



Executive Director's Report – February 26, 2026

SFCJPA Activities –

Reach 2 Project Updates –

Funding

As has been described in previous reports to the Board, the SFCJPA was awarded a \$5,955,258 grant from the Department of Water Resources (DWR) from Prop 1 for the Reach 2 project. This grant is part of a portfolio of DWR grants that are being administered by the San Francisco Estuary Partnership, which is part of the Association of Bay Area Governments/ Metropolitan Transportation Commission. The SFCJPA grant is known as Project 6: *Urban Reach 2 - San Francisquito Creek Flood Protection and Ecosystem Restoration Project* under Agreement 4600015417. This grant has a deadline of March 31, 2028. The SFCJPA Board was required to adopt the updated Bay Area Integrated Water Resources Plan via Resolution No. 20.4.23 to enable grant acceptance, and the SFCJPA Board approved accepting the grant April 24, 2025, via Resolution 25-04-24-A.

It should be noted that the SFCJPA was required to return a previous grant in this program because of the legal challenge to the Upstream Environmental Impact Report (EIR), which was resolved in the SFCJPA's favor in August 2022. The DWR, as a Responsible Agency under CEQA, completed their review of the CEQA documentation submitted for our project on February 23, 2026.

To retain this grant, we need to significantly accelerate the project components funded by this grant (widening and replacing the temporary wooden floodwall, which are included in the 2019 EIR). These project components are part of each of the more likely acceptable project alternatives (referenced below). Another factor to consider for this grant is the US Army Corps of Engineers CAP 205 program in which federal funding is eligible to serve as match funds for the DWR grant. This could mean a total funding boost of approximately \$12 to \$15M for the Reach 2 Project.

The SFCJPA initially requested an extension of time to 2030 to complete construction and administrative items; however, the DWR program managers have rejected this. After discussion with our grant administrators, they are hopeful that a deadline of December 31, 2028, may be acceptable, with sufficient justification. The SFCJPA developed a draft accelerated schedule for the grant components and met with SFCJPA member technical staff to review and discuss. Members agree that they too do not want to lose the grant funding for Reach 2 but are unsure if an accelerated schedule of December 31, 2028, can be achieved. The accelerated schedule includes key project milestones and points of coordination with the updated overall Reach 2 Project alternatives to ensure that the accelerated components work with the overall Reach 2 Project preferred alternative.



We have made our case, and our grant administrators are advocating on our behalf. Our grant administrators will be meeting with DWR program managers in March. There will probably be more to share by the March board meeting.

Arborist’s Survey

The contract for the arborist’s survey of Reach 2 was executed as of January 30, 2026, with work planning occurring now and – weather permitting – should be completed for updated overall Reach 2 alternatives evaluation.

Revised Overall Alternatives Evaluation, Planning and Design

Technical staff from the SFCJPA member agencies met on January 14 for a design charette. Following this design charette and in subsequent meetings, member agency staff and the design team agreed to move forward with the analysis of four potential project alternatives that have “bookends,” with a low-cost alternative being a floodwall with minimal widening to a minimal-floodwall option:

Alternative	Widening	Floodwalls	Bridge Removal/ Replacement	Tunnel	Other	Cost
1	Minimal – remove concrete structure at Site 2, and possibly adjacent Site 1	Yes (highest)	Pope-Chaucer			\$\$
2	Optimized widening at various sites	Yes (lower than Alt 1)	Pope-Chaucer Private pedestrian bridge(s)			\$\$\$
3	Optimized widening at various sites	Yes (lower than Alt 2)	Pope-Chaucer Private pedestrian bridge(s)	MTBM under public ROW		\$\$\$\$
4	Optimized widening at various sites	Lowest possible	Pope-Chaucer Private pedestrian bridge(s)	MTBM under public ROW	Upstream flow attenuation Flow detention	\$\$\$\$\$\$



USACE CAP 205 Program

The SFCJPA continued working with the US Army Corps of Engineers (USACE) under the Continuing Authorities Program (CAP) for elements of the Reach 2 project. The USACE CAP205 program is a 50/50 cost share with up to \$15M total (including design costs) from USACE. The USACE and its non-federal sponsor (the SFCJPA) have considerable latitude in co-designing the project, provided the project meets the USACE economic cost/benefit standard.

