

**DATE:** October 21, 2008

**TO:** Mayor and City Council

**FROM:** Director of Department of Development Services

**SUBJECT:** Utility Service Agreement (USA 08-02) – Scott W. Robinson (Applicant/Owner) – Authorize the City Manager to Execute a Utility Service Agreement for Water Service at 26177 Clover Road in the Castle Home Area of Fairview Area in Unincorporated Alameda County

#### **RECOMMENDATION**

That the City Council adopts the attached resolution authorizing the City Manager to execute Utility Service Agreement No. 08-02, to provide water service for the property at 26177 Clover Road (Assessor's Parcel Numbers 425-0230-001), and directing staff to file an application with the Alameda County Local Agency Formation Commission (LAFCO) for approval of that agreement.

#### **BACKGROUND**

The Castle Homes Water Service Agreement was executed in 1954 between the City and Castle Homes, Inc. That agreement requires the City to maintain sufficient water supply for approximately 800 acres of the Castle Homes area, subject to the execution of a Utility Service Agreement (USA) and reasonable conditions. The aforementioned property is located in the Castle Homes Water Service Area in the unincorporated area of Alameda County.

Pursuant to the City's practice, the applicant has executed a Public Street Improvement Agreement committing them to install roadway frontage improvements and tie-in pavement at a future date and agreeing to annex, if and when requested by the City. This is consistent with past agreements approved for providing utility services to properties outside the City jurisdictional boundaries, but within the boundaries of the Ultimate Water Service Area of the City of Hayward.

#### **DISCUSSION**

This property is located within the boundaries of the Castle Homes and the Ultimate Water Service Area of the City of Hayward (see attached Exhibit C); therefore, the City is obligated to provide it with water service. However, the City is required to apply to LAFCo for approval of the utility service agreement for providing utility services to properties outside of the City jurisdictional boundaries, but within the City of Hayward's sphere of influence (SOI). The City Council's

authorization is a prerequisite for filing an application with LAFCO. Many properties in the Castle Homes area, including those surrounding the properties, already have water connections to the Hayward water system (see attached Exhibit D).

Approval of a utility service agreement and related connection is not subject to environmental review pursuant to Section 15061(b) (3) of the 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 applied 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."

### **FISCAL IMPACT**

There will be no property tax revenue generation, nor fiscal impact to, the City's General Fund, because the property is located in the unincorporated area of Alameda County. However, the applicants will pay into 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 fee schedule in effect at the time the utility service permits are issued.

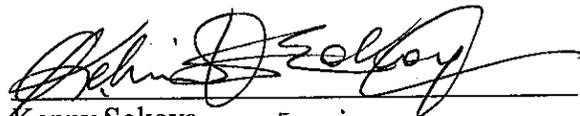
### **PUBLIC CONTACT**

A public hearing is not required for the filing of a utility service agreement. A copy of this report was also sent to the applicant.

### **SCHEDULE**

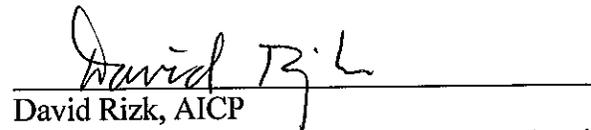
Should the Council authorize execution of the agreement, staff will apply to LAFCO for approval prior to providing water service. The applicant has expressed his desire to have water service by January of 2009.

Prepared by:



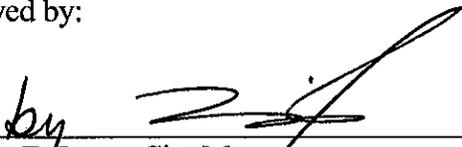
Kenny Sokoya  
Development Review Specialist

Recommended by:

