



**MINUTES OF THE CITY COUNCIL
MEETING OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, May 24, 2016, 7:00 p.m.**

The City Council meeting was called to order by Mayor Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council Member Peixoto.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Mendall, Peixoto, Lamnin, Márquez
MAYOR Halliday
Absent: COUNCIL MEMBER Jones

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

There were none.

CLOSED SESSION ANNOUNCEMENT

Mayor Halliday announced that the Council convened in closed session concerning a conference with legal counsel pursuant to Government Code 54956.9 regarding S.E.I.U., Local 1021/City of Hayward, P.E.R.B., Case Nos. SF-CE-1075-M, SF-CE-1117-M, SF-CE-1118-M, SF-CE-1174-M, SF-CO-320-M, SF-CE-321-M; and noted there was no reportable action.

PUBLIC COMMENTS

Mr. Bruce Roberts, Hayward's Poet Laureate, suggested having a citywide "Poetry in the Park" contest and having the winners' poetry displayed in the Heritage Plaza of the new 21st Century Library Park.

Mr. Jim Drake, Hayward resident, expressed preference for the Taqueria El Mexcal to stay open until 10:00 p.m. as stated in its conditions of approval.

Mr. Hayes Morehouse, Hayward resident, inquired about what the City was doing related to climate change and sea level rise.

Ms. Wynn Grcich, Hayward resident, spoke about the proposed City budget and urged a no vote on the June 7, 2016 Ballot Measure D (Utility Users Tax renewal).

CONSENT

Consent Item 1 was removed for separate action.

1. Adoption of a Resolution Authorizing the City Manager to Enter Into and Execute an Agreement With Acclamation Insurance Management Services (“AIMS”) for Third Party Administrator (“TPA”) of the City of Hayward’s Workers’ Compensation Claims Services
CONS 16-213

Staff report submitted by Director of Human Resources Collins, dated May 24, 2016, was filed.

Mr. Clifton Johnson, Principal of Frye Claims Consultation and Administration, spoke in favor of maintaining JT2 Integrated Resources as the City’s third-party administrator for the Workers’ Compensation program.

Mr. Victor Martinez, Vice Chair of the Hispanic Chamber of Commerce of Alameda County, spoke in favor of retaining JT2 Integrated Resources as the City’s third-party administrator.

Mr. John Casas, JT2 Integrated Resources (JT2) principal, noted that JT2 was the City’s third-party administrator for the Workers’ Compensation program and City staff had decided not to continue its contract but to solicit new proposals. Mr. Casas urged the Council to postpone the item pending completion of the investigation of an alleged bias and interference with the contract.

City Attorney Lawson noted his office had retained an outside counsel, Mr. Jay Resendez, to conduct an investigation of the alleged grievances and the investigation was completed and the report concluded the claims lacked merit.

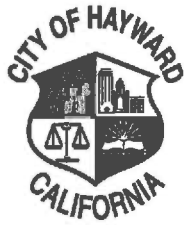
It was moved by Council Member Zermeño, seconded by Council Member Márquez, and failed with the following vote, to postpone the item until the next Council meeting to allow the City to share the findings of the report with JT2 Integrated Resources and its legal counsel.

AYES: Council Members Zermeño, Márquez
NOES: Council Members Mendall, Peixoto, Lamnin
MAYOR Halliday
ABSENT: Council Member Jones
ABSTAINED: None

Council Member Lamnin strongly recommended that the report of the investigation be shared with JT2 Integrated Resources and its legal counsel.

It was moved by Council Member Peixoto, seconded by Council Member Mendall, and carried, to adopt the following:

Resolution 16-091, “Resolution Authorizing the City Manager to Enter Into and Execute an Agreement with Acclamation Insurance Management Services for Third Party Administrator of the City of Hayward’s Workers’ Compensation Claims Services”



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AYES: Council Members Mendall, Peixoto, Lamnin
MAYOR Halliday
NOES: Council Members Zermeno, Márquez
ABSENT: Council Member Jones
ABSTAINED: None

2. Approval to Initiate Formation of Benefit Zone No. 14 to the Consolidated Landscaping and Lighting District 96-1 for the La Vista Property , Setting of the Date for the Public Hearing and Ordering the mailing of Ballots and Associated Waiver **CONS 16-240**

Staff report submitted by Contract Development Review Engineer Rei, dated May 24, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously with Council Member Jones absent, to adopt the following:

Resolution 16-084, "Resolution of the City Council of the City of Hayward Initiating Proceedings for the Formation of Benefit Zone No. 14 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1 for the La Vista Property"

Resolution 16-085, "Resolution Initiating Proceedings, Providing Intention to Levy Assessments, Preliminarily Approving Engineer's Report, and Providing for Notice of Hearing for the Formation of Benefit Zone No. 14 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1 for the La Vista Property"

3. Approval to Initiate Proceedings to Annex the Spindrift at Eden Shores Property to Benefit Zone No. 12 of the Consolidated Landscaping and Lighting District 96-1, Setting of the Date for the Associated Public Hearing, and Ordering the Mailing of Ballots and Associated Waiver **CONS 16-241**

Staff report submitted by Contract Development Review Engineer Rei, dated May 24, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously with Council Member Jones absent, to adopt the following:

Resolution 16-086, "Resolution of the City Council of the City of Hayward Initiating Proceedings for the Annexation of Spindrift at Eden Shores Property into Benefit Zone No. 12 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1"

Resolution 16-087, "Resolution Initiating Proceedings, Providing Intention to Levy Assessments, Preliminarily Approving Engineer's Report, and Providing for Notice of Hearing for the Annexation of Spindrift at Eden Shores East Property into Benefit Zone No. 12 of the City of Hayward Landscaping and Lighting Assessment District No. 96-1"

4. FY 2016 - Pavement Preventative Maintenance & Resurfacing Project: Award of Contract **CONS 16-250**

Staff report submitted by Assistant City Engineer Owusu, dated May 24, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously with Council Member Jones absent, to adopt the following:

Resolution 16-088, "Resolution Awarding the Construction Contract to American Asphalt Repair & Resurfacing Co. Inc."

5. FY 2016 Sidewalk Tripping Hazards Removal Project-Adoption of Resolution Authorizing the City Manager to Execute a Purchase Order Contract with BPR, Inc. **CONS 16-252**

Staff report submitted by Assistant City Engineer Owusu, dated May 24, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously with Council Member Jones absent, to adopt the following:

Resolution 16-089, "Resolution Authorizing the City Manager to Negotiate and Execute Purchase Order Contract with BPR Inc. to Remove Sidewalk Tripping Hazards"

6. Authorization for the City Manager to Execute the Alameda CTC Master Programs Funding Agreement for Measure B, Measure BB, and Vehicle Registration Fee Direct Local Distribution Funds **CONS 16-256**

Staff report submitted by Transportation Manager Kelley, dated May 24, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously with Council Member Jones absent, to adopt the following:

Resolution 16-090, "Resolution Approving and Authorizing the City Manager to Execute the Alameda CTC Master Programs Funding Agreement for Measure B, Measure BB, and Vehicle Registration Fee Direct Local Distribution Funds"



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WORK SESSION

7. FY 2017 Proposed Operating Budget - Departmental Budget Presentations (Continued from Saturday, May 21, 2016) WS 16-036

Staff report submitted by City Manager David, dated May 24, 2016, was filed.

City Manager David noted the work session was a continuation of the budget work session held on Saturday, May 21, 2016. Ms. David provided a brief overview of the Public Works-Engineering and Transportation Department.

Public Works Director Fakhrai provided an overview of the operations of the Public Works-Engineering and Transportation Department and highlighted FY 2016 performance/accomplishments and challenges.

Council Members acknowledged the accomplishments of the Public Works Department. Discussion ensued among Council Members and City staff regarding: performance metrics for the department; traffic-related studies; Hayward Executive Airport; funding for the Mission Boulevard Corridor Improvement project; street potholes; fire station improvements; sidewalk improvements based on ADA requirements; the California Air National Guard hangar; traffic flow on Walpert Street and 2nd Street; pavement of streets citywide and road maintenance; and proposed staff changes.

