



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jeff Provenzano

SUBJECT: Stormwater Management
Annual Report 2025-2026

DATE: September 10, 2026

Approved

Date:

9/10/26

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Adopt a resolution authorizing the certification and submittal of the Fiscal Year 2025-2026 Stormwater Management Annual Report to the San Francisco Bay Regional Water Quality Control Board by September 30, 2026, in conformance with the Municipal Regional Stormwater National Pollutant Discharge Elimination System Permit requirements, pursuant to the Federal Clean Water Act.

SUMMARY AND OUTCOME

The Municipal Regional Stormwater National Pollutant Discharge Elimination System (NPDES) Permit (Stormwater Permit) requires the City of San José (City) to submit an approved Stormwater Management Annual Report (Annual Report) to the San Francisco Bay Regional Water Quality Control Board (Water Board) by September 30 of each year, certifying implementation of and compliance with the Stormwater Permit requirements that adhere to the Federal Clean Water Act.

The Federal Clean Water Act and the Stormwater Permit specify actions necessary to reduce the discharge of pollutants in stormwater into the municipal separate storm sewer system (MS4) and the waterways that ultimately help protect and enhance water quality in local creeks and the San Francisco Bay.

This is the fourth report for the five-year Stormwater Permit that became effective July 1, 2022, and it includes data on a wide range of City activities undertaken from July 1, 2025, through June 30, 2026, to meet regulatory requirements. Approval of the recommendation will result in the submittal of the Fiscal Year (FY) 2025-2026

Stormwater Annual Report to the Water Board by September 30, 2026, as required by the Stormwater Permit.

BACKGROUND

The Federal Clean Water Act requires the City to operate its MS4 in accordance with its NPDES permit for the discharge of stormwater into receiving waters. The Stormwater Permit specifies actions the City must implement to reduce the discharge of pollutants and essentially prohibits non-stormwater discharges into the MS4, protecting local creeks and the Bay. These actions entail various activities such as routine municipal operations, new and redevelopment project site controls, construction projects, and industrial and commercial facilities that could potentially contribute to stormwater pollution.

The Stormwater Permit requires the City to submit an Annual Report by September 30 of each year, documenting actions and the performance of required City, resident, and business actions and certifying Stormwater Permit compliance for the reporting fiscal year. The Annual Report follows a standardized reporting template approved by the Water Board, used by all 79 permitted agencies (including the City) throughout the Bay Area. The referenced Annual Report fulfills the requirement for reporting on activities undertaken from July 1, 2025, through June 30, 2026. Permittees are in active discussions with the Water Board on the next iteration of the Stormwater Permit, which is anticipated to go into effect on July 1, 2028.

A collaborative citywide effort is critical to prevent stormwater pollution and protect water quality. Accordingly, the following City departments are actively engaged in a One Team approach: Airport; Environmental Services (ESD); Fire; Housing; Parks, Recreation and Neighborhood Services (PRNS); Planning, Building and Code Enforcement (PBCE); Police, Public Works (PW); Transportation (DOT); and the City Attorney's Office, with support from the City Manager's Office of Economic Development and Cultural Affairs and the City Manager's Budget Office. ESD provides citywide permit oversight, consults and coordinates implementation across these various City departments, and co-leads with Valley Water a Countywide consortium called the Santa Clara Valley Urban Runoff Pollution Prevention Program.

In February 2026, representatives from the United States Environmental Protection Agency Region 9 and the Water Board conducted a compliance audit of the City's MS4 program. The audit consisted of a virtual/self-audit on February 23, 2026, and an onsite field audit from February 26-27, 2026. Overall, the Audit Team found that the City is fully implementing the 2022 Permit, with some deficiencies observed at two of the City's corporation yards during the onsite field audit. City staff developed and began implementing a plan to address the deficiencies identified during the audit.