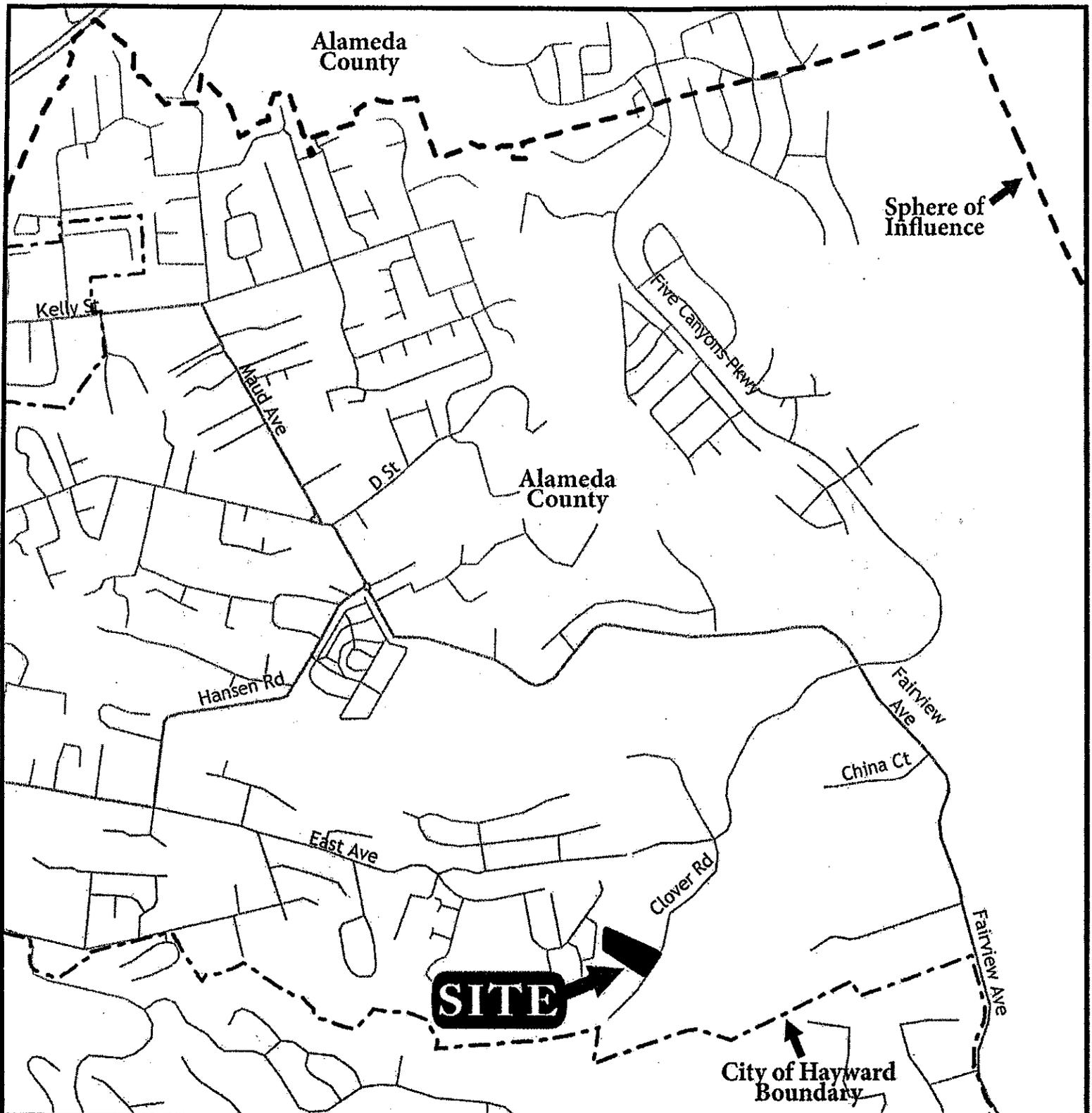


David Rizk, AICP  
Director of Department of Development Services

Approved by:

by   
\_\_\_\_\_  
Gregory T. Jones, City Manager

Attachments: Exhibit A. Project Location  
Exhibit B. City of Hayward's Sphere of Influence Map  
Exhibit C. City of Hayward's Ultimate Water Service Area Map  
Exhibit D. Water Connections Map  
Draft Resolution

