a member of the committee but shall serve in a staff and advisory capacity. The committee shall review and approve quarterly investment reports prepared by the Finance Department and reviewed by the Financial Services Manager or meet as necessary to discuss changes to the report or the investment strategy. The Investment Committee serving as the legislative body of the Investment Policy will have the quarterly reports for their review within forty-five (45) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code.

ETHICS AND CONFLICTS OF INTEREST

The **C/CAG Finance Committee**, Officers, and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. ~~Additionally, T~~The Fiscal Agent's Administrative Services Director, ~~and~~ the Financial Services Manager, and all other officials who manage public investments are required to annually file applicable financial disclosures (Form 700 etc.) as required by the Fair Political Practices Commission (FPPC).

SAFEKEEPING OF SECURITIES

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by C/CAG shall be held in safekeeping by a third-party bank trust department, acting as agent for C/CAG under the terms of a custody agreement. All trades executed by a dealer will settle delivery versus payment (DVP) through C/CAG's safekeeping agent.

A receipt shall be provided for securities held in custody for C/CAG and shall be monitored by the Fiscal Agent's Administrative Services Director to verify investment holdings.

All exceptions to this safekeeping policy must be approved by the Fiscal Agent's Administrative Services Director in written form and included in the quarterly reporting to the C/CAG Board.

INTERNAL CONTROL

Separation of functions between the Fiscal Agent's Administrative Services Director or Financial Services Manager and/or the Senior Accountant is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Investment decisions are made by the Fiscal Agent's Administrative Services Director, executed by the Fiscal Agent's Administrative Services Director or Financial Services Manager and confirmed by the Senior Accountant. All wire transfers initiated by the Fiscal Agent's Administrative Services Director or Financial Services Manager must be reconfirmed by the appropriate financial institution to the Senior Accountant. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Fiscal Agent's Senior Accountant on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the Agency's cash and investments that have a material impact on the financial statements. The Fiscal Agent's Administrative Services Director and/or C/CAG Executive Director shall review and ~~as~~ensure compliance with investment processes and procedures.

REPORTING

The Fiscal Agent's Investment Committee shall review and render quarterly reports to the C/CAG Executive Director and to the C/CAG Board which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value and accrued interest due for all securities. The quarterly reports will be submitted to the Fiscal Agent's Investment Committee within forty-five (45) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code. Once approved by the Fiscal Agent's Investment Committee, the report is submitted to the C/CAG Executive Director and the C/CAG Finance Committee for review. The quarterly reports shall be placed on C/CAG's meeting agenda for its review and approval no later than 75 days after the quarter ends. If there are no C/CAG meetings within the 75-day period, the quarterly report shall be presented to the Finance Committee at the soonest possible meeting thereafter.

QUALIFIED BROKER/DEALERS

C/CAG shall transact business only with banks,~~ savings and loans,~~ and with broker/dealers registered with the State of California or the Securities and Exchange Committee. The broker/dealers should be primary or regional dealers. C/CAG and the Fiscal Agent currently do not maintain a list of brokers/dealers approved to do business with C/CAG. When necessary, C/CAG and/or the Fiscal Agent shall go through the Request for Proposal processes to select the broker/dealers. Investment staff shall investigate dealers wishing to do business with C/CAG's staff to determine if they are adequately capitalized, have pending legal action against the firm or the individual broker and make markets in the securities appropriate to C/CAG's needs. C/CAG's investment policy shall be made available on C/CAG's website.

Back to Top

COLLATERAL REQUIREMENTS

Collateral is required for investments in certificates of deposit. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest. Collaterals should be held by an independent third party. Collaterals should be required for investments in CDs in excess of FDIC insured amounts.

AUTHORIZED INVESTMENTS

Investment of C/CAG's funds is governed by the California Government Code Sections 53600 et seq. The level of investment in all areas will be reviewed by the C/CAG Executive Director. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.

2. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments, with the knowledge that the pool/fund may include some investments allowed by statute but not explicitly identified in this investment policy.

3. San Mateo County Investment Pool may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments, with the knowledge that the pool/fund may include some investments allowed by statute but not explicitly identified in this investment policy.

   Socially Responsible Investment. In addition to and while complying with California Government Code provisions that regulate the investment of public funds (which require that, when managing and investing public funds, the objectives shall be, primarily, to safeguard principal of invested funds; secondarily, to meet the liquidity needs of the local government; and third, to achieve a return on invested funds), C/CAG recognizes the importance of socially responsible investing. C/CAG supports that the County's Treasurer will consider and promote investment in authorized issuers that display adherence to strong environmental, social and governance (ESG) principles, including but not limited to, environmental sustainability, social and economic justice, and good corporate governance. The County's Socially Responsible Investment Objectives can be found on page 3 of the San Mateo County Investment Policy Statement.

4. Obligations issued by the Government National Mortgage Association (GNMA), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FHLMC). A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed

Back to Top

bond. Securities eligible for investment under this subdivision and not issued or guaranteed by an agency or issuer identified in California Government Code Section 53601 subdivision (b) or (f) subdivision, shall be rated in a rating category of “AA” or its equivalent or better by a nationally recognized statistical rating organization (NRSRO) and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20% of the agency’s surplus moneys that may be invested pursuant to this section. However, on August 28, 2019, the C/CAG Finance Committee rejected a modification to this provision which would allow a public agency to invest in mortgage-backed securities. Therefore, mortgage pass-through securities and mortgage-backed securities are disallowed investments unless as part of LAIF or County Pool investments, which are governed by Government Code 16429.1 and 53684, respectively.

5. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as bankers’ acceptances. Bankers’ acceptances purchased may not exceed 180 days to maturity or 40% of the cost value of the portfolio. Also, no more than 30% of the agency’s money may be in bankers’ acceptances of any one commercial bank.

6. Commercial paper ranked the highest letter and number rating by a Nationally Recognized Statistical Rating Organization (NRSRO), such as Standard & Poor’s Ratings Services, Moody’s Investors Services, or Fitch Ratings, Inc., and issued by domestic corporations having assets in excess of $500,000,000 and having an “A” or better rating on its long-term debentures as provided by NRSRO. ~~Purchases of eligible commercial paper~~ Eligible commercial paper shall have a maximum maturity of 397 days or less. Local agencies, other than counties or a city and county, that have less than one hundred million dollars ($100,000,000) of investment assets under management, may invest no more than 25 percent of their moneys in eligible commercial paper~~may not exceed 397270 days to maturity and may not exceed 4025% of the value of the portfolio until January 31, 2031, and 25% thereafter~~. The amount invested in commercial paper of any one issuer in combination with any other securities from that issuer shall not exceed 10% of the portfolio.

7. Negotiable Certificates of Deposit issued by nationally or state-chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of five years is applicable.

8. Time deposits or placement service deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 50% (effective January 1, 2020) of the investment portfolio may be invested in this investment type. A maturity limitation of five years is applicable. Effective January 1, 2020, no more than 50 percent of the agency’s money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30%. Investments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.

9. Medium Term Corporate Notes, with a maximum maturity of five years may be purchased. Securities eligible for investment shall be rated “A” or better by an NRSRO. Purchase of medium-term notes may not exceed 30% of the market value of the portfolio.

Back to Top

10. Ineligible investments are those that are not described herein, including but not limited to, common stocks,~~ and~~ long term (over five years in maturity) notes and bonds, and insurance products like annuities. Other~~, and~~ investments commonly held in personal investment portfolios such as real estate investment trusts (REITs), exchange traded funds (EFTs), and equities are prohibited investments~~from use in this portfolio~~. It is noted that special circumstances may arise that necessitate the purchase of securities beyond the five-year limitation. On such occasions, requests must be reviewed by the C/CAG Executive Director and approved by the C/CAG Board prior to purchase.

Formatted: Font: (Default) Times New Roman, 12 pt

11. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the City and County Association of Governments may be purchased as allowed under State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be utilized.

The following summary of maximum percentage limits, by instrument, is established for C/CAG's total pooled funds portfolio:

Authorized Investment Type	Government Code	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	16429.1	Upon Demand	N/A	As approved by the C/CAG Board but no more than $75 million permitted by LAIF.	(C)
San Mateo County Investment Pool	53684	Upon Demand	N/A	As approved by the C/CAG Board	(C)©
Treasury Obligations (bills, notes & bonds)	53601(b)	5 Years	N/A	100%	N/A
US Government Agency and Federal Agency Securities	53601(f)	5 Years	N/A	100%	N/A
Bankers' Acceptances	53601(g)	180 Days	N/A	40%	(B)
Commercial Paper	53601(h)	397~~270~~ Days	Highest letter and number rating by an NRSRO	~~40~~25~~25~~%	(A)
Negotiable Certificates of Deposit	53601(i)	5 Years	N/A	30%	N/A
Placement Service Deposits – Deposits or Certificates of Deposits	53601.8 and 53635.8	5 Years	N/A	50%	N/A

Back to Top

Medium Term Corporate Notes	53601(k)	5 Years	A	30%	N/A

(A) 10% of outstanding paper of issuing corporation.
(B) No more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.
(C) C/CAG Board approved the investment portfolio mix on November 13, 2013.
LAIF - 50% to 70%
COPOOL – 30% to 50%

DERIVATIVE INVESTMENTS

The use of derivatives is prohibited under this policy. Derivatives are financial instruments whose performance is derived, at least in part, from the performance of an underlying asset, security or index.

LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the City and County Association of Governments' Investment Policy and supersede any and all previous applicable language.

Effective January 1, 2026, the C/CAG acknowledges the extension of Government Code § 53601.6 authorizing investment in U.S. government-issued or government-backed securities that may result in zero-interest accrual if held to maturity, through January 1, 2031.

INTEREST EARNINGS

All money earned and collected from investments authorized in this policy shall be allocated quarterly based on the cash balance in each fund at quarter end as percentage of the entire pooled portfolio.

LIMITING MARKET VALUE EROSION

The longer the maturity of securities, the greater is their market price volatility. Therefore, it is the general policy of C/CAG to limit the potential effects from erosion in market values by adhering to the following guidelines:

All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investments.

Maturity dates for long-term investments will coincide with significant cash flow requirements where possible, to assist with short-term cash requirements at maturity.

All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in C/CAG's best interest to sell or trade a security prior to maturity.

Back to Top

PORTFOLIO MANAGEMENT ACTIVITY

The investment program shall seek to augment returns consistent with the intent of this policy, identified risk limitations and prudent investment principals. These objectives will be achieved by use of the following strategies:

Active Portfolio Management. Through active fund and cash flow management, taking advantage of current economic and interest rate trends, the portfolio yield may be enhanced with limited and measurable increases in risk by extending the weighted maturity of the total portfolio.

Portfolio Maturity Management. When structuring the maturity composition of the portfolio, C/CAG shall evaluate current and expected interest rate yields and necessary cash flow requirements. It is recognized that in normal market conditions longer maturities produce higher yields. However, the securities with longer maturities also experience greater price fluctuations when the level of interest rates change.

Security Swaps. C/CAG may take advantage of security swap opportunities to improve the overall portfolio yield. A swap, which improves the portfolio yield, may be selected even if the transactions result in an accounting loss. Documentation for swaps will be included in C/CAG's permanent investment file documents. No swap may be entered into without the approval of the C/CAG Executive Director and the C/CAG Board.

Competitive Bidding. It is the policy of C/CAG to require competitive bidding for investment transactions that are not classified as "new issue" securities. For the purchase of non-"new issue" securities and the sale of all securities at least three bidders must be contacted. Competitive bidding for security swaps is also suggested, however, it is understood that certain time constraints and broker portfolio limitations exist which would not accommodate the competitive bidding process. If a time or portfolio constraining condition exists, the pricing of the swap should be verified to current market conditions and documented for auditing purposes.

POLICY REVIEW

The City/County Association of Governments' investment policy shall be adopted by resolution of the C/CAG Board on an annual basis. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. The Investment Policy, including any amendments to the policy shall be forwarded to the C/CAG Board for approval.

Back to Top

Glossary of Terms

Accrued Interest- Interest earned but not yet received.

Active Deposits- Funds which are immediately required for disbursement.

Amortization- An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Asked Price- The price a broker dealer offers to sell securities.

Basis Point- One basis point is one hundredth of one percent (.01).

Bid Price- The price a broker dealer offers to purchase securities.

Bond- A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Bond Swap - Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.

Book Entry Securities - Securities, such stocks held in “street name,” that are recorded in a customer’s account, but are not accompanied by a certificate. The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors’ concerns about the certificates themselves. All the large New York City banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the “book-entry” custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and agency securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now effected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.

Bearer and Registered Bonds - In the past, bearer and registered bonds were issued in paper form. Those still outstanding may be exchanged at any Federal Reserve Bank or branch for an equal amount of any authorized denomination of the same issue. Outstanding bearer bonds are interchangeable with registered bonds and bonds in “book-entry” form. That is, the latter exist as computer entries only and no paper securities are issued. New bearer and registered bonds are no longer being issued. Since August 1986, the Treasury’s new issues of marketable notes and bonds are available in book-entry form only. All Treasury bills and more than 90% of all other marketable securities are now in book-entry form. Book-entry obligations are transferable only pursuant to regulations prescribed by the Secretary of the Treasury.

Back to Top

Book Value- The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker - In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.

Certificate of Deposit- A deposit insured up to $250,000 by the FDIC at a set rate for a specified period of time.

Collateral- Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Constant Maturity Treasury (CMT)- An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Coupon- The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

County Pool- County of San Mateo managed investment pool.

Credit Analysis- A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield- The interest paid on an investment expressed as a percentage of the current price of the security.

Custody- A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principle.

Delivery vs. Payment (DVP)- Delivery of securities with a simultaneous exchange of money for the securities.

Discount- The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification- Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration- The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Fannie Mae- Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System- The central bank of the U.S. that consists of a seven member Board of Governors, 12 regional banks and approximately 8,000 commercial banks that are members.

Federal Deposit Insurance Corporation (FDIC)- Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently $250,000) per account.

Fed Wire- A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Fiscal Agent - The organization that is essentially the checkbook for C/CAG funds.

Freddie Mac- Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Ginnie Mae- Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Inactive Deposits- Funds not immediately needed for disbursement.

Interest Rate- The annual yield earned on an investment, expressed as a percentage.
Investment Agreements- An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Local Agency Investment Fund (LAIF) - State of California managed investment pool.

Liquidity- Refers to the ability to rapidly convert an investment into cash.

Market Value- The price at which a security is trading and could presumably be purchased or sold.

Maturity- The date upon which the principal or stated value of an investment becomes due and payable.

Nationally Recognized Statistical Rating Organization (NRSRO)- A U.S. Securities & Exchange Commission registered agency that assesses the creditworthiness of an entity or specific security. NRSRO typically refers to Standard and Poor’s Ratings Services, Fitch Ratings, Inc. or Moody’s Investors Services.

New Issue- Term used when a security is originally "brought" to market.

Perfected Delivery- Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Portfolio- Collection of securities held by an investor.

Primary Dealer- A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date- The date in which a security is purchased for settlement on that or a later date.

Rate of Return- The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO)- A transaction where the seller (bank) agrees to buy back from the buyer (C/CAG) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO)- A transaction where the seller (C/CAG) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Risk- Degree of uncertainty of return on an asset.

Safekeeping- see custody.

Sallie Mae- Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market- A market made for the purchase and sale of outstanding issues following the initial distribution.

Settlement Date- The date on which a trade is cleared by delivery of securities against funds.

Secured Overnight Financing Rate (SOFR)- represents a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

Time Deposit- A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.

Treasury Obligations- Debt obligations of the U.S. Government that are sold by the Treasury Department in the forms of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less. Notes are obligations that mature between one year and ten years. Bonds are long-term obligations that generally mature in ten years or more.

U.S. Government Agencies- Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield- The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity- The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Back to Top

Yield Curve- The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

Back to Top

ATTACHMENT 4

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY (C/CAG)

INVESTMENT POLICY

Adopted on September 10, 2026

POLICY

The investment of the funds of the City and County Association of Governments (C/CAG) is directed to the goals of safety, liquidity and yield. This Investment Policy incorporates the policies defined by the certified investment policy standards recommended by the California Debt and Investment Advisory Commission (CDIAC). The authority governing investments for municipal governments is set forth in the California Government Code, Sections 53600 through 53686. C/CAG's portfolio shall be designed and managed in a manner responsive to the public trust and consistent with state and local law.

The three objectives, in priority order, of the investment policy of the City and County Association of Governments are:

1- SAFETY OF PRINCIPAL - The primary objective of the investment policy of the City and County Association of Governments is SAFETY OF PRINCIPAL. Investments shall be placed in those securities as outlined by type and maturity sector in this document to achieve this objective. The portfolio should be analyzed not less than quarterly by the C/CAG Finance Committee and modified as appropriate periodically as recommended by the Finance Committee and approved by the C/CAG Board, to respond to changing circumstances in order to achieve the Safety of Principal.

2- LIQUIDITY TO MEET NEEDS - Effective cash flow management and resulting cash investment practices are recognized as essential to good fiscal management and control. The portfolio should have adequate liquidity to meet the immediate and short-term needs.