ANALYSIS

City departments implementing Stormwater Permit requirements worked diligently to meet the challenge of implementing both new and existing programs to comply with the new Stormwater Permit's requirements. The final draft *FY 2025-2026 Stormwater Permit Annual Report* is available on the City website at www.sanjoseca.gov/stormwaterannualreports. Once approved by City Council, the final Annual Report will be submitted to the Water Board by September 30, 2026. Accomplishments during FY 2025-2026 demonstrate the collective efforts of City departments to improve the condition of local creeks and waterways and reduce pollutant loads to San Francisco Bay. The accomplishments are summarized below.

New Development, Redevelopment, and Green Stormwater Infrastructure (GSI) (Provision C.3)

The Stormwater Permit mandates that new development and redevelopment projects include post-construction design features and controls that reduce pollution in stormwater and prevent additional runoff into the MS4. Compliance is achieved primarily through the development review, planning, and permitting processes by ensuring water quality protection is integrated into new and redevelopment projects. In FY 2025-2026, 35 C.3 Regulated Projects were approved, compared to 43 in FY 2024-2025. Table 1 is a breakdown of both private and public-sector developments approved during the current Stormwater Permit term that met the criteria to implement onsite stormwater treatment measures in their designs.

Table 1: Approved Regulated Projects per Fiscal Year

Projects Approved	FY 2025-2026	FY 2024-2025	FY2023-2024	FY 2022-2023
Private Development	31	41	27	48
Public Development	4	2	4	3
Total	35	43	31	51

City staff will be seeking to pilot an alternative compliance program focused on private housing development projects that gives the option to build required stormwater treatment systems based on site availability and/or the developer can pay an in-lieu fee to meet remaining stormwater regulatory requirements.

The Stormwater Permit further requires regular inspections to ensure proper installation, operation, and maintenance of GSI. In FY 2025-2026, City staff inspected 163 projects, or 23% of the total inventory of GSI projects, which complies with the Stormwater Permit requirement to inspect 20% of the GSI Project Inventory per year. Of the 163 projects inspected in FY 2025-2026, 31% were compliant upon initial inspection. For the non-compliant projects, staff issued corrective notices and escalated enforcement for repeat

violations in accordance with ESD's Enforcement Response Plan. Staff continued targeted outreach and education efforts for GSI owners and expects to see more significant improvements in future years.

This year, the City applied for a three-year, \$3,160,000 Environmental Protection Agency grant to support the development of a first-ever City-wide alternative compliance program, staff training and certification for GSI maintenance, and repair of underperforming public GSI. The City's grant proposal was accepted and will provide three years of funding starting in October 2027.

Building off the success of the award-winning Riverview Stormwater Garden, PW staff have identified and begun the design for two future regional GSI projects: the Kelley Regional Stormwater Capture project and the Venetian Terrace Stormwater Capture project, which are planned to begin construction in early 2027.

Trash Load Reduction (Provision C.10) and Discharges from Unsheltered Homeless Populations (Provision C.17)

The Stormwater Permit requires the City to reduce and eliminate trash passing through the MS4 to protect waterways and mandates 100% trash load reduction without offsets by June 30, 2025. The Water Board approved a six-month extension as defined in the Stormwater Permit by implementing the Direct Discharge Trash Control Program (DDTCP), extending the compliance deadline to December 31, 2025. The City met its 100% trash load reduction mandate without offsets and continued to maintain compliance throughout FY 2025-2026. This success reflects a combination of approaches to address trash on land, in the MS4, and in the City's waterways. The City intends to maintain focus on implementing trash control measures to ensure compliance with future MRP trash reduction targets. This includes continuing partnerships that are essential to the long-term success and sustainability of the City's trash reduction efforts.

In FY 2025-2026, the City achieved 100% trash load reduction through a combination of efforts (see Table 2). While offsets have sunset, the City is still required to continue the DDTCP and provide progress reports throughout the Stormwater Permit term (June 30, 2028) to comply with provision C.17: Discharges Associated with Unsheltered Homelessness Populations. Staff are evaluating existing trash control programs and prioritizing trash load reduction in underperforming areas.