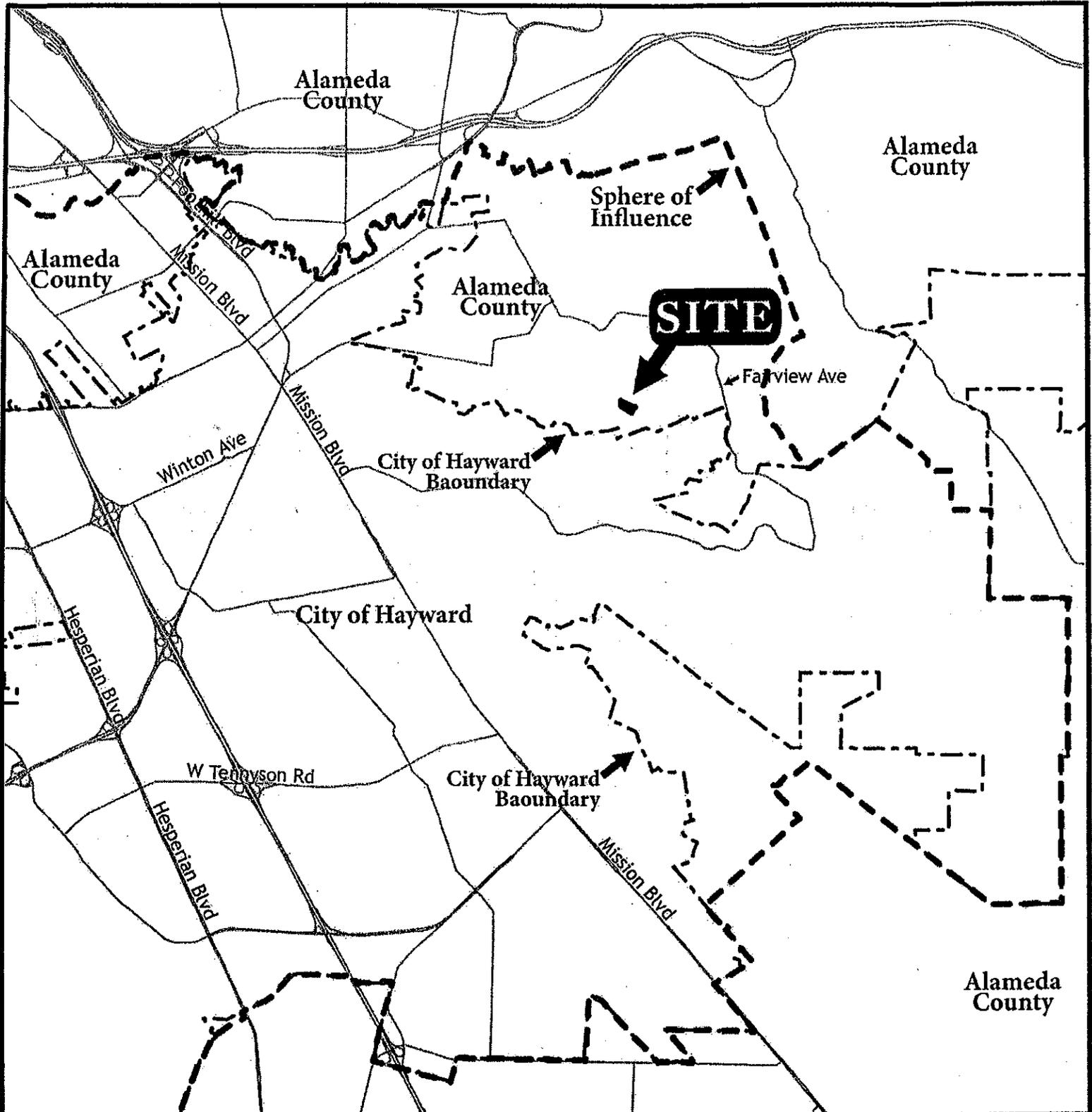


# Project Location

PL-2008-0385 USA  
26177 Clover Road

FEET 2000 4000





# City of Hayward's Sphere of Influence

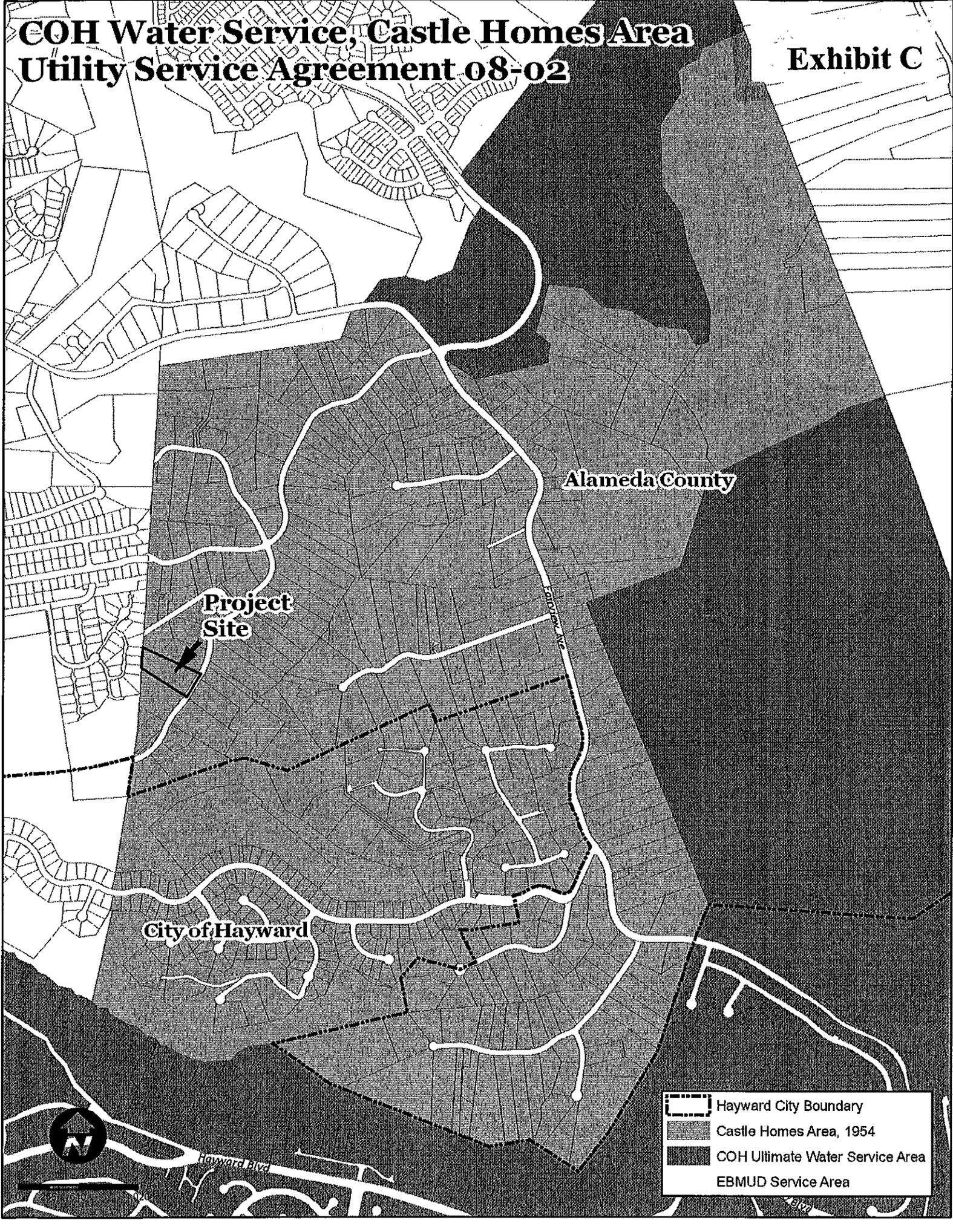
PL-2008-0385 USA  