3- RETURN ON INVESTMENT - A reasonable return on investment should be pursued. Safety of Principal should not be reduced in order to achieve higher yield.

C/CAG's investment portfolio shall be designed and managed in a manner responsive to the public trust and consistent with State and local law. Portfolio management requires continual analysis and as a result the balance between the various investments and maturities may change in order to give C/CAG the optimum combination of safety of principal, necessary liquidity, and optimal yield based on cash flow projections.

SCOPE

The investment policy applies to all financial assets of the City and County Association of Governments as accounted for in the Annual Financial Statements. Policy statements outlined in this document focus on C/CAG's pooled funds.

PRUDENCE

The standard to be used by investment officials shall be that of a "prudent investor" and shall be applied in the context of managing all aspects of the overall portfolio. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

It is C/CAG's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars.

However, it is realized that market prices of securities will vary depending on economic and interest rate conditions at any point in time. It is further recognized that in a well-diversified investment portfolio, occasional measured losses are inevitable due to economic, bond market or individual security credit analysis. These occasional losses must be considered within the context of the overall investment program objectives and the resultant long-term rate of return.

The Administrative Services Director of the City of San Carlos (City) and other individuals assigned to manage the investment portfolio, acting within the intent and scope of the investment policy and other written procedures and exercising due diligence, shall be relieved of personal responsibility and liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

OBJECTIVES

Safety of Principal

Safety of principal is the foremost objective of the City and County Association of Governments. Each investment transaction shall seek to ensure that capital losses are avoided, whether from securities default, broker-dealer default or erosion of market value. C/CAG shall seek to preserve principal by mitigating the two types of risk: credit risk and market risk.

Credit risk, defined as the risk of loss due to failure of the issuer of a security, shall be mitigated by investing in investment grade securities and by diversifying the investment portfolio so that the failure of any one issuer does not unduly harm C/CAG's capital base and cash flow.

Market risk, defined as market value fluctuations due to overall changes in the general level of interest rates, shall be mitigated by limiting the average maturity of C/CAG's investment portfolio to two years, the maximum maturity of any one security to five years, structuring the portfolio based on historic and current cash flow analysis eliminating the need to sell securities prior to maturity and avoiding the purchase of long term securities for the sole purpose of short term speculation.

Back to Top

Liquidity

Historical cash flow trends are compared to current cash flow requirements on an ongoing basis in an effort to ensure that C/CAG's investment portfolio will remain sufficiently liquid to enable C/CAG to meet all reasonably anticipated operating requirements. The C/CAG Executive Director will provide a projected cash flow schedule in consultation with the C/CAG Chair.

MATURITY MATRIX

Maturities of investments will be selected based on liquidity requirements to minimize interest rate risk and maximize earnings. Current and expected yield curve analysis will be monitored and the portfolio will be invested accordingly. The weighted average maturity of the pooled portfolio should not exceed two years and the following percentages of the portfolio should be invested in the following maturity sectors:

Maturity Range	Suggested Percentage
1 day to 7 days	10 to 50%
7 days to 180	10 to 30%
180 days to 360 days	10 to 30%
1 year to 2 years	10 to 20%
2 years to 3 years	0 to 20%
3 years to 4 years	0 to 20%
4 years to 5 years	0 to 20%

No more than 30% of the portfolio shall have a maturity of 2-5 years.

PERFORMANCE EVALUATION

Day-to-day management of C/CAG's portfolio is conducted by the C/CAG Fiscal Agent Financial Services Manager. Investment performance is monitored and evaluated by the Fiscal Agent's Investment Committee and provided to the **C/CAG Finance Committee** and C/CAG Board on a quarterly basis. Investment performance statistics and activity reports are generated on a quarterly basis for review by the Fiscal Agent's Investment Committee and presentation to the **C/CAG Finance Committee**, and to the C/CAG Board. Annually, a statement of investment policy, and any proposed changes to the policy, will be rendered to the **C/CAG Finance Committee** and to the C/CAG Board for consideration at a public meeting.

C/CAG's investment portfolio is designed to at least attain a market average rate of return through economic cycles. The market average rate of return is defined as average return on the Local Agency Investment Fund (assuming the State does not adversely affect LAIF's returns due to budget constraints).

DELEGATION OF AUTHORITY

The Joint Powers Authority Agreement of the City and County Association of Governments of San Mateo County and the authority granted by the C/CAG Board, assign the responsibility of investing unexpended cash to the City's Administrative Services Director. Daily management responsibility of the investment program may be delegated to the City's Financial Services Manager, who shall establish procedures for the operation consistent with this investment policy. For the longer-term investments the C/CAG Fiscal Agent shall invest in accordance with the directions provided by C/CAG Board.

FISCAL AGENT INVESTMENT COMMITTEE

An investment committee consisting of the City of San Carlos Treasurer, City Manager, and Administrative Services Director shall be established to provide general oversight and direction concerning the policy related to management of C/CAG's investment pool. The Financial Services Manager shall not be a member of the committee but shall serve in a staff and advisory capacity. The committee shall review and approve quarterly investment reports prepared by the Finance Department and reviewed by the Financial Services Manager or meet as necessary to discuss changes to the report or the investment strategy. The Investment Committee serving as the legislative body of the Investment Policy will have the quarterly reports for their review within forty-five (45) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code.

ETHICS AND CONFLICTS OF INTEREST

The **C/CAG Finance Committee**, Officers, and employees involved in the investment process shall refrain from personal business activity that conflicts with proper execution of the investment program or impairs their ability to make impartial investment decisions. The Fiscal Agent's Administrative Services Director, the Financial Services Manager, and all other officials who manage public investments are required to annually file applicable financial disclosures (Form 700 etc.) as required by the Fair Political Practices Commission (FPPC).

SAFEKEEPING OF SECURITIES

To protect against fraud or embezzlement or losses caused by collapse of an individual securities dealer, all securities owned by C/CAG shall be held in safekeeping by a third-party bank trust department, acting as agent for C/CAG under the terms of a custody agreement. All trades executed by a dealer will settle delivery versus payment (DVP) through C/CAG's safekeeping agent.

A receipt shall be provided for securities held in custody for C/CAG and shall be monitored by the Fiscal Agent's Administrative Services Director to verify investment holdings.

All exceptions to this safekeeping policy must be approved by the Fiscal Agent's Administrative Services Director in written form and included in the quarterly reporting to the C/CAG Board.

INTERNAL CONTROL

Separation of functions between the Fiscal Agent's Administrative Services Director or Financial Services Manager and/or the Senior Accountant is designed to provide an ongoing internal review to prevent the potential for converting assets or concealing transactions.

Investment decisions are made by the Fiscal Agent's Administrative Services Director, executed by the Fiscal Agent's Administrative Services Director or Financial Services Manager and confirmed by the Senior Accountant. All wire transfers initiated by the Fiscal Agent's Administrative Services Director or Financial Services Manager must be reconfirmed by the appropriate financial institution to the Senior Accountant. Proper documentation obtained from confirmation and cash disbursement wire transfers is required for each investment transaction. Timely bank reconciliation is conducted to ensure proper handling of all transactions.

The investment portfolio and all related transactions are reviewed and balanced to appropriate general ledger accounts by the Fiscal Agent's Senior Accountant on a monthly basis. An independent analysis by an external auditor shall be conducted annually to review and perform procedure testing on the Agency's cash and investments that have a material impact on the financial statements. The Fiscal Agent's Administrative Services Director and/or C/CAG Executive Director shall review and ensure compliance with investment processes and procedures.

REPORTING

The Fiscal Agent's Investment Committee shall review and render quarterly reports to the C/CAG Executive Director and to the C/CAG Board which shall include the face amount of the cash investment, the classification of the investment, the name of the institution or entity, the rate of interest, the maturity date, the current market value and accrued interest due for all securities. The quarterly reports will be submitted to the Fiscal Agent's Investment Committee within forty-five (45) days following the end of the quarter covered by the report as per Section 53646 (b)(1) of the California Government Code. Once approved by the Fiscal Agent's Investment Committee, the report is submitted to the C/CAG Executive Director and the C/CAG Finance Committee for review. The quarterly reports shall be placed on C/CAG's meeting agenda for its review and approval no later than 75 days after the quarter ends. If there are no C/CAG meetings within the 75-day period, the quarterly report shall be presented to the Finance Committee at the soonest possible meeting thereafter.

QUALIFIED BROKER/DEALERS

C/CAG shall transact business only with banks, and with broker/dealers registered with the State of California or the Securities and Exchange Committee. The broker/dealers should be primary or regional dealers. C/CAG and the Fiscal Agent currently do not maintain a list of brokers/dealers approved to do business with C/CAG. When necessary, C/CAG and/or the Fiscal Agent shall go through the Request for Proposal processes to select the broker/dealers. Investment staff shall investigate dealers wishing to do business with C/CAG's staff to determine if they are adequately capitalized, have pending legal action against the firm or the individual broker and make markets in the securities appropriate to C/CAG's needs. C/CAG's investment policy shall be made available on C/CAG's website.

Back to Top

COLLATERAL REQUIREMENTS

Collateral is required for investments in certificates of deposit. In order to reduce market risk, the collateral level will be at least 110% of market value of principal and accrued interest. Collaterals should be held by an independent third party. Collaterals should be required for investments in CDs in excess of FDIC insured amounts.

AUTHORIZED INVESTMENTS

Investment of C/CAG's funds is governed by the California Government Code Sections 53600 et seq. The level of investment in all areas will be reviewed by the C/CAG Executive Director. Within the context of the limitations, the following investments are authorized, as further limited herein:

1. United States Treasury Bills, Bonds, and Notes or those for which the full faith and credit of the United States are pledged for payment of principal and interest. There is no percentage limitation of the portfolio that can be invested in this category, although a five-year maturity limitation is applicable.

2. Local Agency Investment Fund (LAIF) which is a State of California managed investment pool, may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments, with the knowledge that the pool/fund may include some investments allowed by statute but not explicitly identified in this investment policy.

3. San Mateo County Investment Pool may be used up to the maximum permitted by California State Law. A review of the pool/fund is required when they are part of the list of authorized investments, with the knowledge that the pool/fund may include some investments allowed by statute but not explicitly identified in this investment policy.

   Socially Responsible Investment. In addition to and while complying with California Government Code provisions that regulate the investment of public funds (which require that, when managing and investing public funds, the objectives shall be, primarily, to safeguard principal of invested funds; secondarily, to meet the liquidity needs of the local government; and third, to achieve a return on invested funds), C/CAG recognizes the importance of socially responsible investing. C/CAG supports that the County's Treasurer will consider and promote investment in authorized issuers that display adherence to strong environmental, social and governance (ESG) principles, including but not limited to, environmental sustainability, social and economic justice, and good corporate governance. The County's Socially Responsible Investment Objectives can be found on page 3 of the San Mateo County Investment Policy Statement.

4. Obligations issued by the Government National Mortgage Association (GNMA), the Federal National Mortgage Association (FNMA), and the Federal Home Loan Mortgage Corporation (FHLMC). A mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate, or consumer receivable-backed

bond. Securities eligible for investment under this subdivision and not issued or guaranteed by an agency or issuer identified in California Government Code Section 53601 subdivision (b) or (f) subdivision, shall be rated in a rating category of "AA" or its equivalent or better by a nationally recognized statistical rating organization (NRSRO) and have a maximum remaining maturity of five years or less. Purchase of securities authorized by this subdivision shall not exceed 20% of the agency's surplus moneys that may be invested pursuant to this section. However, on August 28, 2019, the C/CAG Finance Committee rejected a modification to this provision which would allow a public agency to invest in mortgage-backed securities. Therefore, mortgage pass-through securities and mortgage-backed securities are disallowed investments unless as part of LAIF or County Pool investments, which are governed by Government Code 16429.1 and 53684, respectively.

5. Bills of exchange or time drafts drawn on and accepted by commercial banks, otherwise known as bankers' acceptances. Bankers' acceptances purchased may not exceed 180 days to maturity or 40% of the cost value of the portfolio. Also, no more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.

6. Commercial paper ranked the highest letter and number rating by a Nationally Recognized Statistical Rating Organization (NRSRO), such as Standard & Poor's Ratings Services, Moody's Investors Services, or Fitch Ratings, Inc., and issued by domestic corporations having assets in excess of $500,000,000 and having an "A" or better rating on its long-term debentures as provided by NRSRO. Eligible commercial paper shall have a maximum maturity of 397 days or less. Local agencies, other than counties or a city and county, that have less than one hundred million dollars ($100,000,000) of investment assets under management, may invest no more than 25 percent of their moneys in eligible commercial paper. The amount invested in commercial paper of any one issuer in combination with any other securities from that issuer shall not exceed 10% of the portfolio.

7. Negotiable Certificates of Deposit issued by nationally or state-chartered banks (FDIC insured institutions) or state or federal savings institutions. Purchases of negotiable certificates of deposit may not exceed 30% of total portfolio. A maturity limitation of five years is applicable.

8. Time deposits or placement service deposits, non-negotiable and collateralized in accordance with the California Government Code, may be purchased through banks or savings and loan associations. Since time deposits are not liquid, no more than 50% (effective January 1, 2020) of the investment portfolio may be invested in this investment type. A maturity limitation of five years is applicable. Effective January 1, 2020, no more than 50 percent of the agency's money may be invested in deposits, including certificates of deposit, through a placement service as authorized under 53601.8 (excludes negotiable certificates of deposit authorized under Section 53601(i)). On January 1, 2031, the maximum percentage of the portfolio reverts back to 30%. Investments made pursuant to 53635.8 remain subject to a maximum of 30% of the portfolio.

9. Medium Term Corporate Notes, with a maximum maturity of five years may be purchased. Securities eligible for investment shall be rated "A" or better by an NRSRO. Purchase of medium-term notes may not exceed 30% of the market value of the portfolio.

Back to Top

10. Ineligible investments are those that are not described herein, including but not limited to, common stocks, long term (over five years in maturity) notes and bonds, and insurance products like annuities. Other investments commonly held in personal investment portfolios such as real estate investment trusts (REITs), exchange traded funds (EFTs), and equities are prohibited investments. It is noted that special circumstances may arise that necessitate the purchase of securities beyond the five-year limitation. On such occasions, requests must be reviewed by the C/CAG Executive Director and approved by the C/CAG Board prior to purchase.

11. Various daily money market funds administered for or by trustees, paying agents and custodian banks contracted by the City and County Association of Governments may be purchased as allowed under State of California Government Code. Only funds holding U.S. Treasury or Government agency obligations can be utilized.

The following summary of maximum percentage limits, by instrument, is established for C/CAG's total pooled funds portfolio:

Authorized Investment Type	Government Code	Maximum Maturity	Minimum Credit Quality	Maximum in Portfolio	Maximum Investment in One Issuer
Local Agency Investment Fund (LAIF)	16429.1	Upon Demand	N/A	As approved by the C/CAG Board but no more than $75 million permitted by LAIF.	(C)
San Mateo County Investment Pool	53684	Upon Demand	N/A	As approved by the C/CAG Board	(C)©
Treasury Obligations (bills, notes & bonds)	53601(b)	5 Years	N/A	100%	N/A
US Government Agency and Federal Agency Securities	53601(f)	5 Years	N/A	100%	N/A
Bankers' Acceptances	53601(g)	180 Days	N/A	40%	(B)
Commercial Paper	53601(h)	397 Days	Highest letter and number rating by an NRSRO	25%	(A)
Negotiable Certificates of Deposit	53601(i)	5 Years	N/A	30%	N/A
Placement Service Deposits – Deposits or Certificates of Deposits	53601.8 and 53635.8	5 Years	N/A	50%	N/A

Medium Term Corporate Notes	53601(k)	5 Years	A	30%	N/A

(A) 10% of outstanding paper of issuing corporation.
(B) No more than 30% of the agency's money may be in bankers' acceptances of any one commercial bank.
(C) C/CAG Board approved the investment portfolio mix on November 13, 2013.
LAIF - 50% to 70%
COPOOL – 30% to 50%

DERIVATIVE INVESTMENTS

The use of derivatives is prohibited under this policy. Derivatives are financial instruments whose performance is derived, at least in part, from the performance of an underlying asset, security or index.

LEGISLATIVE CHANGES

Any State of California legislative action that further restricts allowable maturities, investment type, or percentage allocations will be incorporated into the City and County Association of Governments' Investment Policy and supersede any and all previous applicable language.

Effective January 1, 2026, the C/CAG acknowledges the extension of Government Code § 53601.6 authorizing investment in U.S. government-issued or government-backed securities that may result in zero-interest accrual if held to maturity, through January 1, 2031.

INTEREST EARNINGS

All money earned and collected from investments authorized in this policy shall be allocated quarterly based on the cash balance in each fund at quarter end as percentage of the entire pooled portfolio.

LIMITING MARKET VALUE EROSION

The longer the maturity of securities, the greater is their market price volatility. Therefore, it is the general policy of C/CAG to limit the potential effects from erosion in market values by adhering to the following guidelines:

All immediate and anticipated liquidity requirements will be addressed prior to purchasing all investments.