Table 2: Trash Controls

Trash Control	Department Lead
Full Trash Capture	PW, DOT
Private Lands Inspection Program	ESD
On-Land Trash Controls	PRNS, DOT, PBCE, ESD
DDTCP	PRNS, Housing, DOT, Police, ESD

Full Trash Capture Device Installation and Maintenance (Provision C.10)

Since 2011, the City installed 38 large full trash capture (FTC) systems (consisting of 44 individual devices) and 588 inlet-based FTC devices. Collectively, these systems treat over 15,300 acres, exceeding the Permit-required minimum of 895 acres. PW rebid two of the three large FTC projects that were not installed last fiscal year, with an estimated installation by fall 2027, while the third project was deemed infeasible. Since July 2025, PW and DOT installed 40 new inlet-based FTCs to ensure the City maintains 100% trash load reduction. These new devices, combined with the 548 previously installed, retain trash and debris in the catch basin until it is removed by DOT staff.

Direct Discharge Trash Control Program (Provisions C.10 and C.17)

The City's watersheds are severely impacted by the activities of people experiencing unsheltered homelessness who reside along the City's waterways. The DDTCP addresses the water quality impacts resulting from unsheltered homelessness and lived in vehicles near storm drains. This is accomplished by providing housing, social services, removal of trash and debris, sanitary services (such as the City's Recreational Vehicle Pollution Prevention Program led by PRNS and port-o-potties, laundry, showers, and hand washing stations funded by Housing), installing and repairing structural deterrents, and monitoring and abating as needed to ensure that "No Encampment Zones" remain clear and held along waterways and near storm drains.

ESD conducts quarterly visual assessments of the waterways in the Direct Discharge areas to measure the progress of these efforts on the creeks. ESD, Housing, PRNS, DOT, PW, PBCE, Library, and Police partner to implement the DDTCP with the objectives of reducing and preventing trash from entering approximately 26 miles of Coyote Creek, Guadalupe River, and Los Gatos Creek. See Table 3 for tonnage removed by DDTCP efforts.

Table 3: Tonnage Removed by DDTCP Efforts

Fiscal Year	Tons Removed
FY 2016-2017	581 tons
FY 2017-2018	890 tons
FY 2018-2019	523 tons
FY 2019-2020	446 tons
FY 2020-2021	349 tons
FY 2021-2022	432 tons
FY 2022-2023	1,289 tons
FY 2023-2024	1,645 tons
FY 2024-2025	1,884 tons
FY 2025-2026	1,701 tons

The City invests significant effort and resources to address unsheltered homelessness, as detailed in the Direct Discharge Progress Report attached to the Stormwater Annual Report. These efforts align closely with the City's overall efforts in managing and ending homelessness. The 15% offset credit for these efforts ended on December 31, 2025.

Mercury, Polychlorinated Biphenyls (PCBs) Controls (Provisions C.11, C.12)

The Stormwater Permit requires permittees through a Countywide Control Measure Plan to implement specific actions through detailed steps to identify and abate mercury and PCBs from old industrial areas entering the MS4. Properties with elevated levels of PCBs, known as Source Properties, are referred to the Water Board for abatement. The City must require abatement for properties with moderately elevated levels, known as Moderate Properties. The Stormwater Permit requires the City to implement enhanced operations and maintenance of the MS4 downstream of both types of properties to mitigate contaminated sediments shedding off these properties and into the City's MS4. San José continues to lead the region in this regard, becoming the first City to conduct MS4 line cleanings downstream of two moderate property sites to remove contaminated sediment. The City continues its commitment to meeting with regulatory compliance efficiently and cost effectively. To date, ten source properties and two moderate properties of mercury and/or PCBs contamination have been identified, and seven source properties have been referred to the Water Board for abatement. City staff will continue required monitoring to identify contaminated sites within its jurisdiction.

The Stormwater Permit imposed additional requirements for the demolition of applicable structures that contain elevated levels of PCBs. Staff monitor building demolition permit applications for applicable structures exceeding the threshold. In FY 2025-2026, staff reviewed approximately 1,100 demolition permit applications and identified four potentially applicable structures. Upon review, one met the threshold requiring inspection or disposal of PCB-contaminated materials. Information about the program is available at www.sanjoseca.gov/ManagingPCBs.

