

CITY COUNCIL MEETING

DECEMBER 2, 2025

**DOCUMENTS RECEIVED
AFTER PUBLISHED
AGENDA**

Item #11

CONS 25-537

**Water
Resource Recovery
Facility (WRRF)
Improvements - Phase
II
Project**



Memorandum

DATE: December 1, 2025
TO: Mayor and City Council
THROUGH: City Manager *JT*
FROM: Director of Public Works
SUBJECT: 12/2/2025 City Council Meeting: Revised Resolutions for Consent Item #11 (CONS 25-537)

Dear Mayor and City Council:

As Council is aware, Department of Public Works & Utilities is pursuing a major capital improvement project to improve the Water Resources Recovery Facility (WRRF Phase II Improvement Project) to meet the nutrient reduction mandate for treated effluent mandated in the 3rd Nutrients Watershed Permit adopted by the California Regional Water Quality Control Board in July 2024. The total cost of the project is estimated at \$498 million, including capital costs, contingencies, and financing costs. The City intends to finance \$50 million of the project costs through the California State Water Resources Control Board (SWRCB) Division of Financial Assistance's SRF loan program (the "SRF Loan").

As part of the SRF Loan application, staff is requesting City Council to adopt two resolutions attached to the staff report:

- 1) Attachment II: Resolution Authorizing the City Manager to apply for a State Water Resources Control Board (SWRCB) State Revolving Fund (SRF) Loan for the Water Resource Recovery Facility (WRRF) Improvements – Phase II Project in an amount up to \$50 Million.
- 2) Attachment III: Reimbursement Resolution in Support of SWRCB SRF Loan Application

Upon further review by external Legal Counsel who specializes in SRF financing, additional edits were incorporated to clarify the language included in the two resolutions. While they may appear to be extensive, the revisions are mainly editorial and related to defining WRRF and the project.

We request that the revised document be added to the "Documents Received After Agenda Published" PDF document for items related to the December 2, 2025, City Council meeting agenda reports.

Thank you.

Attachment(s):

- Exhibit A – Attachment II Revised resolution (changes outlined)
- Exhibit B – Attachment III Revised resolution (changes outlined)

HAYWARD CITY COUNCIL

RESOLUTION NO. 25-

Introduced by Council Member _____

ADOPT A RESOLUTION AUTHORIZING THE CITY MANAGER TO SIGN AND FILE A STATE WATER RESOURCES CONTROL BOARD STATE REVOLVING FUND LOAN FINANCIAL ASSISTANCE APPLICATION FOR CAPITAL IMPROVEMENT PROJECT #07760 – WATER RESOURCE RECOVERY FACILITY IMPROVEMENTS – PHASE II PROJECT

WHEREAS, the City of Hayward (the “City”) owns and operates a wastewater collection, pumping, transport, treatment, storage, and disposal system (the “Wastewater System”), including a Water Resource Recovery Facility (the “WRRF”); and

WHEREAS, the City Council approved the FY 2026 Capital Improvement Program, which included Project #07760 – Water Resource Recovery Facility Improvements – Phase II Project, which consists of improvements required for the WRRF to upgrade its treatment process to incorporate nutrient reduction in the treated effluent to meet the upcoming regulatory requirements (the “Project”); and

WHEREAS, the City intends to finance up to \$50 million of the ~~project~~ Project costs through the State Water Resources Control Board’s State Revolving Fund loan program.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:~~NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward (the “Entity”), AS FOLLOWS:–~~

SECTION 1. The City Manager or their designee (the “Authorized Representative”) ~~or designee~~ is hereby authorized and directed to sign and file, for and on behalf of the EntityCity, a Financial Assistance Application for a financing agreement from the State Water Resources Control Board for the planning, design, and construction of Water Resource Recovery Facility Improvements—Phase II Project (the “Project”); the Project.

SECTION 2. ~~This~~ The Authorized Representative, ~~or his/her designee~~, is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the State Water Resources Control Board and any amendments or changes thereto.

The Authorized Representative, ~~or his/her designee~~, is designated to represent the EntityCity in carrying out the EntityCity’s responsibilities under the financing agreement,

including certifying disbursement requests on behalf of the ~~Entity~~City and compliance with applicable state and federal laws.

SECTION 3. All the recitals in this resolution are true and correct and the City so finds, determines and represents.

SECTION 4. This resolution shall become effective immediately upon its passage and adoption.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2025

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 25-

Introduced by Council Member _____

WATER RESOURCE RECOVERY FACILITY IMPROVEMENTS – PHASE II
PROJECT #07760: REIMBURSEMENT RESOLUTION IN SUPPORT OF STATE
WATER RESOURCES CONTROL BOARD STATE RELVOING FUND LOAN
APPLICATION

WHEREAS, the City of Hayward (the "City") owns and operates a wastewater collection, pumping, transport, treatment, storage, and disposal system (the "Wastewater System"), including a Water Resource Recovery Facility (the "WRRF"); and

WHEREAS, the City Council approved the FY 2026 Capital Improvement Program, which included Project #07760 – Water Resource Recovery Facility Improvements – Phase II Project, which consists of improvements required for the WRRF to upgrade its treatment process to incorporate nutrient reduction in the treated effluent to meet the upcoming regulatory requirements (the "Project"); and

~~WHEREAS, the City of Hayward (the "City") desires to finance the costs of constructing and/or reconstructing certain public facilities and improvements relating to its water system, including certain treatment facilities, pipelines and other infrastructure (the "Project"); and~~

WHEREAS, the City intends to finance the construction and/or reconstruction of the Project or portions of the Project with moneys ("Project Funds") provided by the State of California, acting by and through the State Water Resources Control Board (State Water Board); and

WHEREAS, the State Water Board may fund the Project Funds with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations"), and

WHEREAS, prior to either the issuance of the Obligations or the approval by the State Water Board of the Project Funds the City desires to incur certain capital expenditures (the "Expenditures") with respect to the Project from available moneys of the City; and

WHEREAS, the City has determined that those moneys to be advanced on and after the date hereof to pay the Expenditures are available only for a temporary period and it is necessary to reimburse the City for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward as follows:~~NOW, THEREFORE, THE CITY COUNCIL DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:-~~

SECTION 1. The City hereby states its intention and reasonably expects to reimburse Expenditures paid prior to the issuance of the Obligations or the approval by the State Water Board of the Project Funds.

SECTION 2. The reasonably expected maximum principal amount of the Project Funds is \$50,000,000.

SECTION 3. This resolution is being adopted no later than 60 days after the date on which the City will expend moneys for the construction portion of the Project costs to be reimbursed with Project Funds.

SECTION 4. Each of the City's expenditures will be of a type properly chargeable to a capital account under general federal income tax principles.

SECTION 5. To the best of our knowledge, the City is not aware of the previous adoption of official intents by the City that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

SECTION 6. This resolution is adopted as official intent of the City in order to comply with Treasury Regulation §1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of Project costs. This resolution is adopted to comply with the requirements of the State Water Board and does not supersede or amend Resolution No. 24-061, adopted by the City Council on April 2, 2024.

SECTION 7. All the recitals in this Resolution are true and correct and the City so finds, determines and represents.

SECTION 8. This resolution shall become effective immediately upon its passage and adoption.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2025

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward