



DATE: September 13, 2016

TO: Mayor and City Council

FROM: Development Services Director

SUBJECT:

Utility Service Agreement (16-01) – Pavel Gerasimov (Owner) – Adoption of a Resolution approving a Request for Water Service and Sewer Service for a Property at 4195 Picea Court in Unincorporated Alameda County, and Authorizing the City Manager to File an Application with the Alameda County Local Agency Formation Commission for Approval of an Out-of-Service Area Agreement and to Execute Utility Service and Public Street Improvement Agreements

RECOMMENDATION

That the City Council adopts the attached resolution (Attachment II) associated with Utility Service Agreement No. 16-01, and authorizing the City Manager to direct staff to file an application with the Alameda County Local Agency Formation Commission (LAFCo) for approval of an Out-of-Service Area Agreement, and execute Utility Service and Public Street Improvement Agreements.

SUMMARY

In accordance with past practice and because there is capacity to provide such service, staff is recommending that the City be the sewer and water provider for this property in unincorporated Alameda County.

BACKGROUND AND DISCUSSION

The property owner has submitted an application to Alameda County for a building permit to construct a new single-family residence located at 4195 Picea Court in the unincorporated area of Alameda County. The property is located outside the boundaries of Hayward, but within the City of Hayward's Sphere of Influence (Attachment II), Water Service Area and Sewer Service Area. The Public Works – Utilities and Environmental Services Department has confirmed that the City's 8-inch sewer main located in Picea Court has sufficient capacity to accept additional sewer service, and that the City's 6-inch water main, also located in Picea Court, has sufficient capacity to accept additional water service.

Longstanding City policy allows parcels located in the unincorporated portion of the County to connect to the City water and sewer systems where parcels are within the City's Sphere of

Influence and Service Area. Furthermore, State law requires that the City file an application with Alameda County LAFCo for approval of an out-of-area service agreement prior to providing utility connections/service by the City for properties located within its Sphere of Influence, but outside its jurisdictional boundaries.

Pursuant to City policy, the owner has signed a Public Street Improvement Agreement committing to improve Picea Court to meet City's standards at a future date and agreeing to a future annexation of the property, if and when requested by the City. Requiring such an agreement is consistent with past practice for providing utility services to properties outside City of Hayward's jurisdictional boundaries, but within the boundaries of the City's Water and/or Sewer Service Areas.

Approval of a Utility Service Agreement and the related utility connections are not subject to environmental review, pursuant to Section 15061(b) (3) of the California Environmental Quality Act (CEQA) Guidelines. Section 15061(b) (3) states that a project is exempt from CEQA if, "the activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA."

ECONOMIC IMPACT

There are no economic impacts associated with this recommended action.

FISCAL IMPACT

There will be no fiscal impact to the City's General Fund. The owners will pay the City's Enterprise Fund for all the expenditures, added maintenance costs, and applicable fees associated with the water service, in accordance with the City's fee schedule in effect at the time of issuance of the utility service permits.

PUBLIC CONTACT

A public hearing is not required for the filing of a Utility Service Agreement. Staff also sent a copy of this report to the owner.

NEXT STEPS

Should the Council authorize filing an application with LAFCo, staff will submit an application within the next 30 days so that this utility service agreement can be presented at LAFCo's November 10, 2016 hearing. Upon receiving LAFCo approval, the agreement will be executed and the property owner can commence the water and sewer connections after paying the applicable water and sewer connection fees to the City.

Prepared by: Peter Rei, P.E., Contract Development Review Engineer

Recommended by: David Rizk, AICP, Development Services Director

Approved by:

A handwritten signature in black ink, appearing to read 'K. McAdoo', is positioned above a horizontal line.

Kelly McAdoo, City Manager