Discharges from Emergency Firefighting Operations (Provision C.15.b)

The Fire Department and ESD actively participate in regional Firefighting Discharges Working and Task Force Groups to assess the adequacy of existing best management practices and standard operating procedures to address the potential adverse water quality impacts of firefighting water and foam discharged during emergencies. These efforts culminated in the development of a Regional Firefighting Discharges Report submitted to the Water Board in September 2025. Key recommendations implemented in FY 2025-2026 include:

- Train firefighting personnel on best management practices use;
- Improve communication and coordination procedures between firefighting personnel and cleanup crews to ensure effective communication and discharge management; and
- Purchase and use the least environmentally harmful foams.

The City will continue implementing best management practices outlined in the Regional Firefighting Discharges Report in FY 2026-2027.

Cost Reporting (Provision C.20)

This provision of the Stormwater Permit is intended to provide a high-level fiscal analysis of the costs incurred by permittees to comply with the Stormwater Permit. This includes budgeted capital, implementation, operation, maintenance, and program management costs. FY 2025-2026 is the second year Permittees must report their costs. San José compiled budgeted and/or actual operational and capital costs from 10 different City departments that implement functions required to comply with the Stormwater Permit and reported an estimated cost of \$88,483,000 in FY 2025-2026, down from \$123,919,000 last fiscal year. The largest change year to year was a significant reduction in capital improvement project spending for provisions C.3 and C.17.

These funding sources are a combination of grants from federal and state sources, bond measures such as Measure E and Measure T, fees, City funds such as the Storm Sewer Operating Fund, Airport funds, Storm Sewer Capital Fund, and General Fund.

It is anticipated that the estimated total expenditure for FY 2026-2027 will increase modestly from \$88,483,000 to an estimated \$92,561,000, mainly due to increased operational costs and higher costs associated with discharges from the unsheltered homeless populations. Additionally, the State Water Board will also impose separate cost reporting requirements on agencies in FY 2026-2027. City staff will work closely with regional partners to meet this new requirement.

Asset Management Plan (Provision C.21)

The purpose of this new provision is to ensure and document adequate operations and maintenance of all City-owned hard stormwater quality assets built to comply with Stormwater Permit requirements. These assets include full trash capture devices and green stormwater infrastructure installations inspected, operated, and maintained by the Airport, ESD, PRNS, PW, and DOT departments. The Asset Management Plan includes processes for condition assessment, risk analysis, and maintenance prioritization for the City's 572 GSI and 624 Full Trash Capture assets.

EVALUATION AND FOLLOW-UP

Staff will provide an annual report update for FY 2026-2027 Stormwater Permit compliance to City Council in September 2027.

FISCAL IMPACTS

There are no direct costs associated with the submittal of the Annual Report, as the report summarizes expenditures from departments that were funded and have already occurred. In FY 2025-2026, the estimated amount budgeted was \$88.5 million and is estimated to increase to \$92.6 million in FY 2026-2027. There may be potential new expenses associated with City efforts to implement additional Stormwater Permit requirements or expand existing programs that would be brought forward in a future budget process. City staff is currently seeking potential stormwater funding to support ongoing regulatory, capital, operations, and maintenance costs.

COORDINATION

The Annual Report was developed by the ESD in collaboration with the departments of Airport, Fire, Housing, PRNS, PBCE, Police, PW, DOT, as well as the City Attorney's Office and the City Manager's Budget Office. The Annual Report was reviewed by each of these departments to ensure that the data and information presented in the report accurately and properly reflects their respective operations.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the September 22, 2026 City Council meeting.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

There are no commission recommendations or input associated with this action.

CEQA

Not a Project, File No. PP17-009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City Action.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

HONORABLE MAYOR AND CITY COUNCIL

September 10, 2026

Subject: Stormwater Management Annual Report 2025-2026

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/s/

Jeffrey Provenzano, P.E.

Director, Environmental Services

For questions, please contact Rajani Nair, Deputy Director, Environmental Services Department, at (408) 799-7462 or email at rajani.nair@sanjoseca.gov.

ATTACHMENT:

City of San José Stormwater Management Annual Report 2025-2026 – Final Draft