26177 Clover Road

FEET 2000 4000



# COH Water Service, Castle Homes Area Utility Service Agreement 08-02

Exhibit C

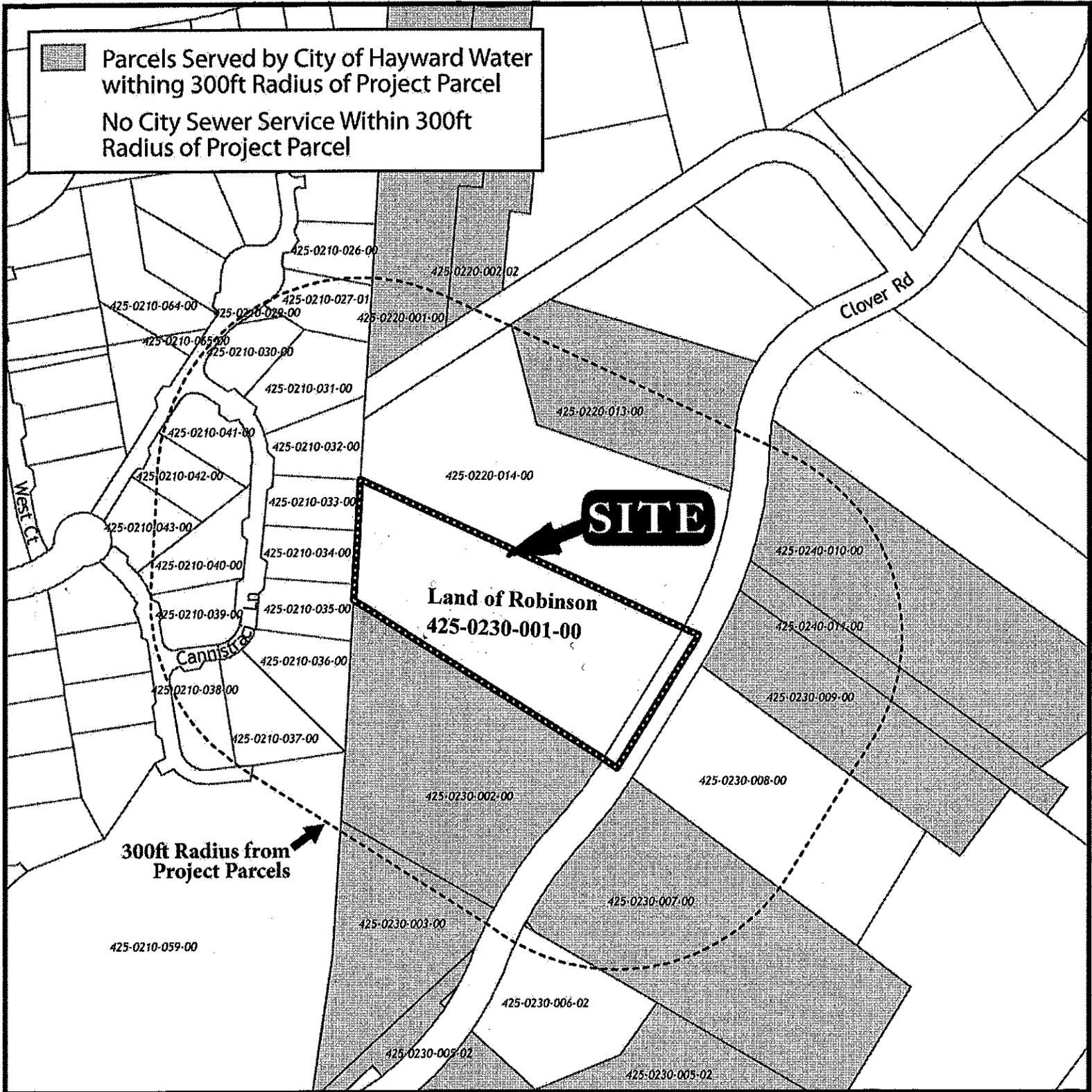


Alameda County

Project Site

City of Hayward

- Hayward City Boundary
- Castle Homes Area, 1954
- COH Ultimate Water Service Area
- EBMUD Service Area



# Water & Sewer Connections

PL-2008-0385 USA  
26177 Clover Road

FEET 2000 4000





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