Maturity dates for long-term investments will coincide with significant cash flow requirements where possible, to assist with short-term cash requirements at maturity.

All long-term securities will be purchased with the intent to hold all investments to maturity under then prevailing economic conditions. However, economic or market conditions may change, making it in C/CAG's best interest to sell or trade a security prior to maturity.

Back to Top

PORTFOLIO MANAGEMENT ACTIVITY

The investment program shall seek to augment returns consistent with the intent of this policy, identified risk limitations and prudent investment principals. These objectives will be achieved by use of the following strategies:

Active Portfolio Management. Through active fund and cash flow management, taking advantage of current economic and interest rate trends, the portfolio yield may be enhanced with limited and measurable increases in risk by extending the weighted maturity of the total portfolio.

Portfolio Maturity Management. When structuring the maturity composition of the portfolio, C/CAG shall evaluate current and expected interest rate yields and necessary cash flow requirements. It is recognized that in normal market conditions longer maturities produce higher yields. However, the securities with longer maturities also experience greater price fluctuations when the level of interest rates change.

Security Swaps. C/CAG may take advantage of security swap opportunities to improve the overall portfolio yield. A swap, which improves the portfolio yield, may be selected even if the transactions result in an accounting loss. Documentation for swaps will be included in C/CAG's permanent investment file documents. No swap may be entered into without the approval of the C/CAG Executive Director and the C/CAG Board.

Competitive Bidding. It is the policy of C/CAG to require competitive bidding for investment transactions that are not classified as "new issue" securities. For the purchase of non-"new issue" securities and the sale of all securities at least three bidders must be contacted. Competitive bidding for security swaps is also suggested, however, it is understood that certain time constraints and broker portfolio limitations exist which would not accommodate the competitive bidding process. If a time or portfolio constraining condition exists, the pricing of the swap should be verified to current market conditions and documented for auditing purposes.

POLICY REVIEW

The City/County Association of Governments' investment policy shall be adopted by resolution of the C/CAG Board on an annual basis. This investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and yield, and its relevance to current law and financial and economic trends. The Investment Policy, including any amendments to the policy shall be forwarded to the C/CAG Board for approval.

Glossary of Terms

Accrued Interest- Interest earned but not yet received.

Active Deposits- Funds which are immediately required for disbursement.

Amortization- An accounting practice of gradually decreasing (increasing) an asset's book value by spreading its depreciation (accretion) over a period of time.

Asked Price- The price a broker dealer offers to sell securities.

Basis Point- One basis point is one hundredth of one percent (.01).

Bid Price- The price a broker dealer offers to purchase securities.

Bond- A financial obligation for which the issuer promises to pay the bondholder a specified stream of future cash flows, including periodic interest payments and a principal repayment.

Bond Swap - Selling one bond issue and buying another at the same time in order to create an advantage for the investor. Some benefits of swapping may include tax-deductible losses, increased yields, and an improved quality portfolio.

Book Entry Securities - Securities, such stocks held in "street name," that are recorded in a customer's account, but are not accompanied by a certificate. The trend is toward a certificate-free society in order to cut down on paperwork and to diminish investors' concerns about the certificates themselves. All the large New York City banks, including those that handle the bulk of the transactions of the major government securities dealers, now clear most of their transactions with each other and with the Federal Reserve through the use of automated telecommunications and the "book-entry" custody system maintained by the Federal Reserve Bank of New York. These banks have deposited with the Federal Reserve Bank a major portion of their government and agency securities holdings, including securities held for the accounts of their customers or in a fiduciary capacity. Virtually all transfers for the account of the banks, as well as for the government securities dealers who are their clients, are now effected solely by bookkeeping entries. The system reduces the costs and risks of physical handling and speeds the completion of transactions.

Bearer and Registered Bonds - In the past, bearer and registered bonds were issued in paper form. Those still outstanding may be exchanged at any Federal Reserve Bank or branch for an equal amount of any authorized denomination of the same issue. Outstanding bearer bonds are interchangeable with registered bonds and bonds in "book-entry" form. That is, the latter exist as computer entries only and no paper securities are issued. New bearer and registered bonds are no longer being issued. Since August 1986, the Treasury's new issues of marketable notes and bonds are available in book-entry form only. All Treasury bills and more than 90% of all other marketable securities are now in book-entry form. Book-entry obligations are transferable only pursuant to regulations prescribed by the Secretary of the Treasury.

Book Value- The value at which a debt security is shown on the holder's balance sheet. Book value is acquisition cost less amortization of premium or accretion of discount.

Broker - In securities, the intermediary between a buyer and a seller of securities. The broker, who usually charges a commission, must be registered with the exchange in which he or she is trading, accounting for the name registered representative.

Certificate of Deposit- A deposit insured up to $250,000 by the FDIC at a set rate for a specified period of time.

Collateral- Securities, evidence of deposit or pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposit of public moneys.

Constant Maturity Treasury (CMT)- An average yield of a specific Treasury maturity sector for a specific time frame. This is a market index for reference of past direction of interest rates for the given Treasury maturity range.

Coupon- The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value.

County Pool- County of San Mateo managed investment pool.

Credit Analysis- A critical review and appraisal of the economic and financial conditions or of the ability to meet debt obligations.

Current Yield- The interest paid on an investment expressed as a percentage of the current price of the security.

Custody- A banking service that provides safekeeping for the individual securities in a customer's investment portfolio under a written agreement which also calls for the bank to collect and pay out income, to buy, sell, receive and deliver securities when ordered to do so by the principle.

Delivery vs. Payment (DVP)- Delivery of securities with a simultaneous exchange of money for the securities.

Discount- The difference between the cost of a security and its value at maturity when quoted at lower than face value.

Diversification- Dividing investment funds among a variety of securities offering independent returns and risk profiles.

Duration- The weighted average maturity of a bond's cash flow stream, where the present value of the cash flows serve as the weights; the future point in time at which on average, an investor has received exactly half of the original investment, in present value terms; a bond's zero-coupon equivalent; the fulcrum of a bond's present value cash flow time line.

Back to Top

Fannie Mae- Trade name for the Federal National Mortgage Association (FNMA), a U.S. sponsored corporation.

Federal Reserve System- The central bank of the U.S. that consists of a seven member Board of Governors, 12 regional banks and approximately 8,000 commercial banks that are members.

Federal Deposit Insurance Corporation (FDIC)- Insurance provided to customers of a subscribing bank that guarantees deposits to a set limit (currently $250,000) per account.

Fed Wire- A wire transmission service established by the Federal Reserve Bank to facilitate the transfer of funds through debits and credits of funds between participants within the Fed system.

Fiscal Agent - The organization that is essentially the checkbook for C/CAG funds.

Freddie Mac- Trade name for the Federal Home Loan Mortgage Corporation (FHLMC), a U.S. sponsored corporation.

Ginnie Mae- Trade name for the Government National Mortgage Association (GNMA), a direct obligation bearing the full faith and credit of the U.S. Government.

Inactive Deposits- Funds not immediately needed for disbursement.

Interest Rate- The annual yield earned on an investment, expressed as a percentage.
Investment Agreements- An agreement with a financial institution to borrow public funds subject to certain negotiated terms and conditions concerning collateral, liquidity and interest rates.

Local Agency Investment Fund (LAIF) - State of California managed investment pool.

Liquidity- Refers to the ability to rapidly convert an investment into cash.

Market Value- The price at which a security is trading and could presumably be purchased or sold.

Maturity- The date upon which the principal or stated value of an investment becomes due and payable.

Nationally Recognized Statistical Rating Organization (NRSRO)- A U.S. Securities & Exchange Commission registered agency that assesses the creditworthiness of an entity or specific security. NRSRO typically refers to Standard and Poor's Ratings Services, Fitch Ratings, Inc. or Moody's Investors Services.

New Issue- Term used when a security is originally "brought" to market.

Perfected Delivery- Refers to an investment where the actual security or collateral is held by an independent third party representing the purchasing entity.

Portfolio- Collection of securities held by an investor.

Back to Top

Primary Dealer- A group of government securities dealers that submit daily reports of market activity and security positions held to the Federal Reserve Bank of New York and are subject to its informal oversight.

Purchase Date- The date in which a security is purchased for settlement on that or a later date.

Rate of Return- The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond or the current income return.

Repurchase Agreement (REPO)- A transaction where the seller (bank) agrees to buy back from the buyer (C/CAG) the securities at an agreed upon price after a stated period of time.

Reverse Repurchase Agreement (REVERSE REPO)- A transaction where the seller (C/CAG) agrees to buy back from the buyer (bank) the securities at an agreed upon price after a stated period of time.

Risk- Degree of uncertainty of return on an asset.

Safekeeping- see custody.

Sallie Mae- Trade name for the Student Loan Marketing Association (SLMA), a U.S. sponsored corporation.

Secondary Market- A market made for the purchase and sale of outstanding issues following the initial distribution.

Settlement Date- The date on which a trade is cleared by delivery of securities against funds.

Secured Overnight Financing Rate (SOFR)- represents a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities.

Time Deposit- A deposit in an interest-paying account that requires the money to remain on account for a specific length of time. While withdrawals can generally be made from a passbook account at any time, other time deposits, such as certificates of deposit, are penalized for early withdrawal.

Treasury Obligations- Debt obligations of the U.S. Government that are sold by the Treasury Department in the forms of bills, notes, and bonds. Bills are short-term obligations that mature in one year or less. Notes are obligations that mature between one year and ten years. Bonds are long-term obligations that generally mature in ten years or more.

U.S. Government Agencies- Instruments issued by various US Government Agencies most of which are secured only by the credit worthiness of the particular agency.

Yield- The rate of annual income return on an investment, expressed as a percentage. It is obtained by dividing the current dollar income by the current market price of the security.

Yield to Maturity- The rate of income return on an investment, minus any premium or plus any discount, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond, expressed as a percentage.

Back to Top

Yield Curve- The yield on bonds, notes or bills of the same type and credit risk at a specific date for maturities up to thirty years.

Back to Top

ITEM 4.1

C/CAG AGENDA REPORT

Date:	September 10, 2026
To:	City/County Association of Governments of San Mateo County Board of Directors
From:	Kaki Cheung, Interim Executive Director
Subject:	Review legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)
	(For further information, contact Matt Petrofsky at mpetrofsky@smcgov.org)

RECOMMENDATION

That the C/CAG Board of Directors review the legislative update and, if appropriate, recommend approval of C/CAG legislative policies, priorities, or positions. (A position may be taken on any legislation, including legislation not previously identified in the legislative update. Action is only necessary if recommending approval of a policy, priority, or position.)

FISCAL IMPACT

N/A

SOURCE OF FUNDS

N/A

BACKGROUND

The C/CAG Legislative Committee receives monthly written reports and oral briefings from C/CAG's State legislative advocate, Shaw Yoder Antwih Schmelzer & Lange (Consultant). Important legislative topics, and any votes on positions taken or other actions recommended by the Legislative Committee to the C/CAG Board are reported to the full C/CAG Board through this item.

The Consultant's full report and associated bill matrices, including the e-bike bill specific matrix, provide updates on legislative timelines, the State Budget, State grant programs, and bill activity relevant to C/CAG since the last Board meeting. The full report can be found as Attachment 1.

Back to Top

DISCUSSION/ANALYSIS

Key Takeaways

- **$1.38 million included in State Budget for the Integrated Green Stormwater Infrastructure Streets Program**. The end-of-session State budget package includes C/CAG-requested funding for integrated green stormwater infrastructure projects in East Palo Alto, Daly City, and South San Francisco.
- **Vehicle License Fee (VLF) relief remains a major countywide issue**. The enacted budget provides $76.95 million for San Mateo County, while the combined County and city shortfall is projected to approach $226 million in the coming year. AB 184 commits the State to work toward a longer-term solution beginning in FY 2027-28, but does not itself provide ongoing funding.
- **Transit and climate funding was partially restored**. The end-of-session package restores $230 million in FY 2026-27 SB 125 zero-emission transit funding and improves near-term funding assumptions for several Cap-and-Invest programs. An additional $460 million in scheduled SB 125 funding remains to be secured next year.
- **Several bills with local implementation implications await gubernatorial action**. These include bills addressing San Mateo County e-bike authority, statewide e-bike standards, SB 375 planning, transit-oriented housing, and coastal resilience permitting.

Federal and State Budget Updates

Federal Budget Updates

The BUILD America 250 Act (H.R. 8870) has not seen any House floor action since being approved by the Transportation and Infrastructure Committee in May. With the current surface transportation authorization set to expire September 30, 2026, another short-term extension of surface transportation programs appears increasingly likely. C/CAG submitted a letter to urge Senators Padilla and Schiff to include a request to support a short-term extension that preserves advance appropriations, transit funding, and active transportation eligibility. If approved, such an extension would likely push the new reauthorization deadline beyond the election season. Staff are working on an updated list of potential Federal earmark projects in anticipation of the possibility that the reauthorization following this short-term one may be one carried forward by a differently constructed legislature. The letter submitted to Senators Padilla and Schiff can be found as attachment 2.

State Budget Updates

Earlier this year, C/CAG advanced State funding requests totaling $4.68 million for three countywide priorities: integrated green stormwater infrastructure ($1.38 million), the SAFE-T traffic safety project ($1.8 million), and a countywide OneWatershed Strategic Plan ($1.5 million). With the possibility of additional funding for legislative member requests emerging in the final weeks of the State legislative session, C/CAG submitted letters to the State delegation related to these priorities. Those letters can be found as attachments 8.

AB 113 (link), released as part of the end of the 26-27 end of session budget package, included $1,380,000 for the Integrated Green Stormwater Infrastructure Streets Program (Item 3940-103-0001, Provision 1(c)), an allocation advanced by Assemblymember Papan. The funding would accelerate construction and design near Costano Elementary School in East Palo Alto, Woodrow Wilson and Bayshore Elementary Schools in Daly City, and the Grand Avenue downtown corridor in South San Francisco. The projects combine pedestrian-safety and ADA improvements with bioretention and permeable pavement. The same project is also included for $500,000 in pending FY2027 Transportation, Housing and Urban Development (THUD) Community Project Funding (CPF) with the support of Congressman Mullin. Neither of these funding sources are committed until the applicable budget and grant requirements are completed.

C/CAG staff will continue to pursue alternative funding opportunities for the other two programs where possible.

VLF estimates for the upcoming fiscal year
The enacted 2026-27 State Budget includes a $76.95 million partial backfill for San Mateo County. It is estimated that in the coming year the shortfall will grow significantly, with San Mateo County and cities being due a combined estimated amount of nearly $226M. AB 184 (link) states the Legislature's intent to work with San Mateo, Alpine, and Mono Counties, cities within those counties, and other affected jurisdictions on a mutually agreeable legislative and fiscal solution operative in the 2027–28 fiscal year. C/CAG should continue to support a durable solution because the projected shortfall affects both the County and cities and could constrain locally funded services and transportation investments.

SB 125 and Cap-and-Invest
The end-of-session package restores the full $230 million scheduled for FY 2026-27 under the SB 125 Zero-Emission Transit Capital Program. It also increases current assumptions to $48 million for the Low Carbon Transit Operations Program, $95 million for the Transit and Intercity Rail Capital Program, and $190 million for the two Affordable Housing and Sustainable Communities components, plus $50 million earmarked for agricultural land preservation. Beginning in FY 2027-28, interest earned by the Greenhouse Gas Reduction Fund will remain within the expenditure plan. The Legislative Analyst's Office estimates this structural change could add approximately $500 million annually in the near term. These programs support transit, affordable housing, and climate investments used throughout the Bay Area, but current amounts remain below statutory targets. A graphic of the various tiers within the Cap-and-Invest Program can be seen in the Consultant's full report (Attachment 1).

Sustainable Aviation Fuel (SAF) tax credit
The Governor's January budget proposal contained a now excluded tax credit that could have reduced Statewide diesel excise tax revenues available for roads, bridges, freight corridors, and streets. If adopted, it was estimated to result in an annual loss of $394,000 to $1,418,000 in transportation revenues Countywide; $165 million to $300 million Statewide. C/CAG submitted a delegation letter in opposition to the proposed Sustainable Aviation Fuel Tax Credit, which can be found as attachment 3. The final budget package excludes that proposed tax credit.

Legislative Positions

Over the past three months, C/CAG has continued to submit letters of support for the draft legislation which this committee has taken positions on, including letters to the Senate and Assembly Housing, Natural Resources & Water, Transportation and Appropriations Committees. Several letters have been sent to the Governor requesting final signature for legislation that has made it to his desk:

- **AB 2595 (Papan)** San Mateo County Age Limit for Electric Bicycle Use: **C/CAG support.** If signed, cities, towns, and the County could prohibit children under age 12 from operating Class 1 or 2 e-bikes through January 1, 2031. Participating jurisdictions would need to consider ordinance language, education, and enforcement; a coordinated countywide approach could improve consistency.