City Manager David provided a brief overview of the Utilities and Environmental Services Department. Utilities and Environmental Services Director Ameri provided information about the operations of his Department, and FY 2016 accomplishments and challenges.

Council Members acknowledged the accomplishments of the Utilities and Environmental Services Department and praised the environmental awards. Discussion ensued among Council Members and City staff regarding: electric energy produced on-site using renewable sources; environmental services; recycled water; waste diversion from landfill; and approaches to attract and retain the right talent for the Department. It was suggested that the Council Sustainability Committee could be involved reviewing the performance metrics for the Department.

There was Council's consensus to continue discussion about the budget for Mayor and City Council to the June 14 work session.

8. Federal and State Legislative Priorities Program WS 16-026

Staff report submitted by Management Analyst I Stefanski, dated May 24, 2016, was filed.

Assistant City Manager McAdoo announced the report and introduced Management Analyst I Stefanski who provided a synopsis of the report.

The Council was in general consensus to have a formal Hayward Legislative Program that is reviewed on an annual basis.

City Council members offered the following recommendations for the draft Legislative Program: Remove **Section 1.1 Public Safety (D)** "Oppose the legalization of recreational marijuana" until the Council takes a formal position; incorporate the City Council Priorities of Safe, Clean, Green and Thriving into the document; revise the language of **Section 1.4 Finance/Human Resources (D)** to read "Support legislation that reduces the cost of health care and post-employment benefits"; add the word "sustainable" to affordable housing in **Section 1.5 Community and Economic Development (D)**; consider advocacy on moving people from crisis to self-sustainability in **Section 1.5 (F)**; review blanket statements such as in **Section 1.1 Public Safety (A)** and give Council the opportunity to review specific topics; under General Legislative Priorities, remove "Recovering Economic Development Flexibility and Resources" because of its redundancy with **Section 1.5**; add a section to **Section 1.3 Environmental Sustainability** that supports legislation that reduces climate change and sea level rise; and add legislation that supports funding for maintenance of local streets and roads to **Section 1.2 Transportation and Infrastructure**; and add "Enhancing" to "Revenue Sources" in the **Introduction Section**.

Council Members had additional suggestions for the Hayward Legislative Program: consider a "No Position" category when the City does not support or oppose policies or legislation and consider a "Support /Oppose with changes" category similar to how the League of California Cities approaches legislation; consider an Ad-Hoc Committee to do preliminary work with respect to certain pieces of legislation; review SB 1412 and HR 5290; have flexibility to add items that might not fit in the prescribed categories; have an annual report of approved legislation and items not addressed by legislators; and ensure that policy positions reflect the consensus of the Council. Consider support of legislation that promotes education, encourages the use of recycled water, and bans products already banned by the City.

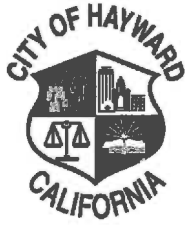
9. Capital Improvement Program FY 2017 - FY 2026 **WS 16-033**

Staff report submitted by Director of Public Works Fakhrai, dated May 24, 2016, was filed.

Director of Public Works Fakhrai provided a synopsis of the staff report.

Discussion ensued among Council Members and City staff regarding the proposed Capital Improvement Program FY 2017-FY 2026.

Council Member Mendall suggested the creation of a Council Infrastructure Committee that would be tasked with carefully reviewing and providing policy guidance related to the CIP, Water Sewer System Master Plan, Police Department facility, Facilities Master Plan,



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Transportation Master Plan, Downtown Parking Study, Traffic Calming Measures, and the Route 238 Project among others. There was support for exploring such an idea.

PUBLIC HEARING

10. Recommended approval of proposed project at 81 Fagundes Court for twenty-eight detached single-family homes and fourteen attached townhomes on a 3.2-acre site; KB Home Bay Area (Applicant)/ Steven Amaral (Owner) **PH 16-041**

Staff report submitted by Assistant Planner Christensen, dated May 24, 2016, was filed.

Director of Development Services Rizk announced the report and introduced Assistant Planner Christensen who provided a synopsis of the report.

Discussion ensued among Council Members and City staff related to the noise impact and proposed mitigation measures; vehicle traffic through access point; and street upgrade.