The USACE team completed the economic benefits analysis and the Future Without Project Conditions Model for the Reach 2 project elements being considered for the CAP205 components of the project and the economic evaluation is under Agency Technical Review. USACE also initiated modeling scenarios for the Future With Project.

Tunnel Diversion Feasibility Study

Black & Veatch completed a high-level feasibility evaluation on three types of tunnelling technologies November 19, 2025, for potential tunnel alignments as part of the Reach 2 project that has been reviewed by member staff. The summary of the findings of the preliminary study is:

- Of the potential tunneling technologies, a Microtunneling Boring Machine (MTBM) is most viable in this area and for this project.
- Maximum reasonable diameter tunnel that is achievable with MTBM is 10 ft. This size can accommodate 33-39% of the excess flow for the 70-year event.
- MTBM feasibility considered alignments within public right-of-way (under public streets) in Palo Alto
 - Inlet locations included Middlefield Road and Pope-Chaucer Bridge. Outlet locations included Newell Road and W. Bayshore/Hwy 101
 - Intermediate shafts are required whenever the tunnel changes direction in the alignment. This would require partial road or intersection closures at each shaft location for up to 9 months during construction.
- Initial construction cost estimate for a tunnel is \$51-112M, depending on length and alignment.
 - This cost estimate does not include costs for necessary associated items, including engineering design, materials costs, intake and outfall structures, pump stations, utility relocation, traffic impacts, or operations and maintenance, so the initial cost estimate above is considered to be low.
- Although MTBM does not fully meet the project conveyance design goal of 7,200 cubic feet per second, it could be used in conjunction with other project elements to provide protection for the 70-year storm

Follow-up work to enable reasonable comparison of the use of MTBM as a potential alternative component is planned for the Reach 2 Project.



Project Status Summary and Tracking (previously completed items have been deleted from this table)

Reach 1	Activity/ Milestone	Tasks/Sub-Tasks	Schedule	Status
	Mitigation Monitoring and Reporting	Review O&M recommendations, obtain needed approvals/permits, oversee field work as indicated and annual reporting.	Weed management occurred during the week of February 9, 2026, based on restoration ecologists' recommendations.	Ongoing for Year 9 O&M.
Reach 2	Activity/ Milestone	Tasks/Sub-Tasks	Schedule	Status
	Arborist Survey of updated project area	Project/contract kick-off to be scheduled soon.	Updated and expanded tree survey planned to be completed by May 2026.	On track.
	Additional details for potential use of MTBM to enable overall alternative comparison	Evaluate impacts and costs of potential implementation, including traffic impacts, pump stations, land costs, utility relocations, etc.	Planning additional work scope.	Additional cost and impact information will be compiled for a more complete picture of this option and enable overall project alternative comparison.
	USACE CAP 205	Future Without Project (FWOP) condition package and model, inundation maps, and report are complete. Preliminary work on Future With Project Modeling.	FWOP model and economic evaluation, assessment of channel widening order of operations impacts – February and March.	In progress. USACE presentation in March 2026 SFCJPA Board meeting.
	DWR/IRWM grant reporting	Working with our grant managers at SFEP on a grant agreement amendment for a schedule (and possibly scope) adjustment.	Quarterly reports	Negotiations for a grant deadline change will happen in March.