- **AB 2346 (Wilson)**: Electric Bicycles Safety and **SB 1167 (Blakespear**) Vehicles: Electric Bicycles: **C/CAG support.** The bills strengthen equipment, labeling, seller-disclosure, and product-classification requirements and distinguish legal e-bikes from mopeds or "e-motos." AB 2346 also authorizes specified local speed limits. If signed, public works, parks, police, and legal staff should review local rules, signage, education, and enforcement practices.
- **AB 2296 (Papan)** Regional Housing Needs Allocation Process: **C/CAG support.** Adjusts selected timelines for forming subregions and allocating housing need. The measure is relevant to jurisdictions preparing for the next RHNA and housing-element cycle.
- **AB 2313 (Berman)** The Home Energy Choice Act: **C/CAG support.** Provides incentives for alternatives to gas-line replacement.
- **AB 2051 (Wicks)** Coastal Resilience Permitting Working Group: **C/CAG support.** Creates the Coastal Resilience Permitting Working Group to streamline environmental approvals for climate adaptation projects.

Related letters can be found as attachment 8.

The Governor will have until September 30 to sign bills into law. Staff will monitor Governor action on the tracked bills and identify immediate implementation issues for member jurisdictions.

Advocacy and Comment Letters

Office of Management and Budget Delegation Letter and Public Comment

The US Office of Management and Budget (OMB) has proposed revisions to the Guidance for Federal Financial Assistance (2 CFR Part 200) that if finalized would give the Executive Branch sweeping authority to screen, deny, delay, and terminate federal grant awards across all federal agencies based on presidential policy priorities unrelated to the statutory purposes of the grant programs Congress created and funds.

C/CAG submitted comments to OMB in opposition of the proposed changes and also sent a letter to the federal delegation urging them to oppose the changes. C/CAG received positive responses from Senators Padilla and Schiff, who have both also signed on to an opposition letter.

C/CAG's letter and submitted public comment can be found as attachments 4 and 5.

Preliminary DAC designation Comment Letter

California communities that meet various geographic, socioeconomic, public health, and environmental hazard criteria can be designated as "Disadvantaged Communities (DACs)" by CalEPA. These designations have impacts on eligibility for and/or prioritized access to State funding from a variety of sources. One of the primary tools used in this identification process is the CalEnviroScreen mapping tool, developed by the Office of Environmental Health Hazard Assessment (OEHHA). C/CAG previously submitted comments related to the development of the most recent version of that tool. CalEPA recently proposed definitions for a preliminary designation of DACs for 2026, released a draft map of DACs statewide, and opened a public comment period.

C/CAGs submitted public comment to CalEPA requesting that additional pathways to DAC designation be added so that communities with high costs of living, and those that exist within census tracts that also contain less vulnerable inhabitants might be able to receive vital state investment. Those public comments can be found as attachment 6.

Back to Top

Greenhouse Gas Reduction Fund Coalition letter

In May, the California Air Resources Board adopted amendments to the Greenhouse Gas Reduction Fund (GGRF) auction revenue proceedings that are projected to result in a cumulative decrease of $900 million in GGRF revenues from 2027–2046. In addition to providing public comment on this topic at a hearing, C/CAG has also signed onto a coalition letter requesting that the State Legislature take action on this deficit though August budget action on the fiscal year (FY) 2026-27 budget package. The main priorities expressed in this letter include requests to 1) fully fund the outstanding $690 million in SB 125 commitments; 2) fund Tier 3 programs including, AHSC, TIRCP, and LCTOP as close as possible to the SB 840 statutory targets; and 3) allocate $1 billion for California High Speed Rail from the GGRF, consistent with SB 840. That coalition letter can be found as attachment 7.

Submitted Federal and State Applications

DOT Transportation Safety Grant – SAFE T project

On February 24, 2026 C/CAG applied for $5.4M from the U.S. Department of Transportation's (USDOT) Better Utilizing Investments to Leverage Development (BUILD) grant program to implement the Safety Applications For Every Traveler (SAFE-T) project. The project would deploy traffic signal safety interventions, including pedestrian detection and dynamic “No Turn on Red” signs at 78 high risk locations throughout the County, focusing on areas along the High Injury Network. Additionally, the project would deploy a centralized emergency vehicle preemption (EVP) system along 16 miles of Highway 1. These improvements aimed to reduce vehicle-pedestrian conflicts, improve accessibility for seniors and people with disabilities, and improve emergency response times. On August 3, C/CAG was informed that the application was recognized as a “Project of Merit” but not selected for an award. C/CAG has applied to other funding programs for SAFE-T (Safe Streets for All, TDA Article 3) and will apply to other programs (OBAG 4, San Mateo County Transportation Authority’s Pedestrian/Bike Program and Alternative Congestion Relief/Transportation Demand Management Program) this fall.

Equity Impacts and Considerations

The C/CAG Legislative Committee considers equity in its positions on legislation and has included equity language in the annual Legislative Priorities document for C/CAG Board review and approval. Decisions made in relation to transportation, housing, stormwater, and climate resilience have the potential to impact our most vulnerable communities in San Mateo County.

Attachments

1. C/CAG Legislative Update, September 1, 2026 from Shaw Yoder Antwih Schmelzer & Lange
2. 8/14/2026 – To The Honorable Alex Padilla and Adam Schiff, United States Senate, RE: City/County Association of Governments for San Mateo County (C/CAG) Priorities for Surface Transportation Reauthorization
3. 7/23/2026 – To The Honorable Josh Becker and Scott Wiener, California State Senate, and The Honorable Diane Papan, Marc Berman, and Catherine Stefani, California State Assembly, RE: Oppose Proposed Sustainable Aviation Fuel Tax Credit
4. 7/8/2026 – To Office of Management and Budget, RE: Proposed Revisions to Guidance for Federal Financial Assistance

Back to Top

5. 7/8/2026 – To The Honorable Alex Padilla and Adam Schiff, United States Senate, and The Honorable Kevin Mullin and Sam Liccardo, United States House of Representatives, RE: Proposed Revisions to Guidance for Federal Financial Assistance
6. 8/14/2026 – To California Environmental Protection Agency, RE: Comments on the 2026 Preliminary Disadvantaged Communities Designations
7. 8/20/2026 – To The Honorable Monique Limón and John Laird, California State Senate, and The Honorable Robert Rivas and Jesse Gabriel, California State Assembly, Re: Protect California's Investments in Jobs, Transit, and Housing
8. For the relevant letters of support and project descriptions, see attachments for Agenda item #9 for the 9/10/26 C/CAG Board Meeting at: https://ccag.ca.gov/committees/board-of-directors-2/

Below are informational links:

- Recent Joint ABAG MTC Legislation Committee Agendas
- California State Association of Counties (CSAC) bill positions and tracking
- California Associations of Councils of Government (CALCOG) bill tracking
- Full Legislative search is available for specific bills at http://leginfo.legislature.ca.gov/
- 2026 California State Calendar of Legislative Deadlines
- San Mateo County Delegation
    - Legislation from Assemblymember Marc Berman
    - Legislation from Assemblymember Diane Papan
    - Legislation from Assemblymember Catherine Stefani
    - Legislation from Senator Josh Becker
    - Legislation from Senator Scott Wiener
- Bill Tracker for C/CAG by SYASL: C/CAG Bill Tracking
- Current client roster for Shaw Yoder Antwih Schmelzer & Lange - https://syaslpartners.com/clients/

Back to Top

Attachment 1

Shaw Yoder Antwih Schmelzer & Lange

1415 L Street
Suite 1000
Sacramento
CA, 95814
916-446-4656

September 1, 2026

To: Board of Directors
City/County Association of Governments of San Mateo County

From: Matt Robinson, Andrew Antwih and Lizzie Guansona
Shaw Yoder Antwih Schmelzer & Lange

Re: STATE LEGISLATIVE UPDATE – September 2026

Legislative Update

The Legislature recessed the second year of the two-year 2025-26 Legislative Session on September 1, sending more than 900 bills to the Governor in the final weeks of session. The Governor will have until September 30 to sign or veto bills sent to his desk in the final weeks of session. On November 3, the general election will occur. We will welcome several new members to Sacramento for the 2027-28 Legislative Session, which will convene on December 7 for one day until they begin their work in earnest in early January. There are nine Senate and thirteen Assembly seats that are considered "open" heading into November.

For information about key legislative and budget deadlines, please see the 2026 Legislative Calendar here.

2026-27 End-of-Session Budget Package

As anticipated, within the final few days of the legislative session, an August end-of-session budget package, comprised of sixteen bills, came into print. This package includes additional budget bills and budget trailer bills that "clean up" the earlier June 2026 budget package.

The Budget Bill Jr., contained in AB 113, includes funding for legislative targeted local priorities. Amongst these local allocations was $1,380,000 to San Mateo County for the Integrated Green Stormwater Infrastructure Streets Program (Item 3940-103-0001, Provision 1(c)), as requested by C/CAG, that we helped secure and led by Assemblymember Papan. This investment will accelerate construction and design of high-priority green stormwater infrastructure projects serving Costano Elementary School in East Palo Alto, Woodrow Wilson and Bayshore Elementary Schools in Daly City and Grand Avenue downtown corridor in South San Francisco. The projects include safer pedestrian crossings, ADA-accessible improvements, traffic calming measures, bioretention facilities, and permeable pavement.

Also, as part of this package, the State Government trailer bill (AB 184) includes a stated intent of the Legislature to work with the impacted counties and their representatives to develop mutually

Back to Top

agreeable legislative and fiscal solutions to the revenue shortfall from the vehicle license fee (VLF). This comes in addition to the previously allocated $80 million in the June budget to backfill three counties with insufficient local property taxes to offset lost VLF revenue from the State's reduction of the VLF. This included $76,950,000 specifically for San Mateo County.

Cap-and-Invest

On August 29, the Legislature and Governor reached an agreement on a GGRF spending plan for Fiscal Year 2026-27, reflected in AB 113 (Gabriel). As it relates to transportation and housing, the agreement:

- Fully honors the $230 million FY 2026-27 SB 125 commitment for the Zero-Emission Transit Capital Program;
- $48 million for LCTOP (slight increase from $38 million in the latest July projection);
- $95 million for TIRCP (slight increase from $76 million in the latest July projection);
- $133 million for Affordable Housing (slight increase from $107 in the latest July projection);
- $107 million for Sustainable Communities (includes $50 million one-time for agricultural land preservation).

In addition, a companion GGRF trailer bill directs interest earned on GGRF to the GGRF expenditure plan, beginning in FY 2027-28. This will have the effect of directing approximately $500 million annually to the GGRF in the near-term, which will help bolster funding for the Tier 3 programs.

As a reminder, this tier system was implemented as a result of negotiations last year, which reauthorized the Cap-and-Trade program (now Cap-and-Invest) and recast the expenditure plan. Specifically, SB 840 substantially modified appropriations from GGRF and effectively established "priority tiers" for the GGRF appropriations. Off the top, the legislation appropriates GGRF revenue for a variety of backfills and administrative expenses – "Tier 1." The legislation then appropriates $1 billion in GGRF revenue for high-speed rail and $1 billion in GGRF revenue for the Legislature's discretionary priorities – "Tier 2." Then, the legislation appropriates nearly $2 billion for the historic continuous appropriations, including AH/SCP and transit programs – "Tier 3."

Statutorily Required GGRF Appropriations Pursuant to SB 840		
Program	**Department**	**Annual Amounts**
Tier 1: Starting in 2026-27, auction revenues will be allocated first to the following programs:		
Manufacturing tax exemption	N/A	• Roughly $160 million
State operations	Various	• Roughly $120 million
State Responsibility Area fee backfill	CalFire	• Roughly $90 million
Legislative Counsel Climate Bureau	Legislative Counsel	• $3 million
Tier 2: Then second to the following programs:		
High-speed rail project	HSRA	• $1 billion
Unspecified programs subject to appropriation	Various	• $1 billion
Tier 3: Then third, if funding is available, to the following programs:		

Back to Top

Affordable Housing and Sustainable Communities Program	SGC	• $800 million
TIRCP	CalSTA	• $400 million
Community Air Protection Program—AB 617	CARB	• $250 million
Low Carbon Transit Operations Program	Caltrans	• $200 million
Wildfire and forest resilience—SB 901	CalFire	• $200 million
Safe and Affordable Drinking Water Program	SWRCB	• $130 million
Tier 4: Then fourth, remaining funding is subject to legislative appropriation for discretionary purposes.		

As reflected in the chart below, the Budget Bill Jr. assumes and/or provides the following appropriations for the following Tier 3 priority programs.

(In millions)	**SB 840 Statutorily Established Tiers**	**Tier 3 FY 26-27 June Budget Projections**	**Tier 3 FY 26-27 August Budget Projections**	**SB / AB 113 GGRF Augmentation**	**Total:**
SB 125 - Zero Emission Transit Capital Program (ZETCP)	*N/A*	*N/A*	*N/A*	$230	$230
Low Carbon Transit Operations Program (LCTOP)	*$200*	$38	$48		$48
Transit and Intercity Rail Capital Program (TIRCP)	*$400*	$76	$95		$95
AHSCP - Sustainable Communities	*$240*	$46	$57	$50 (Earmarked for SALC)	$107
AHSCP - Affordable Housing	*$560*	$107	$133		$133

The higher baseline GGRF funding relative to the FY 2026-27 budget reflects stronger than expected revenue generation at the most recent quarterly auction of the Cap-and-Invest program, which took place earlier this month.

Ballot Propositions

Fourteen statewide ballot propositions are on the November 3 ballot in California. This includes nine ballot initiatives and five measures from the California Legislature. For the official voter guide, please visit here.

Back to Top

- Proposition 1: Issue $11.25 billion in bonds to fund Multifamily Housing Program, CalVet Home Loan Program, and youth housing
- Proposition 2: Increase the Budget Stabilization Account (BSA) cap from 10% of general fund revenue to 20% and excluding deposits into the BSA from the Gann Limit
- Proposition 3: Renew the additional income taxes enacted with the approval of Proposition 38 in 2012 that fund education and early childhood programs
- Proposition 4: Allow the state and local governments to create programs that provide candidates with public funds under spending limits and eligibility rules
- Proposition 5: Eliminate the successor election when a state officer is recalled, thereby leaving the office vacant until it is filled according to state law
- Proposition 37: Establish a second mortgage homebuyer program for qualified homebuyers on qualifying homes and issue $25 billion in bonds to fund the program
- Proposition 38: Issue $8.4 billion in general obligation bonds to fund immunology and immunotherapy research
- Proposition 39: Require voters to present government-issued identification when casting ballots and require election officials to use government data to confirm voter citizenship and report verification rates
- Proposition 40: Levy a one-time 5% tax on the accumulated wealth of taxpayers and trusts with covered assets valued over $1 billion to fund state health care programs, food assistance programs, and public education
- Proposition 41: Require state laws or ballot initiatives levying a new special tax enacted after January 1, 2026 to require the government entities or departments receiving revenue from the new tax to eliminate their lowest-performing programs and reinvest those savings in higher-performing programs
- Proposition 42: Prohibit the enactment of new taxes after January 1, 2026 on ownership or accumulation of retirement holdings, individually-owned assets, and other forms of personal savings
- Proposition 43: Require two-thirds vote by electorate to enact, extend, or increase local special tax initiatives and prohibit local governments and ballot initiatives from enacting ad valorem property taxes except those authorized elsewhere in the state constitution
- Proposition 44: Prohibit healthcare clinics, specifically federally-qualified health centers and related organizations, from spending less than 90% of their annual revenue on mission-related purposes
- Proposition 45: Establish timelines for local and state agencies to review plans and solicit public comment for essential projects, such as housing, improvements to water supply, transportation, energy, and facilities for health and public safety

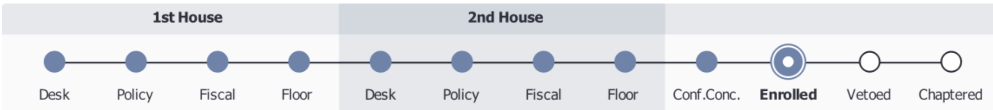
Attached to this report is a list of all the bills C/CAG has adopted a support or oppose position on or is actively monitoring with a "watch" position. To see the current status of these bills, please click here.

Back to Top

Support

AB 113 (**Gabriel, D**) **Budget Act of 2026.**

Introduced: 01/08/2025 (Spot bill)
Last Amended: 08/28/2026
Status: 09/01/2026 - Read third time. Urgency clause adopted. Passed. Ordered to the Assembly. (Ayes 29. Noes 4.). In Assembly. Concurrence in Senate amendments pending. Assembly Rule 63 suspended. Senate amendments concurred in. To Engrossing and Enrolling.

