

**MINUTES OF THE SPECIAL JOINT CITY COUNCIL /HAYWARD PUBLIC  
FINANCING AUTHORITY MEETING OF THE CITY OF HAYWARD  
Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, June 14, 2016, 7:00 p.m.**

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Mayor Halliday asked for a moment of silence for the victims of the mass shooting in Orlando, Florida on June 12, 2016.

The Special Joint City Council/Hayward Public Financing Authority meeting was called to order by Mayor/Chair Halliday at 7:00 p.m., followed by the Pledge of Allegiance led by Council/HPF Member Márquez.

**ROLL CALL**

Present: COUNCIL/HPFA MEMBERS Zermeño, Mendall, Jones, Peixoto, Lamnin,  
Márquez  
MAYOR/CHAIR Halliday  
Absent: None

**COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

There were none.

**CLOSED SESSION ANNOUNCEMENT**

City Attorney Lawson 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.

**PRESENTATION**

Mayor Halliday read a proclamation declaring June 2016 and every June thereafter as Elder Abuse Awareness Month and June 15, 2016, and every June 15 thereafter as Elder Abuse Awareness Day. Ms. Halliday presented a proclamation to Ms. Cheryl Poncini, Deputy District Attorney at the Alameda County District Attorney's Office Elder Protection Unit and another one to Ms. Vanessa Baker, Program Manager at Alameda County Adult Protective Services.

**PUBLIC COMMENTS**

Mr. Kim Huggett, President of the Hayward Chamber of Commerce made two announcements related to: the State of the City Annual Hayward Chamber of Commerce Luncheon and the Leadership Hayward Graduation on June 23, 2016 at Chabot College; and the Downtown Hayward Street Parties on June 16, July 21 and August 18, 2016.

Citizen Sam, Hayward resident, mentioned that a tree at the Kingston Square project was removed; and also suggested that signage be erected for security cameras outside City Hall.

Mayor Halliday spoke about two items: the former president Bill Clinton's presidential campaign stop in front of Hayward City Hall for his wife Hillary Clinton on June 6, 2016; and the outcome of the June 7, 2016 General Municipal Election.

## CONSENT

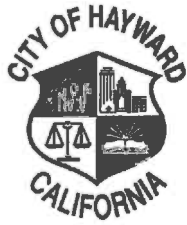
1. Minutes of the Special Joint City Council/Hayward Geologic Hazard Abatement District Board Meeting on May 17, 2016 **MIN 16-045**  
It was moved by Council/GHAD Member Márquez, seconded by Council/GHAD Member Mendall, and carried unanimously, to approve the minutes of the Special Joint City Council/Hayward Geologic Hazard Abatement District Board Meeting on May 17, 2016.
2. Minutes of the Special City Council Work Session Meeting on May 21, 2016 **MIN 16-046**  
It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously, to approve the minutes of the Special City Council Work Session Meeting on May 21, 2016.
3. Minutes of the City Council Meeting on May 24, 2016 **MIN 16-047**  
It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously, to approve the minutes of the City Council Meeting on May 24, 2016.
4. Approval of an Amendment to an Exclusive Right to Negotiate Agreement with William Lyon Homes, Inc. for a Proposed Development Located in South Hayward Near Dixon and Valle Vista Avenues **CONS 16-259**

Staff report submitted by Assistant City Manager McAdoo, dated June 14, 2016, was filed.

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

Resolution 16-093, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Amendment to the Exclusive Right to Negotiate Agreement Between the City of Hayward and William Lyon Home, Inc. for a Proposed Development Located in South Hayward near Dixon and Valle Vista Avenues"

5. Adoption of 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 **CONS 16-261**



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Staff report submitted by City Clerk Lens, dated June 14, 2016, was filed.

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

Ordinance 16-14, "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"

6. Resolution Accepting the Written Resignation of Sai Manapragada from the Community Services Commission **CONS 16-294**

Staff report submitted by City Clerk Lens, dated June 14, 2016, was filed.

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

Resolution 16-094, "Resolution Accepting the Resignation of Sai Manapragada from the Community Services Commission"

7. Authorization to Execute an Agreement with CDWG to purchase Commvault Backup Software **CONS 16-298**

Staff report submitted by IT Infrastructure Manager Saputo, dated June 14, 2016, was filed.

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

Resolution 16-095, "Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Agreement Between the City of Hayward and CDWG to Purchase and Install a Commvault Backup Solution"

8. Water Pollution Control Facility (WPCF) Headworks Rehabilitation Project: Approval of Addendum No. 1 and Award of Construction Contract **CONS 16-310**

Staff report submitted by Senior Utilities Engineer England, dated June 14, 2016, was filed.