	Supplemental Environmental Impact Report (SEIR) for necessary project elements.	Contract in place with EMC Planning for SEIR but may need to be updated based on outcome of project redesign.	9-12 months from start to finish (or longer if more complex)	Delayed until details of a staff recommended preferred overall project alternative is defined and the Board and public have weighed in.
	Mitigation for new Newell Road Bridge	Submitted Final Mitigation Monitoring Plan for Resource Agency approval. Coordination of Reller restoration plan with City of MP for their review and approval.	Revised MMP received 1/16/2026	Pending. Met with Water Board and CDFW staff in December and agreement that outstanding issues are minor and will not be reopened with new staff review. New Water Board Staff started week of January 12, 2026 and on February 2, the SFCJPA and City of Palo Alto provided a tour of the completed Reach 1 Project and the Reach 2 project area to Water Board and CDFW staff.
	NatRes EEM Grant app for Newell Road Bridge Mitigation	CalTrans has now fully funded their portion of the NRB. This will enable us to apply for a Natural Resources EEM grant to help defray the costs of mitigation.	Grant deadline July 2026. Grant disbursement (if awarded) in Spring 2027.	To begin grant application process in May 2026
	Labor Compliance Plan	Develop plan, procedures, establish roles/responsibilities, and/or plan to bid out.	Plan developed and reviewed by legal, awaiting meeting with legal to discuss comments.	The SFCJPA registered with the California Department of Industrial Relations on 8/29/25 and has an approved DIR



				number as of 9/2/25. The LCP plan will be submitted Q1 2026.
	Support JPA member dialog on homeless encampments and trash in SFC.	Integrated as standing agenda item on regular SFCJPA Mgrs/Executives meeting agenda.	Ongoing	Ongoing
	Use updated USACE model floodplain data to quantify project benefits based on number of parcels impacted/protected.		Pending	In progress. Updated number of parcels impacted by 7,200 cfs flooding based on updated model; shared with members at the recent design charette.
	Investigate Reach 2 financing options	Gather information on potential federal, state, private, and inter-agency financing options and how they might apply to the Reach 2 project. Prepare a summary report for the Board.	Preliminary information shared with member managers/executive team at January monthly meeting. Group has asked for a focused follow-up discussion.	In progress/early stages. Working on scheduling this meeting.
	Define project funding agreement principles and basic framework characteristics.	Work with JPA members to lay the groundwork for a funding framework.		In progress/early stages.
Stream Maintenance Permitting	Activity/Milestone	Tasks/Sub-Tasks	Schedule	Status
	CEQA	Project Description Initial Study/ Mitigated Negative Declaration (IS/MND)	Certification of IS/MND – is probably 3 months delayed, was planned for October 2026	In progress. Draft Project Description is being updated by consultant based on SFCJPA feedback.



	Invasive Species Removal Plan		October 2026	Reviewing existing information
	Mitigation Monitoring Plan	Draft and final	Draft – October 2026 Final – December 2026	Not started
	Technical Studies	Biological, wetland, cultural and other studies to support CEQA and permitting		Not started
	Creek Maintenance Plan		Draft – April 2026 Final – July 2026	Not started
	Draft Permit Applications		October 2026	Not started
SAFER Bay	Activity/ Milestone	Tasks/Sub-Tasks	Schedule	Status
	Draft Environmental Impact Report		Comment period ended on 1/23/26. Final EIR adoption scheduled on 5/28/26	The team is drafting responses to the comments received.
SFBRA and DWR grants: Administration and reporting	Quarterly		Ongoing.	Ongoing.

(Green = Complete/on track. Amber = early stages or small progress. Pink = Not-yet-begun, or no recent progress)

Coordination –

We continue to meet regularly with our SFCJPA public works colleagues and with the executive representatives of our members. We continue to have regular meetings with Stanford University.

At Menlo Park Fire Protection District (MPFPD) Board Chair Ms. Chang-Kiraly’s request, the E.D. made a brief presentation to the MPFPD Board of Directors regarding the status of the SFCJPA’s projects at their regular meeting on February 17, 2026.



Operations and Administration –

Mid-Year Budget Report

As a best practice, the SFCJPA staff provide a mid-fiscal year review of current expenditures to date against the fiscal year's planned budget and anticipated future expenditures. The following is a short summary of where we stand.

Revenue:

As of January 20, 2026, we have received all member agency contributions. Thank you.