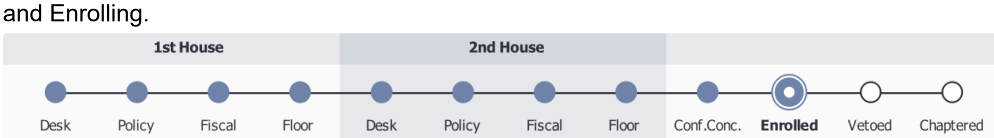


Location: 09/01/2026 - Assembly ENROLLMENT
Summary: The Budget Act of 2026 made appropriations for the support of state government for the 2026–27 fiscal year. This bill would amend that budget act by amending, adding, and repealing items of appropriation and making other changes. This bill would declare that it is to take effect immediately as a Budget Bill. This bill would declare that it makes an appropriation for the usual current expenses of the state, and shall go into immediate effect. This bill would declare that it is to take effect immediately as an urgency statute. (Based on 09/01/2026 text)

Position
Support

AB 184 (**Committee on Budget**) **State government.**

Introduced: 01/08/2025 (Spot bill)
Last Amended: 08/28/2026
Status: 08/31/2026 - From committee: Do pass. (Ayes 13. Noes 5.) (August 31). Read second time. Ordered to third reading. Read third time. Passed. Ordered to the Assembly. (Ayes 30. Noes 10.). In Assembly. Concurrence in Senate amendments pending. Assembly Rule 63 suspended. Senate amendments concurred in. To Engrossing and Enrolling.



Location: 08/31/2026 - Assembly ENROLLMENT
Summary: Existing property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally provides that each jurisdiction be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. Existing property tax law also requires that, for purposes of determining property tax revenue allocations in each county for the 1992–93 and 1993–94 fiscal years, the amounts of property tax revenue deemed allocated in the prior fiscal year to the county, cities, and special districts be reduced in accordance with certain formulas. It requires that the revenues not allocated to the county, cities, and special districts as a result of these reductions be transferred to the Educational Revenue Augmentation Fund in that county for allocation to school districts, community college districts, and the county office of education. The Vehicle License Fee Law imposes a license fee for the privilege of operating upon the public highways in this state of specified vehicles, including any vehicle of a type that is subject to registration under the Vehicle Code. Beginning with the 2004–05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Existing law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would state the intent of the Legislature for the state to work collaboratively with the

representatives of the County of Alpine, the County of Mono, and the County of San Mateo, representatives of cities within those counties, and representatives of other potentially impacted cities and counties to develop mutually agreeable legislative and fiscal solutions to the revenue shortfall from the vehicle license fee that the counties and cities are experiencing due to the operation of the above-described provisions relating to additional property tax revenues and vehicle license fees. (Based on 09/01/2026 text)

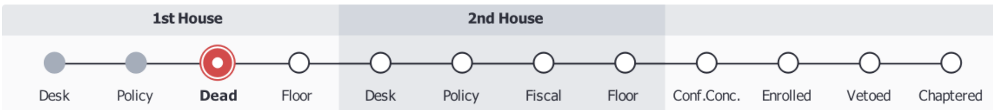
Position
Support

AB 1557 (**Papan, D**) **Vehicles: electric bicycles.**

Introduced: 01/08/2026

Last Amended: 04/16/2026

Status: 05/14/2026 - Failed Deadline pursuant to Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 5/6/2026)



Location: 05/14/2026 - Assembly DEAD

Summary: Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power. Existing law classifies electric bicycles into 3 classes with different restrictions. Existing law defines a “class 1 electric bicycle” as a bicycle equipped with a motor that provides assistance only when the rider is pedaling, that is not capable of exclusively propelling the bicycle, and that ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour. Existing defines a “class 2 electric bicycle” as a bicycle equipped with a motor that may be used exclusively to propel the bicycle and that is not capable of providing assistance when the bicycle reaches the speed of 20 miles per hour. Existing law defines a “class 3 electric bicycle” as a bicycle equipped with a speedometer and a motor that, in pertinent part, provides assistance only when the rider is pedaling and that ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour. A violation of the Vehicle Code is a crime. This bill would instead define a class 1 electric bicycle as a bicycle equipped with a motor that provides assistance only when the rider is pedaling, that is not capable of exclusively propelling the bicycle, and that ceases to provide assistance when the bicycle reaches the speed of 16 miles per hour. The bill would define a class 2 electric bicycle as a bicycle equipped with a motor that may be used exclusively to propel the bicycle, and that is not capable of providing assistance when the bicycle reaches the speed of 16 miles per hour. The bill would provide that, notwithstanding these definitions, an electric bicycle manufactured prior to January 1, 2027, that was equipped with a motor that is not capable of exceeding 750 watts of continuous power and otherwise met the legal requirements for the relevant class at the time of manufacture shall retain its classification. (Based on 04/16/2026 text)

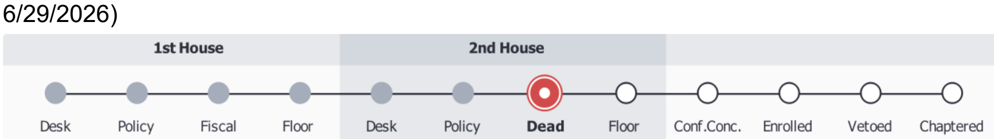
Position
Support

AB 2002 (**Solache, D**) **Local government assistance: Regional Early Action Planning Fund.**

Introduced: 02/17/2026

Last Amended: 06/18/2026

Status: 08/14/2026 - Failed Deadline pursuant to Rule 61(b)(14). (Last location was APPR. SUSPENSE FILE on 6/29/2026)



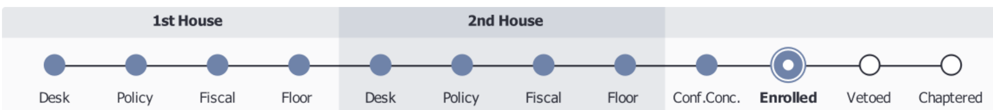
Location: 08/14/2026 - Senate DEAD

Summary: The Planning and Zoning Law requires each county and each city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and specified land outside its boundaries, that includes, among other specified mandatory elements, a housing element. That law requires the Department of Housing and Community Development, in consultation with each council of governments, to determine the existing and projected need for housing in each region and further requires the appropriate council of governments, or the department for cities and counties without a council of governments, to adopt a final regional housing need plan that allocates a share of the regional housing need to each city, county, or city and county, as provided. Existing law establishes the Local Government Planning Support Grants Program, administered by the department, for the purpose of providing regions and jurisdictions with one-time funding, including grants for planning activities to enable jurisdictions to meet the sixth cycle of the regional housing need assessment, as provided. This bill would establish the Regional Early Action Planning Fund in the State Treasury for the purpose of providing councils of governments, regional entities, and jurisdictions with one-time funding, including grants for planning activities, to enable those entities to meet the 7th and subsequent cycles of the regional housing need assessment. The bill would require the department to allocate funds, upon appropriation by the Legislature, from the Regional Early Action Planning Fund to each council of governments or regional entity responsible for allocating regional housing need that applies and qualifies for those moneys, as specified. The bill would authorize a council of governments or regional entity to expend funds awarded for certain purposes, including for activities that support the development, improvement, or implementation of the methodology for the 7th and subsequent regional housing needs assessment cycles, and for providing jurisdictions with technical assistance, planning, temporary staffing, or consultant needs associated with updating local planning and zoning documents, as provided. (Based on 06/18/2026 text)

Position
Support

AB 2051 (**Wicks, D**) **Public resources: coastal resources: Coastal Resilience Permitting Working Group.**

Introduced: 02/18/2026
Last Amended: 08/21/2026
Status: 08/28/2026 - Senate amendments concurred in. To Engrossing and Enrolling. (Ayes 67. Noes 6.).

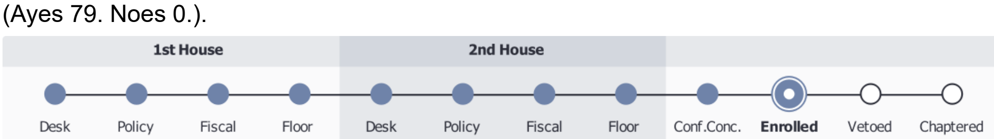


Location: 08/28/2026 - Assembly ENROLLMENT
Summary: The California Coastal Act of 1976 requires any person wishing to perform or undertake any development in the coastal zone, as defined, in addition to obtaining any other permit required by law from any local government or from any state, regional, or local agency, to obtain a coastal development permit, as provided. The act requires each local government lying in whole or in part within the coastal zone to prepare a local coastal program for that portion of the coastal zone within its jurisdiction. The act requires a land use plan of a proposed local coastal program to be submitted to the California Coastal Commission for certification. The act authorizes the commission to extend, for a period not to exceed one year, certain time limitations relating to local coastal programs for good cause. This bill would authorize the commission to retroactively extend, for good cause and a period not to exceed 5 years, a time limitation established for a local government to act on the commission’s suggested modifications to a land use plan amendment that would authorize approval of an affordable housing development, as specified. (Based on 08/21/2026 text)

Position
Support

AB 2296 (**Papan, D**) **Planning and zoning: housing element: regional housing needs allocation.**

Introduced: 02/19/2026
Last Amended: 08/21/2026
Status: 08/26/2026 - Read third time. Passed. Ordered to the Assembly. (Ayes 39. Noes 0.). In Assembly. Concurrence in Senate amendments pending. Senate amendments concurred in. To Engrossing and Enrolling. (Ayes 79. Noes 0.).



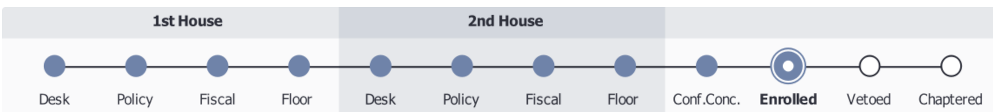
Location: 08/26/2026 - Assembly ENROLLMENT

Summary: Existing law, the Planning and Zoning Law, requires each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, which includes, among other mandatory elements, a housing element. For the 4th and subsequent revisions of the housing element, existing law requires the Department of Housing and Community Development, in consultation with each council of governments, to determine each region’s existing and projected need for housing, and requires the appropriate council of governments, or the department for cities and counties without a council of governments, to adopt a final regional housing plan that allocates a share of the regional housing need to each city, county, or city and county, as provided. This bill, except with respect to the 7th housing element cycle for councils of governments with a housing element revision due date during the calendar year 2027, 2028, or 2029, would extend the above-described timeline for cities and counties to form a subregional entity to allocate the subregion’s housing need, as provided, from 28 months to 34 months, and the above-described timeline for the council of governments to determine the share of regional housing need assigned to each subregion from 25 months to 31 months, respectively. This bill contains other related provisions and other existing laws. (Based on 08/30/2026 text)

Position
Support

AB 2313 (**Berman, D**) **Gas corporations: gas distribution service line replacements: alternatives.**

Introduced: 02/19/2026
Last Amended: 08/13/2026
Status: 08/28/2026 - Senate amendments concurred in. To Engrossing and Enrolling. (Ayes 42. Noes 20.).

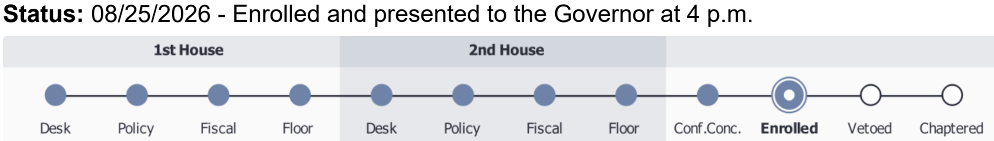


Location: 08/28/2026 - Assembly ENROLLMENT
Summary: Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including gas corporations. Existing law requires, until January 1, 2031, gas corporations to submit to the commission an annual map that includes, among other things, the location of all potential gas distribution line replacement projects identified in its distribution integrity management plan and any foreseeable gas distribution pipeline replacements. This bill, the Home Energy Choice Act, would require the commission, in a new or existing proceeding, to solicit proposals for, and require each gas corporation to offer, a Gas Distribution Service Line Replacement Alternatives Program, on or before January 1, 2028, to provide certain residential gas customers served by a gas distribution service line that will be replaced with a monetary incentive to deploy gas distribution service line replacement alternatives, as defined, and cease gas service to avoid the gas distribution service line replacement, as specified. The bill would require the commission to exempt from the program the emergency replacement of a gas distribution service line. The bill would require the commission to annually review the program to determine whether adjustments should be made to program design to increase program participation. (Based on 08/13/2026 text)

Position
Support

AB 2346 (**Wilson, D**) **Vehicles: electric bicycles and speed limits.**

Introduced: 02/19/2026
Last Amended: 06/18/2026
Status: 08/25/2026 - Enrolled and presented to the Governor at 4 p.m.



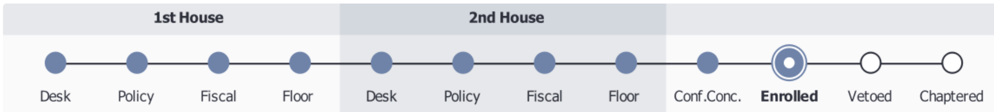
Location: 08/25/2026 - Assembly ENROLLED
Summary: Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor of less than 750 watts, and classifies electric bicycles into 3 classes with different restrictions for various purposes. This bill would require all class 2 electric bicycles manufactured, sold, or offered for sale on or after January 1, 2029, to be equipped with a speedometer. The bill would also require all electric bicycles

manufactured, sold, or offered for sale on or after January 1, 2029, to be equipped with an integrated or detachable front lamp and a rear lamp, as specified. The bill would also require sellers and distributors of electric bicycles to disclose specified information at or before the point of sale. (Based on 08/21/2026 text)

Position
Support

AB 2595 (**Papan, D**) **San Mateo Electric Bicycle Safety Pilot Program.**

Introduced: 02/20/2026
Last Amended: 06/15/2026
Status: 08/25/2026 - Enrolled and presented to the Governor at 4 p.m.

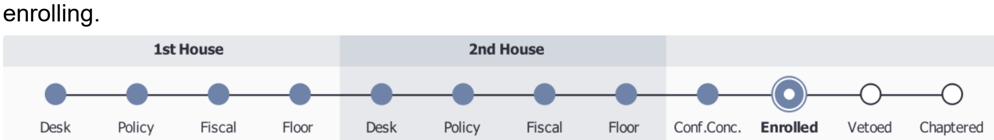


Location: 08/25/2026 - Assembly ENROLLED
Summary: Existing law defines an electric bicycle and classifies electric bicycles into 3 classes with different restrictions. Under existing law, a “class 1 electric bicycle” is a bicycle equipped with a motor that provides assistance only when the rider is pedaling and ceases to provide assistance when the bicycle reaches the speed of 20 miles per hour. Under existing law, a “class 2 electric bicycle” is a bicycle equipped with a motor that may be used exclusively to propel the bicycle and is not capable of providing assistance when the bicycle reaches the speed of 20 miles per hour. Under existing law, a “class 3 electric bicycle” is a bicycle equipped with a speedometer and a motor that provides assistance only when the rider is pedaling, and that ceases to provide assistance when the bicycle reaches the speed of 28 miles per hour. Existing law prohibits a person under 16 years of age from operating a class 3 electric bicycle. This bill, the San Mateo Electric Bicycle Safety Pilot Program, would, until January 1, 2031, authorize a local authority within the County of San Mateo, or the County of San Mateo in unincorporated areas, to adopt an ordinance or resolution that would prohibit a person under 12 years of age from operating a class 1 or 2 electric bicycle. For the first 60 days following the adoption of an ordinance or resolution for this purpose, the bill would make a violation of the ordinance or resolution punishable by a warning notice. After 60 days, the bill would make a violation of the ordinance or resolution punishable by a fine of $25, except as specified. This bill would make a parent or legal guardian with control or custody of an unemancipated minor who violates the ordinance or resolution jointly and severally liable with the minor for the amount of the fine imposed. (Based on 08/21/2026 text)

Position
Support

SB 1167 (**Blakespear, D**) **Vehicles: electric bicycles.**

Introduced: 02/18/2026
Last Amended: 08/20/2026
Status: 08/28/2026 - Assembly amendments concurred in. (Ayes 39. Noes 0.) Ordered to engrossing and enrolling.



Location: 08/28/2026 - Senate ENROLLMENT
Summary: Existing law defines an electric bicycle as a bicycle equipped with fully operable pedals and an electric motor that does not exceed 750 watts of power. Existing law classifies electric bicycles into 3 classes with different restrictions for various purposes, and requires, among other things, a class 3 electric bicycle to be equipped with a speedometer. Existing law prohibits certain vehicles that do not meet the definition of an electric bicycle from being advertised, sold, offered for sale, or labeled as an electric bicycle, as specified. This bill would amend the type of vehicles that are prohibited from being advertised, sold, offered for sale, or labeled as electric bicycles, including, among others, motor-driven cycles and mopeds. (Based on 08/31/2026 text)

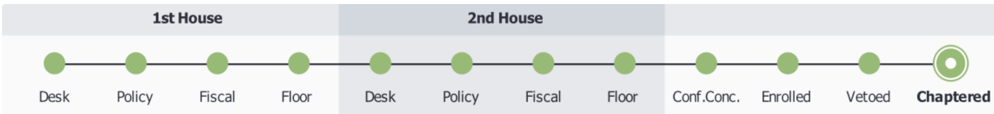
Position

Support

Watch

AB 1569 (**Davies, R**) **Pupil safety: electric bicycle: safety and training program.**

Introduced: 01/12/2026
Last Amended: 04/13/2026
Status: 08/27/2026 - Approved by the Governor. Chaptered by Secretary of State - Chapter 128, Statutes of 2026.