Council Members Lamnin, Márquez, and Mendall disclosed having met individually with the applicant and/or his associates.

Mayor Halliday opened the public hearing at 9:52 p.m.

Mr. Ray Panek, Senior Vice President for forward planning for KB Home noted that noise mitigation measures were in place and noted that a sound wall, adjacent to the railroad tracks, would not be effective in mitigating the noise.

Mayor Halliday closed the public hearing at 9:55 p.m.

Council Member Mendall noted that the modifications to the project were a significant improvement and supported the proposed noise mitigation measures.

Council Member Mendall offered a motion per staff recommendation and Council Member Zermeño seconded the motion.

It was moved by Council Member Mendall, seconded by Council Member Zermeño, and carried unanimously with Council Member Jones absent, to adopt the following:

Resolution 16-092, "Resolution Adopting the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program and Approving Vesting Tentative Tract Map 8266 (Application 201502586) Pertaining to the Development of Fourteen Attached Single-Family Homes and Twenty-Eight Detached Single-Family Homes at 81 Fagundes Court"

Introduction of Ordinance 16-_, "An Ordinance Amending Chapter 10, Article 1 of the Hayward Municipal Code by Rezoning Certain Property in Connection with Zone Change Application No. 201502586 Relating to a Residential Development at 81 Fagundes Court"

11. Adoption of an Ordinance to Approve An Amendment to the City of Hayward Contract with the California Public Employees Retirement System (PERS) Contract for Miscellaneous Members in HAME, Local 21 and Unrepresented Employees **PH 16-048**

Staff report submitted by Resources Analyst II Adams, dated May 24, 2016, was filed.

Director of Human Resources Collins provided a synopsis of the report and responded to questions related to the report.

There being no public comments, Mayor Halliday opened and closed the public hearing at 10:04 p.m.

It was moved by Council Member Mendall, seconded by Council Member Peixoto, and carried unanimously with Council Member Jones absent, to adopt the following:

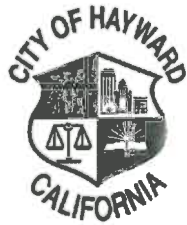
Ordinance 16-13, "An Ordinance Authorizing the Amendment of the Contract between the City of Hayward and the Board of Administration of the California Public Employees' Retirement System"

CITY MANAGER COMMENTS

City Manager David made two announcements for Monday, May 30, 2016: 1) Memorial Day celebration at Lone Tree Cemetery at 10:00 a.m., and 2) Hayward 9/11 Memorial dedication ceremony on Mission Boulevard, adjacent to the historic old City Hall building at 1:00 p.m.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Mendall suggested a work session to address issues impacting neighborhoods such as illegal garage conversions. There was support for such discussion.



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Council Member Márquez asked staff to begin planning strategies to mitigate concerns with 4th of July celebrations and illegal fireworks. Ms. Márquez also asked everyone to participate in the upcoming June 7, 2016 General Municipal Election.

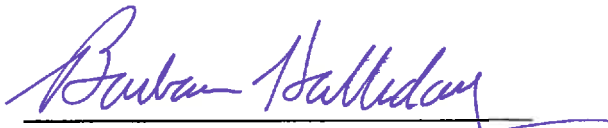
Council Member Zermeño suggested that hearings involving developers could be moved up when there are a number of work sessions on a given agenda. Mr. Zermeño also urged everyone to vote on June 7, 2016.

City Clerk Lens made an announcement related to the General Municipal Election on June 7, 2016, and urged everyone to cast their vote.

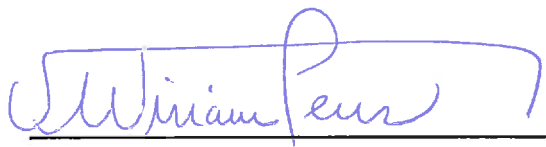
ADJOURNMENT

Mayor Halliday adjourned the meeting at 10:15 p.m. noting that the next meeting will be on June 14, 2016. Mayor Halliday urged everyone to cast their vote on June 7, 2016.

APPROVED:


Barbara Halliday
Mayor, City of Hayward

ATTEST:


Miriam Lens
City Clerk, City of Hayward