As of February 20, Grant revenue has been received for the SAFER Bay Project in the amount of \$1,653,552.17 of which 600,000 was advanced from the Cities of East Palo Alto and Menlo Park.

Expenditure:

For most expense categories, we are on target for mid-year range in our budget.

We are above estimated/budgeted expenditure in the following areas:

- Agency website. This budget item is above the estimated budget due to the upgrade to the SFCJPA website.

We are below estimated/budgeted expenditure in the following areas:

- Reach 2: This budget line item is below anticipated expenditure because of a delay in initiating WRA's work and not initiating special studies (passive floodwalls) pending further alternatives development.

Request for Proposals (RFP) for Auditing Services

On January 29, 2026, staff published and distributed to auditing firms the RFP for auditing services. Staff have reached out by email and phone to identified qualified firms to encourage their proposals. The solicitation is set to close on February 26, 2026.

Accounting and Administration Support

Per the Board's direction, we have engaged part-time, temporary personnel from Robert Half, Inc., a Certified Public Accountant who is reviewing the Draft Audits to provide an objective 3rd party assessment of the Grant & Smith audits, review the JPA's accounting ledgers and reports, as well as providing expertise in making best use of the cloud-based version of QuickBooks, and assisting with reporting and other accounting tasks.

2026 Updates to the SFCJPA Board Handbook.

All board members and alternates have been or will soon be provided with electronic copies of the 2026 edition of the SFCJPA Board Handbook. Please review this document and note



updates to Brown Act teleconferencing requirements and clarifications of Board Committee roles.

SFCJPA Appropriate Use of AI policy

As part of regular operations and administration review and guideline implementation, the SFCJPA has created an internal Appropriate Use of AI technology policy, to ensure SFCJPA staff use of AI tools conforms to current best practices for local government use.

Annual Financial Audits

Per the Board's direction, we have shared the Grant & Smith Draft Audit reports with the finance leaders of our member agencies. We have shared any questions or comments received with Grant & Smith, who are preparing a response. The audit reports, along with Grant & Smith's response to questions and comments, will be presented to the Board next month.

Annual Lease Renewal

We have negotiated and executed a one-year renewal of our office lease.

Annual State Required Reporting

Annual State Controller's report was completed and submitted.



Running report of all contracts less than \$50,000 entered in FY 25/26

Contracted Entity	Purpose	Amount and duration	Date
Grassroots Ecology	Provision of native plants for Newell Road Bridge Project mitigation	\$23,250.17	January 8, 2026
Grassroots Ecology	Reach 1 and Reach 2 restoration support	\$17,500	October 28, 2025
Good Stuff Partners	Creation of document templates and agency branding support.	\$13,000	October 21, 2025
WRA, Inc.	Task Order 2.1 for review of USACE Agency Technical Review hydraulic model.	\$48,600	September 12, 2025
Hanford ARC	Second Amendment to the contract for Reach 1 maintenance. Scope of work includes two four-day weeding events – in accordance with H.T. Harvey staff recommendations.	\$39,360	August 28, 2025
Black & Veatch	Preliminary feasibility assessment of bypass tunnel(s) to meet all or some of the necessary capacity increases in the Reach 2 project area.	\$49,730	August 11, 2025
Streamline, Inc.	Website development, technical support, assistance in transition from .org to .gov, ADA and multiple language support. Three-year contract.	\$10,080	August 2025

Future Board Meetings – Unless otherwise noted, all meetings will be hosted at the City of Menlo Park’s City Council Chambers: 751 Laurel Street, Menlo Park, CA 94025

Date	Potential Topics
March 26, 2026	Reach 2 Update (Tentative) Bypass Tunnel Evaluation for Reach 2 (Tentative) USACE Presentation
April 23, 2026	Reach 2 Update
May 28, 2026	Certification of SAFER EIR
June 25, 2026	Reach 2 Update
July 23, 2026	Board recess
August 27, 2026	Reach 2 Update (Tentative) Update from Stanford University on Searsville Project