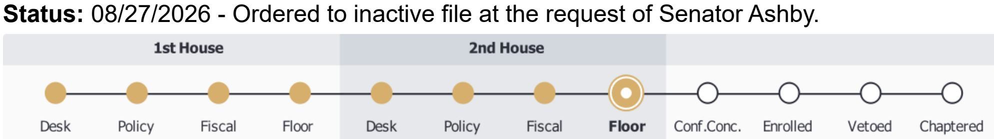


Location: 08/27/2026 - Assembly CHAPTERED
Summary: Would require, on or before March 1, 2028, the State Department of Education, in consultation with the Department of the California Highway Patrol, to develop a standardized electric bicycle safety and training program for pupils in grades 7 to 12, inclusive, as provided. In developing the program, the bill would authorize the State Department of Education and the Department of the California Highway Patrol to collaborate with local law enforcement agencies or local governments that have implemented electric bicycle training programs already to ensure the program reflects proven best practices. The bill would encourage local educational agencies and parent organizations to offer training demonstrations to pupils and parents on electric bicycle operations in collaboration with local law enforcement agencies or local governments, as specified. (Based on 08/27/2026 text)

Position
Watch

AB 2322 (**Papan, D**) **Water discharge: commercial, industrial, or institutional sites.**

Introduced: 02/19/2026
Last Amended: 04/06/2026
Status: 08/27/2026 - Ordered to inactive file at the request of Senator Ashby.



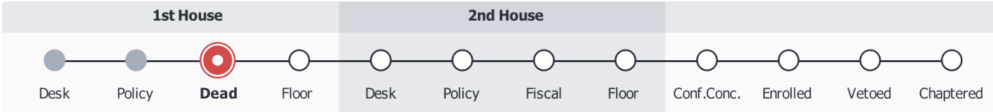
Location: 08/27/2026 - Senate INACTIVE FILE
Summary: The State Water Resources Control Board and the 9 California regional water quality control boards prescribe waste discharge requirements for the discharge of stormwater by municipalities and industries in accordance with the federal national pollutant discharge elimination system (NPDES) permit program, established by the federal Clean Water Act and the Porter-Cologne Water Quality Control Act. Under existing law, the state board and the 9 regional water quality control boards issue permits for the discharge of stormwater from municipal separate storm sewer systems (MS4s). For purposes of issuing permits for the discharge of stormwater from MS4s, this bill define "commercial, industrial, or institutional site" or "CII site" as a privately owned parcel or contiguous parcels of land that are commercial, industrial, or institutional based on the appropriate county tax assessor land use codes, as specified. (Based on 04/06/2026 text)

Position
Watch

AB 2508 (**Hoover, R**) **Public Utilities Public Purpose Programs Fund.**

Introduced: 02/20/2026
Last Amended: 03/26/2026
Status: 05/14/2026 - Failed Deadline pursuant to Rule 61(b)(8). (Last location was APPR. SUSPENSE FILE on 5/6/2026)

Back to Top



Location: 05/14/2026 - Assembly DEAD

Summary: Existing law vests the Public Utilities Commission with regulatory authority over public utilities, including electrical corporations. Under existing law, the commission administers, or otherwise oversees, various public purpose programs, including energy efficiency and conservation programs, cost-effective energy efficiency programs, rate assistance programs for eligible food banks, and home insulation financial assistance programs. Under existing law, those programs are generally funded through a charge on electrical service, which is collected through customer rates. This bill would establish the Public Utilities Public Purpose Programs Fund. The bill would require the commission, no later than January 1 of each year, commencing January 1, 2027, to determine and publish the amount necessary to fund certain public purpose programs and programs administered by electrical regional energy networks for the following fiscal year, as provided. The bill would require the Controller to transfer, on July 1 of each fiscal year, from the Greenhouse Gas Reduction Fund to the Public Utilities Public Purpose Programs Fund moneys appropriated by the Legislature for that purpose. The bill would require all moneys in the Public Utilities Public Purpose Programs Fund to be allocated by the commission, upon appropriation by the Legislature, to fund the public purpose programs and programs administered by electrical regional energy networks, as provided. (Based on 03/26/2026 text)

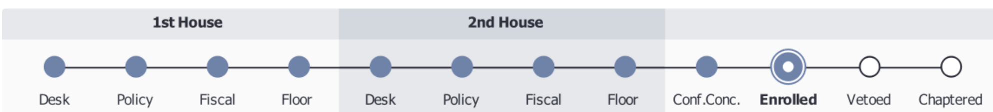
Position
Watch

AB 2576 (Harabedian, D) **Transit-oriented development: exclusions: historic sites.**

Introduced: 02/20/2026

Last Amended: 08/10/2026

Status: 08/27/2026 - Enrolled and presented to the Governor at 4 p.m.



Location: 08/27/2026 - Assembly ENROLLED

Summary: Existing law provides that a housing development project shall be an allowed use as a transit-oriented housing development if specified conditions and requirements are met. Existing law provides that these provisions do not apply to a local agency until July 1, 2026, unless the local agency adopts an ordinance or local transit-oriented development alternative plan, as defined, deemed compliant by the Department of Housing and Community Development before July 1, 2026. Existing law specifies that, beginning on January 1, 2027, a local government that denies a housing development project meeting the requirements referenced above that is located in a high-resource area is presumed to be in violation of specified law and immediately liable for specified penalties. Existing law specifies exclusions from the provisions described above, including, among other sites prior to one year following the adoption of the 7th revision of the housing element, a site with a historic resource designated as of January 1, 2025, on a local register. This bill would also exclude from the provisions described above, a contributing site within a historic district included on the State Historic Resources Inventory designated before January 1, 2025, and a parcel individually listed as a historical resource included on the State Historic Resources Inventory designated before January 1, 2025. (Based on 08/24/2026 text)

Position
Watch

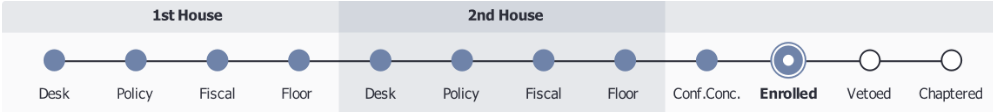
SB 193 (Committee on Budget and Fiscal Review) **Public resources: Greenhouse Gas Reduction Fund: programs.**

Introduced: 01/23/2025 (Spot bill)

Last Amended: 08/28/2026

Status: 09/01/2026 - Read third time. Passed. Ordered to the Senate. In Senate. Concurrence in Assembly amendments pending. Unanimous consent granted to take up without reference to file. Assembly amendments concurred in. (Ayes 30. Noes 10.) Ordered to engrossing and enrolling.

Back to Top



Location: 09/01/2026 - Assembly ENROLLMENT

Summary: The California Global Warming Solutions Act of 2006 requires the State Air Resources Board to adopt regulations for greenhouse gas emissions limits and emissions reduction measures to achieve the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions, as provided. The act authorizes that state board to include in those regulations the use of a market-based compliance mechanism to comply with those regulations. Existing law requires moneys collected by the state board from the auction or sale of allowances as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund. Existing law allocates moneys in the fund in a specified priority and continuously appropriates a certain amount of moneys in the fund for certain purposes. This bill would require interest income earned on those moneys to be deposited into the fund. By depositing additional moneys into a continuously appropriated fund, the bill would make an appropriation. (Based on 08/28/2026 text)

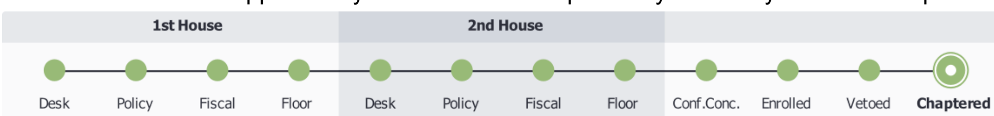
Position
Watch

SB 830 **(Arreguín, D) Public Transit Revenue Measure District: revenue measure: election procedures.**

Introduced: 02/21/2025

Last Amended: 06/18/2026

Status: 07/16/2026 - Approved by the Governor. Chaptered by Secretary of State. Chapter 101, Statutes of 2026.



Location: 07/16/2026 - Senate CHAPTERED

Summary: Existing law establishes the Public Transit Revenue Measure District, governed by the same board that governs the Metropolitan Transportation Commission, with jurisdiction extending throughout the boundaries of the Counties of Alameda, Contra Costa, San Mateo, and Santa Clara, and the City and County of San Francisco. Existing law authorizes a retail transactions and use tax applicable to the entire district to be imposed by the board of the district or by a qualified voter initiative for a duration of 14 years, and in specified amounts, subject to voter approval at the November 3, 2026, statewide general election. Existing law establishes specified procedures for that election, including a requirement that the elections officials of the counties where the measure will appear on the ballot mutually agree to use the same letter designation for the measure. This bill would revise those election procedures by, among other things, instead requiring the measure to be identified on the ballot by the designation "Regional Transit Measure" in each county included in the district and by requiring each county elections official in the district to select, from among the submissions of proposed arguments in favor of, and against, the measure, the arguments to be included in the county voter information guide of that county, as specified. This bill contains other related provisions. (Based on 07/16/2026 text)

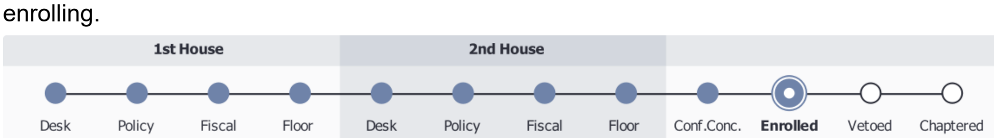
Position
Watch

SB 1087 **(Cabaldon, D) Transportation planning: sustainable communities strategies: transportation funding programs.**

Introduced: 02/13/2026

Last Amended: 08/21/2026

Status: 08/31/2026 - Assembly amendments concurred in. (Ayes 31. Noes 9.) Ordered to engrossing and enrolling.



Location: 08/31/2026 - Senate ENROLLMENT

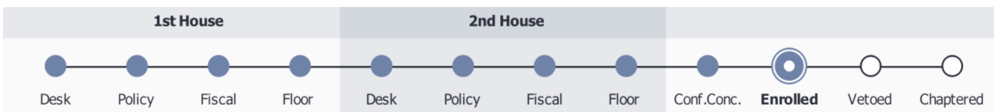
Back to Top

Summary: Existing law requires certain transportation planning agencies to prepare and adopt regional transportation plans directed at achieving a coordinated and balanced regional transportation system. Existing law requires a regional transportation plan to include a policy element, a sustainable communities strategy prepared by a metropolitan planning organization, an action element, and a financial element, as provided. Existing law requires those transportation planning agencies to adopt and submit every 4 years, except as provided, an updated regional transportation plan to the California Transportation Commission and the Department of Transportation. This bill would revise and recast the requirements for a sustainable communities strategy, including, among other things, (A) requiring a sustainable communities strategy every 8 years with a progress report after 4 years instead of requiring a sustainable communities strategy every 4 years, (B) requiring the state board to provide each region with greenhouse gas emission reduction targets for 2035 and 2045, and (C) requiring the state board to hold technical workshops before providing those targets. The bill would also revise the state board's process for reviewing sustainable communities strategies and alternative planning strategies, as specified. This bill contains other related provisions and other existing laws. (Based on 08/21/2026 text)

Position
Watch

SB 1159 (Cabaldon, D) **Artificial intelligence: transparency and governance.**

Introduced: 02/18/2026
Last Amended: 06/25/2026
Status: 08/28/2026 - Enrolled and presented to the Governor at 11 a.m.

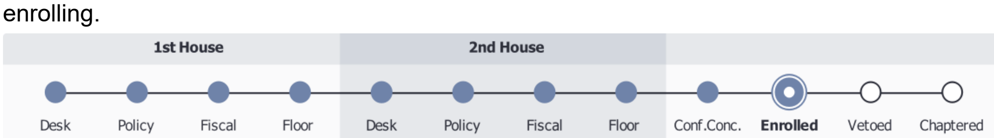


Location: 08/28/2026 - Senate ENROLLED
Summary: The California Constitution provides that people have the right of access to information concerning the conduct of the people's business. Various provisions of existing law, including the California Public Records Act, the Legislative Open Records Act, the Bagley-Keene Open Meeting Act, and the Ralph M. Brown Act, provide, with some exceptions, for public access to government records and meetings of government bodies. Among those acts, the California Public Records Act defines "person" to include any natural person, corporation, partnership, limited liability company, firm, or association. This bill would specify that, for purposes of the California Public Records Act, the Bagley-Keene Open Meeting Act, the Ralph M. Brown Act, the Legislative Open Records Act, the Administrative Procedure Act, the California Coastal Act of 1976, and CEQA, "person," "interested person," "participant," "member of the public," as applicable, and any other similar terms under each act referring to those who may engage with governmental agencies, do not include artificial intelligence, as defined, systems, autonomous agents, or robots, whether physical or digital. (Based on 08/24/2026 text)

Position
Watch

SB 1361 (Durazo, D) **Transit-oriented housing developments: local governments: transit agencies and projects.**

Introduced: 02/20/2026
Last Amended: 08/18/2026
Status: 08/30/2026 - Assembly amendments concurred in. (Ayes 30. Noes 10.) Ordered to engrossing and enrolling.



Location: 08/30/2026 - Senate ENROLLMENT
Summary: Existing law requires a housing development project to be an allowed use as a transit-oriented housing development if certain requirements are met. Existing law provides that these provisions do not apply to a local agency until July 1, 2026, unless the local agency takes specified actions. Existing law defines various terms for these purposes. Existing law prohibits a local government from adopting any requirement that applies to a project solely or partially on the basis that the project is seeking approval as a transit-oriented housing

Back to Top

development, as specified. This bill would additionally prohibit a local government with an existing or planned transit-oriented development stop from taking specified actions with respect to transit agencies and transit projects. (Based on 08/18/2026 text)

Position
Watch

Total Measures: 19
Total Tracking Forms: 19

ck to Top

Proposed California Electric Bicycle Bills									
Bill Number	*Brief Description*	*Current Location*	*Speed Limit*	*Age Limit*	*Implementation Timeline*	*E-Bike Classification*	*Manufacturer Requirements (Technology Mandates)*	*Labeling Requirements*	*Seller Requirements*
Manufacturer/Seller Requirements									
AB 2284 (Dixon)	Public list of non-compliant e-bikes & e-bike products *Statewide*	DEAD	N/A	N/A	On or before, June 1, 2027	Class 1, Class 2 , Class 3	N/A	N/A	N/A
Rules of the Road									
AB 1569 (Davies) **WATCH**	Requires the State Department of Education and Department of Highway Patrol to develop a standardized e-bike safety program for students in grades 7 - 12. *Statewide*	Signed into Law	N/A	N/A	On or before March 1, 2028	Class 1, Class 2, Class 3	N/A	N/A	N/A
AB 1614 (Dixon)	No "piggybacking" on bikes and e-bikes on a Class I bikeway. *Statewide*	Signed into Law	N/A	N/A	Effective January 1, 2027	Class 1, Class 2, Class 3	N/A	N/A	N/A
AB 1942 (Bauer-Kahan)	License plates for class 2 & 3 e-bikes *Statewide*	DEAD	N/A	N/A	Effective January 1, 2027	Class 2, Class 3	N/A	N/A	N/A
Local Pilots									
SB 956 (Choi)	Authorizes Orange County to establish a pilot program to require the display of a special license plate on e-bikes *Orange County*	DEAD	N/A	N/A	Until January 1, 2032	Class 1, Class 2, Class 3	N/A	N/A	N/A
AB 2595 (Papan) **SUPPORT**	San Mateo Electric Bicycle Safety Pilot Program - would allow localities to prohibit kids under 12 from operating class 1 or 2 ebikes *San Mateo County*	Governor's Desk	N/A	12 years of age (subject to local ordinance)	Until January 1, 2031	Class 1, Class 2	N/A	N/A	N/A
Kitchen Sink									
SB 1167 (Blakespear) **SUPPORT**	Distinguishes e-bikes from mopeds or "e-motos"; establishes requirements for labeling and advertising; establishes new operational and safety requirements *Statewide*	Governor's Desk	Reinforces existing thresholds for e-bikes (≤20 mph motor-only; ≤28 mph pedal assist)	N/A	Effective January 1, 2027	Class 3	Requires Class 3 vehicles are equipped with lamp-type turn signals; prohibits production of misclassified devices	Extensive permanent labeling (manufacturer, classification, speed, wattage)	Must comply with labeling + disclosure rules; unlawful to sell non-compliant or mislabeled devices
AB 1557 (Papan) **SUPPORT**	Limits e-bike definition to "not capable of exceeding 750 watts of peak power", sets a speed limit of 16 mph for Class 1 & 2 e-bikes, and prevents persons 16 years or younger from operating a Class 3 e-bike. *Statewide*	DEAD	16 mph (Class 1 & 2)	Prohibits persons under 16 years of age from operating a bike > 250w	Effective January 1, 2027	Class 1, Class 2, Class 3	Prohibits a motor capable of exceeding 750 watts of peak power. Prohibits a manufacturer from equipping any device labeled as a Class 1 or 2 e-bike with a motor capable of exceeding 250 watts of peak power.	N/A	Prohibits the sale or advertisement of non-compliant bikes
AB 2346 (Wilson) **SUPPORT**	Speedometer/front & rear lamp requirements; Written description of e-bike laws for customers; Allows various speed limits to be imposed *Statewide*	Governor's Desk	Bicycle Path: 15 or 20 mph (set by local authority) Multiuse trail: 10, 15, or 20 mph (set by local authority) Sidewalk: 10 mph	Recommends that persons under 16 years of age should not ride an electric bicycle at a speed greater than 15 miles per hour	Effective January 1, 2027	Class 1, Class 2	Class 1 & 2 e-bikes are required to have a speedometer All e-bikes required to have a front lamp, and rear lamp.	Requires permanent labels (classification, speed, wattage; specific formatting like font size)	Must provide written disclosures at sale (classification, speed, wattage, age limits, helmet rules + legal warning on modifications)

Back to Top

C/CAG
City/County Association of Governments
of San Mateo County

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County •South San Francisco • Woodside

August 14, 2026

The Honorable Alex Padilla
United States Senate
331 Hart Senate Office Building
Washington, DC 20510

The Honorable Adam Schiff
United States Senate
112 Hart Senate Office Building
Washington DC, 20510

RE: City/County Association of Governments for San Mateo County (C/CAG) Priorities for Surface Transportation Reauthorization

Dear Senator Padilla and Senator Schiff:

On behalf of the City/County Association of Governments of San Mateo County (C/CAG), I write to ask for your support for a surface transportation authorization that protects dependable federal investment, preserves direct access to competitive funding for local and regional agencies, and maintains flexibility for communities to advance the transportation projects that best meet local needs.

