



CITY OF HAYWARD

Hayward City Hall
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Cover Memo

File #: CONS 23-325, **Version:** 1

DATE: June 6, 2023

TO: Mayor and City Council

FROM: Director of Maintenance Services

SUBJECT

Adopt a Resolution of Intention to Preliminarily Approve the Engineer's Report and Levy Assessments for Fiscal Year 2024 for Maintenance District No. 1 - Storm Drainage Pumping Station and Storm Drain Conduit Located at Pacheco Way, Stratford Road and Ruus Lane, and Set June 27, 2023, as the Public Hearing Date

RECOMMENDATION

That the City Council adopts a resolution (Attachment II) to preliminarily approve the Engineer's Report and levy assessments for Fiscal Year 2024 for Maintenance District No. 1 - Storm Drainage Pumping Station and Storm Drain Conduit located at Pacheco Way, Stratford Road, and Ruus Lane, and set June 27, 2023 as the Public Hearing date.

SUMMARY

This report is being provided, as required by the Hayward Municipal Code, to preliminarily approve the Engineer's Report, to include the FY 2024 annual assessment and budget for Maintenance District No. 1 (MD 1).

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 District funds to reimburse the County for annual expenses and supply District funds annually for a capital replacement fund.

The FY 2024 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. The District'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. The District 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 charge to this district is \$503,980.
4. The recent Proposition 218 Election to increase the assessment did not pass.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Preliminary Engineer's Report