Approved June 26, 2025		Actual	FY25/26 Budget	Over/Under Budget	% of Budget	
REVENUES						
Member Contributions		4,665,486	\$ 4,665,486	\$ -	100%	
Interest		65,236	\$ 100,000	\$ (34,764)	65%	Savings/reserve funds interest - do to pmnts received late, should be \$100K by June
Total Revenues		4,730,722	\$ 4,765,486	\$ (34,764)		
EXPENSES						
Acct.	Description					
Personnel						
1	Executive Director Salary	141,409	\$ 207,203	\$ (65,795)	68%	On Target
2	Finance & Admin. Mgr./Clerk of the Board (FAM/CB) Salary	112,136	\$ 152,444	\$ (40,308)	74%	On Target
3	Senior Project Manager (SPM) Salary	109,730	\$ 160,785	\$ (51,055)	68%	On Target
4	Project Manager	87,589	\$ 140,142	\$ (52,553)	62%	On Target
5	Employee Benefits	106,711	\$ 200,000	\$ (93,289)	53%	On Target
6	Membership Dues	835	\$ 20,000	\$ (19,165)	4%	Affected by timing of invoices
7	Payroll Administration/Fees	4,259	\$ 5,500	\$ (1,241)	77%	On Target
8	Employer Taxes	65,926	\$ 70,000	\$ (4,074)	94%	On Target
	Subtotal Personnel	628,594	\$ 956,075	\$ (327,480)		
Contract Services						
9	Legal Counsel	63,685	\$ 150,000	\$ (86,315)	42%	On Target
10	Auditor	-	\$ 30,000	\$ (30,000)	0%	On Target. Invoice to be sent upon completion when Board accepts audits.
11	Project Consultants (Flood Early Warning System, Ad Hoc Technical services, stream maint permit, Communications support,etc.)	58,079	\$ 620,000	\$ (561,921)	9%	On Target.
12	Reach 2	163,430	\$ 3,020,000	\$ (2,856,570)	5%	Project work delayed 4-6 months as contract was renegotiated. New contract amount with WRA \$1.26
13	Upstream Detention (Reach 3) Project Expenses	-	\$ -	\$ -		
14	Cap205	-	\$ 235,000	\$ -	0%	On Target. Request of funds expected soon.
15	Reach 1 O&M	56,457	\$ 105,000	\$ (48,543)	54%	On Target
	Subtotal Contract Services	341,652	\$ 4,160,000	\$ (3,818,348)		
Administrative						
17	Computers/Software	11,554	\$ 15,000	\$ (3,446)	77%	On Target
18	Meeting Supplies	3,044	\$ 6,000	\$ (2,956)	51%	On Target
19	Travel/Training	2,964	\$ 8,000	\$ (5,036)	37%	On Target
20	Office Supplies	1,432	\$ 2,500	\$ (1,068)	57%	On Target
21	Telecommunication	5,489	\$ 7,000	\$ (1,511)	78%	On Target
22	IT	20,181	\$ 30,000	\$ (9,819)	67%	On Target
23	Postage	169	\$ 200	\$ (31)	85%	On Target
24	Printing/Design	1,595	\$ 4,000	\$ (2,405)	40%	On Target
25	Website	8,916	\$ 1,000	\$ 7,916	892%	Over budget due to planned website upgrade. Cost included discount for multiyear advance pay.
26	Liability Insurance	22,978	\$ 24,000	\$ (1,022)	96%	On Target
27	Office Lease	42,280	\$ 65,000	\$ (22,720)	65%	On Target
28	Office furniture/maintenance	20	\$ 300	\$ (280)	7%	On Target
	Subtotal Administrative	120,620	\$ 163,000	\$ (42,380)		
General Contingency						
29	General Contingency	-	\$ 50,000	\$ (50,000)	0%	To be cover any unaccounted for or overexpended budget items - not yet used
Total Expenses		1,090,866	\$ 5,329,075	\$ (4,238,209.07)		



SAN FRANCISQUITO CREEK
JOINT POWERS AUTHORITY

Regular Meeting of the SFCJPA Board of Directors

February 26, 2026

San Francisquito Creek Joint Powers Authority



Meeting Agenda

Members of the Public may speak on any agenda item for up to three minutes

1. ROLL CALL

2. APPROVAL OF AGENDA: Changes or additions to the agenda

3. PUBLIC COMMENT: Individuals may speak on a non-agendized topic for up to three minutes on a topic within the SFCJPA's jurisdiction.