As a joint powers agency representing San Mateo County and its 20 cities, C/CAG coordinates regional transportation planning and advances shared priorities in mobility, climate, stormwater management, and infrastructure. C/CAG's adopted legislative priorities emphasize protecting transportation revenues, supporting active transportation and complete streets, strengthening transit integration, and preserving flexible funding for local and regional infrastructure. As the Senate develops its reauthorization proposal, C/CAG respectfully asks that you:

- **Preserve robust discretionary grant funding that local governments and regional agencies can pursue directly.** San Mateo County's most consequential transportation projects often cross jurisdictional boundaries and combine safety, congestion relief, transit access, resilience, and stormwater improvements. Formula funding alone cannot meet these needs. The final authorization should maintain meaningful funding for programs such as BUILD, Safe Streets and Roads for All, PROTECT, and transportation technology and infrastructure grants, while preserving direct local eligibility and reasonable match requirements.

- **Strengthen flexible funding and local decision-making.** Increase funding for flexible programs, such as the Surface Transportation Block Grant Program and preserve a meaningful share of funding for metropolitan, regional, and local

Back to Top

priorities. Local and regional agencies are best positioned to identify roadway, safety, active transportation, congestion relief, and multimodal improvements that respond to community needs. Federal policy should provide sufficient flexibility to advance these locally identified investments.

- **Protect the eligibility of active transportation projects in statute.** The Department of Transportation has moved to disqualify bicycle safety and other active transportation projects and rescind funding for them across programs in which Congress made them eligible or even priorities, including BUILD and Safe Streets and Roads for All. C/CAG asks that the Senate write explicit language prohibiting the Department from disqualifying, deprioritizing, or withholding funds from an otherwise eligible project on the basis of travel mode. In San Mateo County, bike, trail, and complete streets facilities form essential parts of local transportation networks and connect residents to Caltrain, SamTrans, schools, downtowns, employment centers, and neighboring communities.

- **Pair the House bill's higher formula levels with restored advance appropriations.** C/CAG supports the House BUILD 250 Act's higher formula funding levels, continued investment in competitive grant programs, and the proposed Local and Regional Project Assistance Program. To ensure these investments produce a meaningful increase in available funding and not just authorized funding, the final legislation should restore appropriations for discretionary programs.

- **Avoid a funding cliff when current authorities expire on September 30.** If reauthorization is not complete by that date, any extension or related appropriations measure should maintain current transportation and transit funding without cuts, rescissions, or policy changes that disrupt projects already in planning, design, or construction.

- **Include congressionally directed projects.** C/CAG and its member agencies have several project-ready transportation priorities, including the Safety Applications for Every Traveler (SAFE-T) project, which will deploy traffic signal safety interventions at 47 high-risk locations throughout the county and establish an Emergency Vehicle Preemption (EVP) system along 16 miles of the rural Highway 1 corridor. C/CAG would welcome the opportunity to submit this and other priority projects for your consideration if the Senate establishes a designation process.

Thank you for your leadership and continued support for California's local transportation agencies. C/CAG looks forward to working with you to secure a long-term authorization that protects local access to federal funding and gives San Mateo County communities the flexibility to advance their highest-priority transportation projects. If you have any questions, please contact the C/CAG Interim Executive Director Kaki Cheung at kcheung1@smcgov.org.

Sincerely,

Michael Salazar

Michael Salazar, Chair
City/County Association of Governments of San Mateo County

Back to Top

Attachment 3

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County •South San Francisco • Woodside

July 23, 2026

The Honorable Josh Becker
California State Senate
3525 Alameda de Las Pulgas,
Menlo Park, CA 94025

The Honorable Scott Wiener
California State Senate
455 Golden Gate Avenue, Suite 14800,
San Francisco, CA 94102

The Honorable Diane Papan
California State Assembly
1528 South El Camino Real, Suite 302
San Mateo, CA 94402

The Honorable Marc Berman
California State Assembly
721 Colorado Avenue, Suite 101,
Palo Alto, CA 94303

The Honorable Catherine Stefani
California State Assembly
455 Golden Gate Avenue, Suite 14600,
San Francisco, CA 94102

RE: Oppose Proposed Sustainable Aviation Fuel Tax Credit

On behalf of the City/County Association of Governments of San Mateo County (C/CAG) who represents all of San Mateo County's 764,442 residents through its 21-member Board of Directors that includes a seat for every jurisdiction in San Mateo County, I write to respectfully oppose the proposed Sustainable Aviation Fuel (SAF) tax credit included in the Governor's January budget proposal. As drafted, this proposal would divert critical transportation dollars to a new SAF subsidy with uncertain additional benefits, no clear limitation to in-state production, and no adequate showing that the credit is necessary given recent changes in federal credits and market conditions.

This proposal would divert diesel excise tax revenues away from the roads, bridges, freight corridors, and local streets they are intended to support. The proposal is estimated to reduce diesel excise tax revenues by as much as $165 million per year initially, growing to $300 million annually over time, with potentially even larger impacts depending on credit claims. That means less funding for local streets, roads, and bridges. In our county alone this could lead to a reduction of between $394,000 and $1,418,000 annually, funds which are critically needed to address our existing road and bridge maintenance backlog. This comes at the exact wrong time. California is already facing an estimated $31 billion transportation funding shortfall over the next decade. With roads, highways, bridges, freight corridors, and local streets already facing significant maintenance and safety needs, the state should not further reduce diesel excise tax revenues to subsidize SAF.

It also undermines the voter-approved principle that fuel tax revenues should support transportation purposes. Article XIX of the California Constitution provides that fuel tax revenues are to be used for the research, planning, construction, improvement, maintenance, and operation of public streets and highways, as well as certain public mass transit guideways and related facilities. California should not reduce voter-protected transportation resources to fund a new SAF subsidy.

The proposal is also not adequately focused on California production. As drafted, the credit could provide substantial benefits to out-of-state SAF producers while reducing California's transportation revenues. California should not jeopardize its own roads and safety programs to subsidize production and economic activity elsewhere without clearly showing additional in-state jobs, investment, and measurable benefits.

For these reasons C/CAG urges you to reject the proposed SAF tax credit as part of the budget package. If California considers SAF incentives in the future, they should be narrowly targeted, limited to truly additional in-state production, structured to protect transportation funding, and tied to measurable benefits.

Thank you for this opportunity to comment. Please contact Kaki Cheung, C/CAG Acting Executive Director, at kcheung1@smcgov.org if you have any questions.

Sincerely,

Michael Salazar

Michael Salazar, Chair
City/County Association of Governments of San Mateo County

Back to Top

C/CAG City/County Association of Governments of San Mateo County

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County •South San Francisco • Woodside

Office of Management and Budget
725 17th St., NW
Washington, DC 20503

July 8, 2026

RE: Proposed Revisions to Guidance for Federal Financial Assistance

To the Office of Management and Budget,

The City and County Association of Governments (C/CAG) of San Mateo County submits these comments in response to the Office of Management and Budget's proposed revisions to the Guidance for Federal Financial Assistance at 2 CFR Part 200.

C/CAG urges OMB to withdraw or substantially revise this proposed rule.

C/CAG is a joint powers authority representing all of San Mateo County's 764,442 residents through its 21-member Board of Directors, which includes a seat for every jurisdiction in San Mateo County. Federal grant funding represents a significant source of dollars for C/CAG and its represented agencies. In fiscal year 2025 alone, C/CAG and its members received an estimated $166,600,000 in obligated federal grant funding. Non-member special districts and other regional governmental organizations were awarded an additional $138,500,000 to complete work within the county's borders. Non-governmental organizations received even further funding. This money supports a wide range of vital projects and programs, including investments in transportation safety and mobility, resilient infrastructure, housing, public safety, and community resilience.

The proposed changes would make federal grantmaking less predictable, less transparent, and more administratively burdensome for local governments and other grant recipients. When organizations cannot reasonably rely on awarded federal funding remaining available, they must devote additional resources to managing uncertainty, reassessing project commitments, and developing contingency plans. This is particularly challenging for complex, multi-year infrastructure projects that require significant upfront planning, environmental review, procurement, and matching funds. Rather than improving stewardship of federal resources, these changes would increase administrative costs, complicate project delivery, and reduce the effectiveness and efficiency of federal investments in local communities and regional economies.

1. C/CAG and its member agencies (local governments) cannot responsibly plan around grants that can be canceled whenever federal priorities change.

   The proposed rule will undermine the reliability and usability of federal grant funds by giving this administration and every future administration sweeping discretion to screen, deny, delay, or terminate awards based on shifting definitions of the “national interest.” The proposed pre-issuance review would require senior agency officials to approve or reject competitive applications after merit review based on broad political judgments rather than statutory criteria, project readiness, or local need. The proposed expansion of termination authority will leave recipients exposed to cancellation at any point in the period of performance, regardless of compliance or progress.

   As Interim Executive Director, I am accountable to the residents of San Mateo County for delivering the projects that Congress authorized federal funds to support. We and our member agencies accept federal awards in reliance on approved scopes of performance and deliverables, award periods, budgets, scopes of work, and terms and conditions. We hire staff, enter contracts, issue subawards, commit matching funds, begin procurement, and launch public projects based on those commitments. If agencies can cancel awards midstream whenever federal priorities change, we and our member agencies cannot responsibly rely on federal grants to plan infrastructure, housing, public safety, workforce, public health, or human services projects. Pass-through recipients also structure partnerships around those awards and will face added risk if they must enforce broad federal policy restrictions against subrecipients whose work may be unrelated to the political criteria later used to question the award.

   OMB’s explanation analogizes this authority to termination for convenience in federal procurement. However, in procurement, termination authority exists within a contract framework that recognizes reliance, performance, and settlement principles. The proposed grant rule would import broad unilateral cancellation power into federal assistance while leaving recipients exposed to unrecovered costs, disrupted public services, stranded matching funds, broken subrecipient commitments, and delayed or abandoned local projects. These harms are not speculative, as the current Executive Branch has conducted such unilateral federal award terminations since the beginning of 2025, leading to hundreds of federal court cases challenging such improper actions.

   OMB should limit termination authority to clear, objective grounds, such as statutory ineligibility, noncompliance, lack of performance, or loss of legal authority. OMB should not allow agencies to terminate awarded grants based on post-award changes in agency priorities, political priorities, or broad “national interest” determinations.

2. Federal grant rules should not impose unrelated political tests on local projects.

   Federal grants already include national regulatory and policy requirements through statutes, agency regulations, NOFOs, and award terms. The proposed rule would go further by codifying policy restrictions directly into the government-wide grants

Back to Top

framework, converting policy positions that may have little or no connection to a specific grant program into baseline compliance standards across federal grant-making. Without any new statutory authority, these proposed new restrictions on funding activities related to disparate-impact analysis, event services, DEI/DEIA, and "gender ideology" could create uncertainty for local programs that use demographic data, targeted outreach, accessibility planning, university partnerships, public facility policies, or inclusive service models to meet lawful grant goals. Many local governments adopted these practices in good faith under prior federal guidance. OMB should not make lawful, locally needed programs newly risky unless Congress has clearly required that result.

3. Local facility-use disputes should not threaten unrelated federal grants.

   The proposed rule would prohibit public entities that receive federal financial assistance from denying or varying event services based on the viewpoint, content, subject matter, political affiliation, ideology, or religious perspective of speech. Local governments already must comply with First Amendment viewpoint-neutrality requirements, including limits on charging higher security fees based on anticipated hostility to a speaker's viewpoint. The proposed rule would convert alleged facility-use violations into federal grant compliance issues. A dispute over room rental, event staffing, security costs, or public facility access should not threaten unrelated federal awards, especially when the event itself does not use federal funds.

For these reasons, C/CAG urges OMB to withdraw the proposed rule or, at minimum, remove provisions that allow federal agencies to screen, deny, delay, or terminate awards based on broad presidential priorities, undefined "national interest" determinations, or policy tests unrelated to the statutory purposes of the grant. C/CAG also asks OMB to preserve merit-based review, protect recipients' reliance on awarded funds, limit termination authority to clear and objective grounds, and avoid imposing new compliance burdens that will make federal funding harder for local governments, nonprofits, and community partners to use.

Sincerely,

Kaki Cheung

Digitally signed by Kaki Cheung
DN: cn=Kaki Cheung, o, ou=C/CAG, email=kcheung1@smcgov.org, c=US
Date: 2026.07.08 22:22:13 -07'00'

Kaki Cheung, C/CAG Interim Executive Director

City/County Association of Governments of San Mateo County

Attachment 5

C/CAG
City/County Association of Governments
of San Mateo County

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County •South San Francisco • Woodside

The Honorable Alex Padilla
United States Senate
112 Hart Senate Office Building,
Washington, DC 20510

The Honorable Adam Schiff
United States Senate
SD-B40B, Dirksen Senate Office Building,
Washington, DC 20510

The Honorable Kevin Mullin
United States House of Representatives
1404 Longworth House Office Building,
Washington, DC 20515

The Honorable Sam Liccardo
United States House of Representatives
1117 Longworth House Office Building,
Washington, DC 20515

July 8, 2026

RE: Proposed Revisions to Guidance for Federal Financial Assistance

Dear Senators Padilla and Schiff, and Representatives Mullin and Liccardo,

The City and County Association of Governments (C/CAG) of San Mateo County writes to urge you to oppose the Office of Management and Budget's proposed revisions to the Guidance for Federal Financial Assistance at 2 CFR Part 200. If finalized in its current form, the proposed rule would give the Executive Branch sweeping authority to screen, deny, delay, and terminate federal grant awards across all federal agencies based on presidential policy priorities unrelated to the statutory purposes of the grant programs Congress created and funds. Further, the same discretion to screen, deny, or terminate grants based on presidential priorities would be available to every future administration. Protecting merit-based, statute-driven grantmaking is in the long-term interest of communities and Congress, regardless of which party holds the White House.

C/CAG represents all of San Mateo County's 764,442 residents through its 21-member Board of Directors, which includes a seat for every jurisdiction in San Mateo County. Federal grant funding represents a significant source of dollars for C/CAG and its represented agencies. In fiscal year 2025 alone, C/CAG and its members received an estimated $166,600,000 in obligated federal grant funding. Non-member special districts and other regional governmental organizations were awarded an additional $138,500,000 to complete work within the county's borders. Non-governmental organizations received even further funding. This money supports a wide range of vital projects and programs, including investments in transportation safety and mobility, resilient infrastructure, housing, public safety, and community resilience.

Sweeping termination authority will make federal grants unreliable and unusable. C/CAG and its partners accept federal awards in reliance on approved scopes of work, award periods, budgets, and terms and conditions so that we can hire staff, enter

Back to Top

subcontracts, begin procurement, and launch public projects based on those commitments. If agencies can cancel awards midstream whenever federal priorities change, we will be unable to responsibly rely on federal grants to help us to build infrastructure, enhance public safety, grow a skilled workforce, or provide the public services that our communities depend upon.

Federal grant rules should not impose policy tests unrelated to the statutory purpose of the grant. The proposed rule would codify government-wide policy restrictions that have little or no connection to the purposes of specific grant programs, which creates uncertainty for local programs that use demographic data, targeted outreach, or community-based service models (many of which were adopted in good faith under prior federal guidance) to meet lawful grant goals. Congress should ensure that grant eligibility and compliance standards are grounded in statute, not in the policy priorities of any administration.

