



# CITY OF HAYWARD

Hayward City Hall  
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## Cover Memo

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**File #:** CONS 21-153, **Version:** 1

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**DATE:** July 13, 2021  
**TO:** Mayor and City Council  
**FROM:** Maintenance Services Director

### **SUBJECT**

Adopt a Resolution of Intention to Preliminarily Approve the Engineer's Report and Levy Assessments for Fiscal Year 2022 for Maintenance District No. 1 - Storm Drainage Pumping Station and Storm Drain Conduit Located at Pacheco Way, Stratford Road and Ruus Lane, and Set July 20, 2021, as the Public Hearing Date

### **RECOMMENDATION**

That the City Council adopts the attached resolution (Attachment II).

### **SUMMARY**

This report is being provided, as required by the Hayward Municipal Code, to preliminarily approve the Engineer's Report, to include the FY 2022 annual assessment and budget. It is a follow-up report to the March 23, May 4, and June 22, 2021 Maintenance District No. 1 (MD 1) reports, whereas a Proposition 218 Election was held and did not pass.

MD 1 was formed in 1995 as a financial funding mechanism to fund the ongoing operation, maintenance, repair, and replacement of a Storm Water Lift Station (SWLS) in perpetuity. The SWLS was built by the developer as a condition of development for construction of the Stratford Village neighborhood. The SWLS is the only privately built SWLS in the City, built only to service the Stratford Village neighborhood. Following construction of the facility, the Alameda County Flood Control District (County) was asked to take over ownership and maintenance of the facility since the County operated similar facilities within the City and the County. The agreement signed by both parties calls for the City to act as an intermediary, using MD-1 funds to reimburse the County for annual expenses and supply MD-1 funds annually for a capital replacement fund.

The FY 2022 assessment charged to the 174 property owners is being recommended to be levied at the maximum amount allowed by law (\$243.92), which is the same as the previous year. MD-1's account balance is currently negative, and staff will be analyzing options to remedy the deficit account balance. The negative balance can be contributed to the following factors:

1. MD-1 was formed without the inclusion of an annual inflation factor in its Maximum Base

Assessment Rate calculation.

2. Maintenance & Operation (M&O) charges from the County are inconsistent, and in recent years have gotten larger.
3. The Countywide System Upgrade's charge to MD-1 is \$503,980.
4. Proposition 218 Election did not pass.

## **ATTACHMENTS**

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Engineer's Report
Attachment IV	County FY 2022 Annual Report
Attachment V	County April 2021 Invoice