Members of the public speaking in person should submit a speaker card to the Clerk of the Board, indicating which agenda item or items they wish to speak about, in order to be recognized. When the agenda item is called, please stand at the podium and speak clearly.

Members of the public speaking via video conference should raise their hand, indicating their desire to ask a question or comment. They will be recognized by the Clerk of the Board and once unmuted and recognized, please speak clearly.

Agenda Item 4 – Approval of Meeting Minutes

4.A. – Draft meeting minutes of the January 22, 2026, Regular Board Meeting

Agenda Item 5 – Information Items

5.A. – Executive Director's Report

- Reach 2 Project Update
- Summary of Tunnel Diversion Feasibility Study
- Mid-Year Budget Report
- Admin/Operations Update

Reach 2 Project Update

- Schedule extension requested for IRWM Prop 1 Grant – \$5.9M grant award
 - Current grant deadline is March 31, 2028. Requested deadline December 31, 2028. Request for later dates have *so far* been rejected.
 - SFEP grant managers will be meeting with DWR program managers in March and are advocating on our behalf.
 - Keeping the IRWM grant will require accelerating certain project work. It is not clear if that accelerated schedule will be possible but accelerated schedule integrates design elements with overall Board approved preferred overall Reach 2 alternative.
 - Meeting to discuss with DWR planned in March.
- Arborists Survey has been executed.
- USACE is tentatively scheduled to present an update to the Board in March.

Tunnel Diversion Feasibility Study

Summary and Conclusions

- Of three tunneling technologies, Microtunneling Boring machine (MTBM) is most viable in the project.
- Maximum diameter tunnel that is achievable with MTBM is 10 ft. This size can accommodate 33%–39% of the excess flow for the 70-year event.
- MTBM feasibility considered alignments within public right-of-way (under public streets) in Palo Alto
 - Inlet locations included Middlefield Road and Pope-Chaucer Bridge. Outlet locations included Newell Road and W. Bayshore/Hwy 101
 - Intermediate shafts are required at intersections to allow for turns in the alignment
- Preliminary construction cost estimate for the MTBM diversion is \$51–112M, depending on length and alignment
 - This does not include costs for necessary associated items including: design, materials, intake and outfall structures, pump stations, utility relocation, traffic studies/impacts, and maintenance & operation.
- Although MTBM does not achieve the project design goal of 7,200 cfs, it may be used in conjunction with other project elements to provide protection for the 70-year storm

Mid-Year Budget Report

- Most budget items are on-track for planned spending
- One line item, Website, is over-budget
- One line item, Reach 2, is under-budget
 - Contract was planned to be executed July 1, but was delayed until December, so less work has been completed than planned. Some planned expenditures (ex. Arborist's Survey) have not happened yet.

Admin/Operations Update

Audits

- Per the Board's request, the Audit reports were shared with member agency finance leaders, seeking their comments and questions. We have shared what we've received with Grant & Smith, who are preparing a response.
- On the auditor's and the Board's recommendation, we have augmented SFCJPA staff with an additional temporary, part-time CPA. This person has been tasked with:
 - Reviewing the Grant & Smith audit reports
 - Reviewing JPA accounting ledgers, reports, and processes
 - Making any recommendations for improvements.
- We will bring the audits, Grant & Smith's response to member's questions and comments, and a summary report of any associated follow-up actions to the Board next month.

Agenda Item 6

Board Member Announcements, Reports, Information Items, and
Requests (Information Only)

Agenda Item 7

Adjournment