Disputes over local facility use should not put unrelated federal grants at risk. The proposed rule would convert alleged violations of viewpoint-neutrality requirements for events on public property into federal grant compliance issues. A dispute over room rental, event staffing, or security costs at a library, park, or civic center could jeopardize unrelated federal awards, even when the event itself does not use federal funds.

We urge you to act now to preserve merit-based, statute-driven federal grantmaking, and ask that you:

- Oppose the Rule: Go on record opposing OMB's proposed revisions and urge OMB to withdraw or substantially revise the rule before finalization.
- Override the Rule Through Appropriations: Include language in the relevant FY2027 appropriations bills directing that grants funded under those accounts be awarded and administered according to statutory program criteria, superseding the OMB framework's pre-award political review and barring termination except on clear, objective grounds such as statutory ineligibility, noncompliance, or lack of performance.
- Reverse the Rule Through the Congressional Review Act: If OMB finalizes the rule, introduce or cosponsor a resolution of disapproval under the Congressional Review Act to nullify it and prevent OMB from reissuing a substantially similar rule without congressional authorization.
- Restore Statutory Limits Through Legislation: Cosponsor legislation that codifies merit-based grant review, limits termination authority to clear and objective grounds such as statutory ineligibility, noncompliance, or lack of performance, and ensures OMB cannot impose government-wide grant conditions that lack a basis in authorizing statute.

We welcome the opportunity to discuss these concerns with you or your staff. Please contact Kaki Cheung, C/CAG Interim Executive Director, at kcheung1@smcgov.org.

Sincerely,

Michael Salazar

Michael Salazar, Chair
City/County Association of Governments of San Mateo County

Back to Top

Attachment 6

C/CAG
City/County Association of Governments of San Mateo County

Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park • Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County •South San Francisco • Woodside

August 14, 2026

California Environmental Protection Agency

RE: COMMENTS ON THE 2026 PRELIMINARY DISADVANTAGED COMMUNITIES DESIGNATIONS

Dear CalEPA staff,

On behalf of the City/County Association of Governments of San Mateo County (C/CAG), a joint powers authority that represents all jurisdictions in San Mateo County through its 21-member Board of Directors, we thank you for the opportunity to comment on the 2026 Preliminary Disadvantaged Communities (DAC) Designations.

C/CAG respectfully recommends that CalEPA **establish a fifth, supplemental review pathway to DAC designation** for communities that demonstrate substantial pollution burden and socioeconomic vulnerability but that are not captured by the four proposed designation pathways. C/CAG further recommends this pathway be open to geographic areas presented a scale finer than the census tract level. This pathway could tie to relevant environmental justice analyses developed through the SB 1000 General Plan process, giving meaningful recognition to locally identified communities in State funding decisions. This proposed supplemental pathway is particularly important for high-cost regions such as San Mateo County, where statewide income measures may understate economic hardship, and where single census tracts may contain communities experiencing a range of vulnerability.

We offer the following considerations in support of this recommendation:

1. **Statewide application of a federal poverty threshold may understate hardship in high-cost regions:** As with the prior versions of CalEnviroScreen (CES), the “Socioeconomic Factor – Poverty” indicator, which uses a threshold of 200 percent of the federal poverty level, is not scaled to reflect local or regional differences. In the Bay Area, households may have higher incomes than state averages while still struggling to meet basic needs because of substantially higher costs of living. A supplemental pathway could allow consideration of this local context.

2. **Census-tract level analysis may mask concentrated disadvantage:** Lower-income populations may live within census tracts that also contain substantial numbers of higher-income households. Finer scale data can help identify communities facing

Back to Top

economic hardship and environmental burdens that are obscured by tract-level averages.

3. **A supplemental pathway would be consistent with CalEPA's proposed approach:** CalEPA's currently proposed DAC designation pathways already recognize criteria beyond current CES 5.0 scoring by including carry-over of census tracts from the 2022 DAC designation and Tribal Lands. A supplemental pathway would similarly recognize that CES scoring alone may not capture every dimension of community vulnerability.

4. **Existing SB 1000 environmental justice planning can provide useful local evidence:** Jurisdictions may already have General Plan analyses that is grounded in State planning guidance, which identifies communities experiencing environmental injustice using finer-scale data, local socioeconomic information, additional hazard and vulnerability indicators, and community input. CalEPA could consider this existing work as supporting evidence through a supplemental pathway.

Because DAC designation is used to determine eligibility for and/or prioritize access to State funding, it is important that the designation methodology account for communities experiencing substantial disadvantage that may not be fully captured by a statewide screening tool. A supplemental pathway would provide that flexibility while complementing CalEPA's existing designation framework.

Thank you for the opportunity to share our comments. We appreciate your work and commitment to community engagement. If you have any questions, please contact the C/CAG Interim Executive Director Kaki Cheung at kcheung1@smcgov.org.

Sincerely,

Kaki Cheung

Digitally signed by Kaki Cheung
DN: cn=Kaki Cheung, o=C/CAG, ou, email=kcheung1@smcgov.org, c=US
Date: 2026.08.14 16:49:00 -07'00'

Kaki Cheung, Interim Executive Director
City/County Association of Governments of San Mateo County

Back to Top

August 24, 2026

The Honorable Monique Limón
President pro Tempore
California State Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable John Laird
Chair, Senate Budget and Fiscal Review Committee
1021 O Street, Suite 8720
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker
California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

Re: Protect California's Investments in Jobs, Transit, and Housing

Dear President pro Tempore Limón, Speaker Rivas, Chair Laird, and Chair Gabriel:

On behalf of the undersigned organizations, we are writing to urge the Legislature to protect California's investments in jobs, transit and affordable housing as you finalize the remaining fiscal year (FY) 2026-27 budget package. Specifically, we respectfully request you fulfill outstanding SB 125 multi-year transit funding commitments that are vital to the delivery of generational capital improvement projects and identify solutions to sustain critical investments in the Transit and Intercity Rail Capital Program (TIRCP), Low Carbon Transit Operations Program (LCTOP), Affordable Housing and Sustainable Communities (AHSC) and California High-Speed Rail at the levels targeted in SB 840 (Limón).

Transit Drives the Bay Area's Economy

The Bay Area's $1.5 trillion economy depends on a well-functioning transit system. While transit ridership remains below pre-pandemic levels, approximately 1 million trips are still taken each day. Reliable transit expands access to jobs, connects employers with workers and helps businesses attract and retain talent. Even a small shift in trips can have outsized impacts: research shows that just 3 to 5 percent fewer vehicles on the road can cut traffic delays by up to 70 percent. This means if a small portion of transit riders stop riding and drive instead, congestion will not just worsen – it could overwhelm the region's roadways.

Transit is also a major economic engine in its own right. Bay Area transit agencies employ roughly 15,000 workers in well-paying jobs and support tens of thousands more through capital construction, vehicle procurement, maintenance and related industries. For example, just four major Bay Area capital projects relying on existing and future TIRCP funding – BART Transbay Core Capacity Project, BART to Silicon Valley Phase II, The Portal (also known as the Downtown Extension), and Valley Link – are expected to create 200,000 jobs and leverage nearly $10 billion in federal investment.

Transit Advances California's Housing, Affordability, and Climate Goals

Transit-oriented development underpins California's housing, climate, and affordability goals. Plan Bay Area 2050+, the Bay Area's long-range plan, identifies transit as the backbone of sustainable growth and anticipates approximately 1.1 million homes within one-half mile of rail by 2050, including approximately 550,000 deed-restricted affordable homes.

Transit also helps lower household transportation costs by providing an affordable alternative to car ownership, while expanding access to jobs, education, and daily transportation needs. At the same time, transit investments advance California's climate and air quality goals by reducing reliance on single-occupancy vehicles. The Bay Area's transit system currently reduces greenhouse gas (GHG) emissions by 640,000 tons annually, improving public health and air quality for our residents.

Transit Recovery is Gaining Momentum and Needs a Strong State Partner

Bay Area transit agencies have made meaningful progress in rebuilding ridership since the pandemic, with transit rides growing to an average of 1 million per day in 2026 to date and total ridership recovery at almost 75% compared to 2019. During the six FIFA World Cup matches hosted in the Bay Area, an average of 38,000 attendees traveled to each game via transit with coordinated wayfinding, communications and service by BART, Caltrain, and VTA. This success demonstrates transit's unique ability to not only provide daily travel and commuting but to also serve large-scale events that help boost the state's economy.

Bay Area voters are also continuing to step up. In June 2026, Sonoma and Marin County voters passed Measure B, a 30-year quarter-cent sales tax extension for the Sonoma-Marin Rail Transit (SMART) system. Additional transportation funding measures are moving through the process for potential placement on the November 2026 ballots via citizen initiative in Alameda, Contra Costa, San Francisco, San Mateo, and Santa Clara counties and could generate billions of dollars more for public transit. Local revenues are an important part of the funding solution but are no substitute for a strong state partner.

GGRF Invests in Transportation Infrastructure and Affordable Housing
California High Speed Rail (HSR) is a generational infrastructure project that will eventually connect the San Francisco Bay Area to Los Angeles. TIRCP and SB 125 are important fund sources for transit capital investments, which create jobs and support generational mobility improvements. Approximately 30 Bay Area transit projects have been awarded almost $3.4 billion in TIRCP funding over the past 10 years. As of March 2026, 22 projects are awaiting a combined $1.5 billion in allocations. The Bay Area is further counting on $252 million in remaining appropriations from the 2023 SB 125 budget deal to fulfill BART to Silicon Valley Phase II and BART Transbay Core Capacity funding plan commitments.

Many of these projects are already underway. Fully appropriating the remaining SB 125 funding this year, funding HSR, and maximizing ongoing state appropriations for TIRCP can ensure these construction projects stay on track, averting unnecessary cost increases and layoffs from needing to halt construction.

State Funding Keeps Transit Reliable, Affordable, and Sustainable
LCTOP provides funding to maintain reliable transit service, provide discounted transit passes, and advance new operating initiatives, including zero-emission bus deployment. LCTOP is especially important to small transit operators across the region because the funds can be flexibly used between operations or capital projects depending on the agency's needs and priorities. Recently, LCTOP funds have been used by small operators to provide new and expanded service, fare subsidies for free and reduced rides, and construct new bus facilities.

FY 2026-27 Budget Recommendation
We respectfully request the Legislature include the following priorities in your August budget action.

- Fully fund the outstanding $690 million in SB 125 commitments.
- Fund Tier 3 programs including, AHSC, TIRCP, and LCTOP as close as possible to the SB 840 statutory targets.
- Allocate $1 billion for California High Speed Rail from the GGRF, consistent with SB 840.

The legislature could address these priorities through a combination of General Fund, GGRF and/or policy solutions.

We recognize that the Legislature faces many competing priorities as it finalizes the FY 2026-27 State Budget. Investments in transit and affordable housing will deliver significant returns by improving affordability, expanding access to opportunity, preserving good-paying jobs, advancing the State's climate and housing goals and leveraging billions of dollars in federal funds.

Thank you for your consideration.

Sincerely,

Josh Arce
Executive Director, California Alliance for Jobs

Libby Schaaf
President & CEO, Bay Area Council

Rosanne Foust
President & CEO, SAMCEDA

Rodney Fong
President & CEO, San Francisco Chamber of Commerce

Joanne Webster
CEO, North Bay Leadership Council

Wade Rose
Advance SF

Andrew B. Fremier
Executive Director, Metropolitan Transportation Commission

Robert M. Powers
General Manager, BART

Carolyn M. Gonot
General Manager/CEO, Santa Clara Valley Transportation Authority

Julie Kirschbaum
Director of Transportation, San Francisco Municipal Transportation Agency

Michelle Bouchard
Executive Director, Caltrain

April Chan
General Manager/CEO, San Mateo County Transit District

Back to Top

Stephen Baiter
Executive Director, East Bay Economic Development Alliance

Salvador Llamas
General Manager/CEO, AC Transit

Seamus Murphy
Executive Director, SF Bay Ferry

Denis Mulligan
General Manager, Golden Gate Bridge, Highway, and Transportation District

Bill Churchill
General Manager, County Connection

Rashidi Barnes
Chief Executive Officer, Tri Delta Transit

Rob Thompson
General Manager, WestCAT

James R. Cameron
Executive Director, SCTCA

Beth Kranda
Executive Director, SolTrans

Eddy Cumins
General Manager, SMART

Christy Wegener
Executive Director, LAVTA

Robert Betts
General Manager, Marin Transit

Adam Van de Water
Executive Director, Transbay Joint Powers Authority

Steve Adams
Transit Manager, City of Union City

Emily Betts
Transit Systems Manager, Sonoma County Transit

Kaki Cheung
Interim Executive Director, City/County Association of Governments, San Mateo County

Tilly Chang
Executive Director, San Francisco County Transportation Authority

Back to Top

C/CAG AGENDA REPORT

Date: September 10, 2026

To: City/County Association of Governments of San Mateo County Board of Directors

From: Kaki Cheung, Interim Executive Director

Subject: Written Communications - Information Only (22 Letters)

(For further information, please contact Mima Crume at mcrume@smcgov.org)

BACKGROUND

1. 6/9/2026 – To The Honorable Lori Wilson, Chair, Assembly Transportation Committee, RE: SB 1167 (Blakespear) E-MOTOS – SUPPORT

2. 6/9/2026 – To The Honorable Jesse Arreguín, Chair, Senate Housing Committee, RE: AB 2002 (Solache) Regional Early Action Planning – SUPPORT

3. 6/15/2026 – To The Honorable Josh Becker, Chair, Senate Natural Resources & Water Committee, RE: AB 2051 (Wicks) Coastal Resilience Permitting Working Group – SUPPORT

4. 6/15/2026 – To The Honorable Jesse Arreguín, Chair, Senate Housing Committee, RE: AB 2296 (Papan) Regional Housing Needs Allocation Process – SUPPORT

5. 6/15/2026 – To The Honorable Dave Cortese, Chair, Senate Transportation Committee, RE: AB 2346 (Wilson): Electric Bicycles Safety – SUPPORT

6. 7/7/2026 – To The Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee, RE: AB 2296 (Papan) Regional Housing Needs Allocation Process – SUPPORT

7. 7/16/2026 – To The Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee, RE: AB 2002 (Solache) Regional Early Action Planning – SUPPORT

8. 7/16/2026 – To The Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee, RE: AB 2051 (Wicks) Coastal Resilience Permitting Working Group – SUPPORT

9. 7/16/2026 – To The Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee, RE: AB 2313 (Berman) The Home Energy Choice Act – SUPPORT

10. 7/16/2026 – To The Honorable Sabrina Cervantes, Chair, Senate Appropriations Committee, RE: AB 2346 (Wilson): Electric Bicycles Safety – SUPPORT

11. 7/16/2026 – To The Honorable Buffy Wicks, Chair, Assembly Appropriations Committee, RE: SB 1167 (Blakespear) E-MOTOS – SUPPORT

12. 8/4/2026 – To The Honorable Gavin Newsom, Governor, State of California, RE: AB 2595 (Papan) San Mateo County Age Limit for Electric Bicycle Use – REQUEST FOR SIGNATURE

Back to Top

13. 8/6/2026 – To The Honorable Josh Becker, California State Senate, RE: C/CAG FY 2026-27 Budget Requests

14. 8/6/2026 – To The Honorable Scott Wiener, California State Senate, RE: C/CAG Budget Request Priority

15. 8/6/2026 – To The Honorable Marc Berman, California State Assembly, RE: C/CAG FY 2026-27 Budget Requests

16. 8/6/2026 – To The Honorable Diane Papan, California State Assembly, RE: C/CAG FY 2026-27 Budget Requests

17. 8/6/2026 – To The Honorable Catherine Stefani, California State Assembly, RE: C/CAG Budget Request Priority

18. 8/21/2026 – To The Honorable Gavin Newsom, Governor, State of California, RE: AB 2346 (Wilson): Electric Bicycles Safety – REQUEST FOR SIGNATURE

19. 8/27/2026 – To The Honorable Gavin Newsom, Governor, State of California, RE: SB 1167 (Blakespear) Vehicles: Electric Bicycles – REQUEST FOR SIGNATURE

20. 8/27/2026 – To The Honorable Gavin Newsom, Governor, State of California, RE: AB 2296 (Papan) Regional Housing Needs Allocation Process – REQUEST FOR SIGNATURE

21. 8/31/2026 – To The Honorable Gavin Newsom, Governor, State of California, RE: AB 2313 (Berman) The Home Energy Choice Act – REQUEST FOR SIGNATURE

22. 9/1/2026 – To The Honorable Gavin Newsom, Governor, State of California, AB 2051 (Wicks) Coastal Resilience Permitting Working Group – REQUEST FOR SIGNATURE

ATTACHMENTS

The written communications are available on the *C/CAG website.* See "Additional Agenda Materials" for the relevant Board Meeting at: https://ccag.ca.gov/committees/board-of-directors-2/