



**DATE:** March 17, 2026

**TO:** Mayor and City Council

**FROM:** Director of Public Works

**SUBJECT:** Adopt a Resolution Adopting an Initial Study/Mitigated Negative Declaration and Approving the Plans, Specifications, and Call for Bids for the Water Line Replacement Project FY 2024, Project No. 07072

**RECOMMENDATION**

That the City Council adopts the attached resolution (Attachment II) that:

- 1) Adopts the Initial Study/Mitigated Negative Declaration (IS/MND) (Attachment III) prepared in compliance with the requirements of the state environmental regulations; and
- 2) Approves the plans and specifications for the Water Line Replacement Project FY24, Project No. 07072, and calls for construction bids to be received on May 5, 2026

**SUMMARY**

The City has completed the environmental analysis for the construction of the Water and Sewer Line Replacement Project FY24 (Project) in accordance with the California Environmental Quality Act (CEQA). The current Capital Improvement Program (CIP) includes funding to replace and/or improve main lines in the City’s water distribution and sewer collection systems. Combining both water and sewer projects into one analysis allows for better design efficiencies and economies of scale. A draft Initial Study and Mitigated Negative Declaration (IS/MND) has been prepared and circulated for public review. The City received three public comments upon completion of the thirty-day review period but none of them required making changes to the design. The sewer main improvement part of the Project is currently under design and will be issued for bidding separately.

The Water Line Improvement Project will improve water supply reliability by replacing approximately 15,000 linear feet of existing cast iron and asbestos cement (ACP) pipes ranging from 6 to 12-inch with new 8 or 12-inch polyvinyl chloride (PVC) or earthquake resistant ductile iron (ERDIP) pipes. This project takes place at three locations in the City (Attachment IV). All of the pipe replacement will be done by traditional open-cut method. Design has been completed and bid documents have been prepared. Staff is requesting

Council’s approval of the plans and specifications and call for bids to be received on May 5, 2026.

## **FISCAL IMPACT**

There are no impacts to the General Fund or Measure C.

The estimated costs for the Water Line Replacement Project are as follows:

Construction Contract with Contingency (Estimated)	\$9,420,000
Professional Engineering Services – Consultant	\$1,077,500
Construction Administration – City Staff (Estimated)	\$,755,000
Inspection & Testing (Estimated)	<u>\$500,000</u>
<b>Total</b>	<b>\$11,752,500</b>

The adopted FY26 CIP includes \$17,959,000 for the Water Line Replacement Project FY24, Project No. 07072 in the Water Replacement Fund (Fund 603), which is an Enterprise Fund. The construction cost is an engineer’s estimate. Given the current construction bidding climate, the City needs to go through the bidding process to determine what the project’s budget needs will be. At that time staff would return to Council to request whether additional funds need to be appropriated to cover the total cost of the project.

## **BACKGROUND**

The City’s current CIP includes funding to replace the City’s water mains to improve supply reliability and fire flow through annual water line replacement projects. The City has approximately 375 miles of water distribution pipeline, of which approximately 67% consists of asbestos cement pipe and a majority of the existing pipelines are 6 inches in diameter. The water line locations were selected by staff for a variety of reasons including being undersized, having exceeded service life, frequency of breaks, and/or upgrades needed for supply reliability and fire flow improvements.

On February 20, 2024<sup>1</sup>, Council approved Resolution No. 24-066, authorizing the City to enter into a Professional Services Agreement with BKF Engineers (BKF), for design services and technical support during construction.

## **DISCUSSION**

In September 2024, David J. Powers & Associates, Inc. (DJP&A), subconsultant to BKF, started preparation of the Environmental Assessment for the combined Sewer and Water projects pursuant to CEQA. The environmental assessment includes review and analysis of the major state environmental issues that may be affected by the construction and operation of the Sewer and Water projects.

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<sup>1</sup> <https://hayward.legistar.com/LegislationDetail.aspx?ID=6517563&GUID=3DE2D074-1334-47C7-8115-C6F3C5D16B78>

In November 2025, DJP&A submitted a draft IS/MND for public review. Potentially significant environmental effects that were addressed in the IS/MND include, but are not limited to, aesthetics, agricultural resources, air quality, biological resources, cultural resources, hydrology/water quality, and traffic and transportation. All potential significant environmental impacts were found to be avoided or would result in less than significant impacts with the incorporation of mitigation measures.

As shown in Attachment IV, the water main improvements include replacing approximately 15,000 linear feet of existing 6 to 12-inch cast iron and asbestos cement pipes at three locations in the City. These segments have been selected based on performance and maintenance data over the past several years. Recommended projects from the 2014 Water System Master Plan, including upsizing undersized water mains and installing new water lines, were also incorporated to address capacity deficiencies within the existing water distribution system, satisfy future capacity requirements, and provide sufficient fire flow.

All of water main will be replaced by traditional open-cut method constructed in segments to minimize the impact to customers and traffic. The work generally involves excavating a trench two to three feet in width and four to six feet deep parallel to the water main to be replaced, typically eight feet or more away from the existing water main. After a segment of new water main has been installed and tested, service connections are expeditiously transferred from the old water main to the new one such that water service is typically restored within two hours. After all services have been transferred to the new water main, the remaining portions of the old water main are abandoned in place. Construction is anticipated to begin in summer 2026 and take approximately 9 months.

### **ECONOMIC IMPACT**

The community will enjoy the benefits of the project, including the continued operability and serviceability of the water distribution system. Furthermore, a robust and reliable water infrastructure can help foster economic development and viability in the City.

Replacing the water mains and appurtenances are part of an effort to, pursuant to Council direction, modernize and upgrade existing infrastructure. The project will reduce operations and maintenance costs associated with servicing the undersized and aging water mains. In addition, staff time attending to issues related to high frequency maintenance and system breaks will be reduced.

### **STRATEGIC ROADMAP**

This agenda item supports the Strategic Roadmap, which includes Improve Infrastructure as one of the strategic priorities. Specifically, this item relates to the implementation of Objective 3: Enhance local water supplies and wastewater systems under “Invest in Infrastructure:”

FM7: Miles of water pipelines and sewer lines replaced annually (target = 2.5 miles).

**SUSTAINABILITY FEATURES**

The repair and replacement of deteriorating water lines would reduce potable water and energy losses.

**PUBLIC CONTACT**

The Draft IS/MND was circulated for a thirty-day public review period, starting from November 14 through December 15, 2025. A newspaper publication was printed on November 14, 2025 informing the public about the availability of the IS/MND. Copies were available for review online and posted at the Alameda County Clerk’s Office as well as the State Clearing House for distribution. The City received three public comments upon completion of the thirty-day review, but none required making changes to the design.

Prior to and during construction, notices will be provided to affected residents, property, and business owners to inform them of the nature and purpose of the work, potential impacts, work schedule, and City contact for additional information. In addition, staff will separately contact any large employers and schools that may be affected by the project and coordinate work to minimize impact.

**NEXT STEPS**

If Council approves, staff will advertise the construction project for public bidding and return to Council for the award of the construction contract, after construction bids have been received and reviewed. The following schedule has been developed for this project:

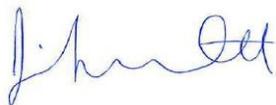
Receive Bids	May 5, 2026
Award Construction Contract	June 2, 2026
Notice to Proceed	July, 2026
Construction Completion	Spring 2027

*Prepared by:* Derek Pham, Senior Utilities Engineer

*Reviewed by:* Zaheer Shaikh, Utilities Engineering Manager

*Recommended by:* Alex Ameri, Director of Public Works

Approved by:



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Jennifer Ott, City Manager