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

Resolution 16-096, "Resolution Awarding Contract to TNT Industrial Contractors, Inc. for the Water Pollution Control Facility Headworks Rehabilitation Project, Project No. 07660"

Resolution 16-097, "Resolution Amending Resolution 15-116, as Amended, the Budget Resolution for Capital Improvements Project for Fiscal Year 2016, Relating to Appropriation of Funds from the Sewer Replacement Fund (611) to the Headworks Rehabilitation Project, Project No. 07660"

9. Adoption of Resolution Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2016 **CONS 16-325**

Staff report submitted by Director of Human Resources Collins, dated June 14, 2016, was filed.

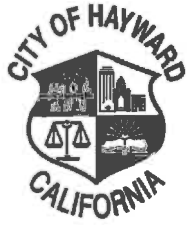
It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously, to adopt the following:

Resolution 16-098, "Resolution Approving the Amended Fiscal Year 2016 Salary Plan Designating Positions of Employment in the City Government of the City of Hayward and Salary Range; and Superseding Resolution No. 16-068 and all Amendments Thereto"

10. Approval to Participate in the 2016 National Civic League - All-America City Award Competition **CONS 16-326**

Staff report submitted by Assistant to the City Manager Korth, dated June 14, 2016, was filed.

Council Member Márquez thanked the Mayor and staff for participating in the 2016 National Civic League's All-America City Award Competition in Denver, Colorado.



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It was moved by Council Member Márquez, seconded by Council Member Mendall, and carried unanimously, to form a delegation from the City to participate in the 2016 National Civic League's All-America City Award Competition in Denver, Colorado, June 16-20, 2016.

**WORK SESSION**

**11. Proposed FY 2017 Operating Budget and Capital Improvement Program - Work session  
(Report from City Manager David) WS 16-039**

Staff report submitted by Acting Director of Finance Claussen, dated June 14, 2016, was filed.

City Manager David announced the report and Acting Director of Finance Claussen provided a synopsis of the report.

Discussion ensued among Council Members and City staff regarding: a work session for the street issues at Old Highlands; safe crosswalks around schools and sensitive areas; historical trend data and explanation of revenues and expenditures; and crime statistics in relation to other municipalities. Council members offered the following recommendations: have outcomes and metrics for the Thrive Priority; hold a work session early in the budget process to discuss accomplishments and key objectives/goals for the Mayor and City Council Department section of the budget book. For the FY 2017 Key Service Objectives/Goals for the Mayor and City Council Department: add an item related to excellence in responding to constituent concerns; include performance evaluation for Council Appointed Officers; add the collaboration and planning for the La Vista park and the rebuilding of the Eden Youth and Family Center; and add potential reorganization of Council Standing Committees and formation of a Council Infrastructure Committee. For FY 2017 Key Performance/Accomplishments for the Mayor and City Council Department: include revision of livestock regulations; incorporate the dedication of the Hayward 9-11 Memorial to Item No. 4; correct No. 7 to indicate that there were early reviews of projects at catalyst sites throughout Hayward; and capture the number of meetings attended by the City Council members in their respective assignments.

**12. Discussion of Possible Options Regarding Recreational Marijuana and Medical Marijuana (Report from City Attorney Lawson and City Manager David) WS 16-040**

Staff report submitted by City Manager David and City Attorney Lawson, dated June 14, 2016, was filed.

City Manager David and City Attorney Lawson provided a synopsis of the report.

Discussion ensued among Council Members and City staff regarding: estimated cost of an election in 2018; licensing requirements and fees for local jurisdictions; sales tax of marijuana; and unanimous Council consensus needed to submit a tax measure at a special election.

Council Member Jones suggested that if a tax measure were submitted to the voters at the November election, the City could also ask the voters about the policy from the land use perspective and suggested that language be crafted to that effect.

Council Member Lamnin suggested that input from the community related to the potential ballot measure could also be obtained via community outreach polling as an alternative to a ballot initiative.

There was general Council consensus to proceed with Option No. 4 and to refer possible recreational marijuana revenue options to the Budget and Finance Committee for a report back no later than July 12, 2016, including submission of revenue measure at the November 8, 2016 election.

## **PUBLIC HEARING**

Mayor Halliday noted that Public Hearing items 14 and 16 were similar and recommended that Item No. 16 be moved before No. 15. There was Council consensus to move the items.

13. Recommended approval and necessary actions of proposed project at 645 Olympic Avenue for twenty-three detached single-family homes on a 2.5 acre site; Fortbay Woods, LLC (Applicant); including a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program (Report from Development Services Director Rizk)  
**PH 16-050**

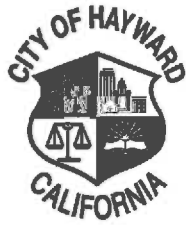
Staff report submitted by Associate Planner Hamilton, dated June 14, 2016, was filed.

