



NEWPORT BEACH

City Council Staff Report

May 12, 2026
Agenda Item No. 10

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Amended and Restated National Pollutant Discharge Elimination System Stormwater Permit Implementation Agreement - Approval

ABSTRACT:

The Amended and Restated National Pollutant Discharge Elimination System (NPDES) Stormwater Permit Implementation Agreement updates the long-standing cooperative framework among the County of Orange, the Orange County Flood Control District (District), and 34 Orange County cities for implementing regional stormwater compliance programs. These updates reflect evolving State regulatory requirements and ensure continued collaboration to improve surface water quality across Orange County. For the City Council's consideration is the Amended and Restated NPDES Stormwater Permit Implementation Agreement.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve the Amended and Restated National Pollutant Discharge Elimination System Stormwater Permit Implementation Agreement between the County of Orange, Orange County Flood Control District, and participating Orange County cities; and
- c) Authorize the Mayor and City Clerk to execute the Agreement and any related documents necessary to implement the terms of the Agreement.

DISCUSSION:

The City of Newport Beach is a permittee under the Municipal Separate Storm Sewer System (MS4) permit issued by the California Regional Water Quality Control Board (Santa Ana, Region 8). The original NPDES Stormwater Permit Implementation Agreement (Agreement, D90-094) executed in 1990 then amended in 1993 and 2002 (D02-048), established a cooperative framework for implementing the Orange County Stormwater Program to meet MS4 permit requirements and to improve surface water quality. The Agreement allowed for collaboration, consistency, and cost sharing of regional compliance strategies, municipal staff training, watershed monitoring and

reporting efforts, and other MS4 program elements required of each of the permittees consisting of the County of Orange, the District and 34 Orange County cities.

While the current Agreement has achieved many significant water quality improvements to local beaches and inland waters, State regulatory requirements issued through the MS4 permits have changed significantly since the Agreement was last updated. Watershed-specific water quality priorities have become increasingly complex requiring targeted solutions including structural treatment projects to meet ongoing and forthcoming compliance requirements. The amended Agreement restates and updates the original Agreement to reflect current regulatory requirements, administrative practices, and programmatic needs. It continues the collaborative approach among the permittees to implement regional stormwater management strategies. The Agreement also provides added flexibility in designing and developing watershed-specific strategies, programs, and projects using corresponding shared-cost sub-budgets. As part of the shared-cost budget approval process, the Agreement formalizes the consultation process with the Orange County City Managers Association (OCCMA) each year therefore updating and improving the existing annual budget collaboration process already implemented with OCCMA.

The annual shared-cost budget for this Agreement maintains the existing cost-sharing formula approach based on land area and population for the unincorporated County and 34 Orange County cities, with the District contributing 10%. Sub-budgets for project-specific and/or watershed-specific budgets and associated work plans are allowed using the same cost-sharing formula approach. Sub-budgets could apply to geographic areas such as across an MS4 permit area, watershed level, or sub-watershed areas.

Key provisions of the amended and restated Agreement include:

- Continued designation of the County as the administrator of the regional Orange County Stormwater Program.
- Clarification of responsibilities for each permittee, including compliance reporting, monitoring and implementation of Best Management Practices.
- Engagement with the OCCMA for strategic input on compliance and funding.
- Updated collaborative review process for annual operating budgets, including establishment of new sub-budgets with smaller permittee groups to support development of targeted water quality projects and programs.
- Continuation of the existing cost-sharing formula between permittees. The City's financial contribution will be annually calculated based on the proportional share of land area and population, as outlined in the Agreement.

All permittees participated in updating and reviewing the Agreement.

FISCAL IMPACT:

The Fiscal Year 2026–27 Budget includes sufficient funding to support the City’s estimated share of costs under the agreement. It will be expensed to the NPDES Administration account in the Public Works Department, 0108011-811010. As these costs are variable and determined by a proportional cost allocation methodology, the account will be evaluated annually during the budget development process and adjusted as appropriate based on updated allocation factors. The historical 5-year average payment to the County of Orange has been approximately \$175,000 per year.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Amended and Restated National Pollutant Discharge Elimination System Stormwater Permit Implementation Agreement