Development Services Director Rizk announced the report and introduced Associate Planner Hamilton who provided a synopsis of the staff report and responded to questions related to the proposed project.

Discussion ensued among Council Members, City staff, Mr. Perry Hariri, Urban West representative, Ms. Annika Carpenter, landscape architect with Ripley Design Group, regarding: solar panels; noise reduction features; small private park and features; Americans with Disabilities Act (ADA) options; and Homeowners Association (HOA) expectations and dues

Council Members Lamnin and Zermeño and Mayor Halliday disclosed having met, separately, with the developer and associate.

There being no public comments, Mayor Halliday opened and closed the public hearing at 8:59 p.m.



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Council Member Zermeño offered a motion per the staff recommendation noting the proposed project would increase homeownership rate. Council Member Mendall seconded the motion noting he was pleased with the overall proposal.

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

Resolution 16-099, "Resolution Adopting the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program and Approving Vesting Tentative Tract Map Application and Zone Change Application 201504833 Pertaining to the Development of Olympic Station Composed of Twenty-Three Detached Single Family Homes at the Northeastern Corner of Olympic Avenue and Huntwood Avenue"

14. Public 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; and order the Levy of Assessments for Fiscal Year 2017 (Report from Development Services Director Rizk) **PH 16-057**

Staff report submitted by Contract Development Review Engineer Rei, dated June 14, 2016, was filed.

Development Services Director Rizk announced the report and introduced Contract Development Review Engineer Rei who provided a synopsis of the staff report.

Mayor Halliday opened the public hearing at 9:07 p.m., and asked for any ballots to be submitted to the City Clerk. There being no public comments, she closed the public hearing.

City Clerk Lens announced she had received one ballot from the current property owner, La Vista LP, in favor of the formation of Benefit Zone No. 14.

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

Resolution 16-100, "Resolution Approving the Engineer's Report, Confirming Diagram and Assessment and Ordering Levy of Assessment for Fiscal Year 2017 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"

15. Adoption of the City's 2015 Urban Water Management Plan (Report from Director of Utilities & Environmental Services Ameri) **PH 16-054**

Staff report submitted by Senior Management Analyst Mosher, dated June 14, 2016, was filed.

Director of Utilities and Environmental Services Ameri provided a synopsis of the staff report.

Discussion ensued among Council Members and City staff regarding: system water loss; recycled water and the potential demand from the Russell City Energy Center; bay friendly landscaping in new developments; collaboration by the Hayward Unified School District and HARD and a potential meeting with HLAC members; water supply and increase demand by developments; and water saving marketing.

Mayor Halliday opened the public hearing at 9:48 p.m.

Mr. Robert Shaver, General Manager of the Alameda County Water District (ACWD), did not favor the City's 2015 Urban Water Management Plan because ACWD disagrees with Hayward's position and advocated for maintaining the status quo and respectfully requested that staff review the information that ACWD provided.

Mayor Halliday closed the public hearing at 9:56 p.m.

Mr. Ameri noted he had received a letter from ACWD prior to the meeting, but did not think it was pertinent to the approval of the Plan; and suggested he would meet with ACWD to better understand the issues addressed by ACWD.

Council Member Mendall noted that City and ACWD staffs could meet to discuss any disagreements and trusted that any minor changes could be incorporated. Council Member Mendall offered a motion per staff recommendation and Council Member Zermeño seconded the motion.

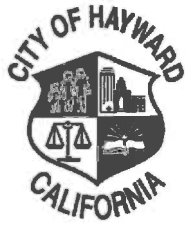
Mayor Halliday recommended reviewing building Codes, using graywater for landscaping and exploring draining away of water.

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

Resolution 16-101, "Resolution Adopting the 2015 Urban Water Management Plan for the City of Hayward"

16. Public Hearing to Consider Annexing Spindrifft at Eden Shores into Benefit Zone No. 12 of the City of Hayward Landscaping and Lighting Assessment District 96-1 and Order Levy of Assessments for Fiscal Year 2017 (Report from Development Services Director Rizk) **PH 16-060**





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Staff report submitted by Contract Development Review Engineer Rei, dated June 14, 2016, was filed.

Development Services Director Rizk announced the report and Contract Development Review Engineer Rei noted that the City Clerk had not received a ballot.

There was Council consensus to continue the item to June 21, 2016.

**LEGISLATIVE BUSINESS**

17. Authorization for the City Council and the Hayward Public Financing Authority to Approve Resolutions and Financing Documents in an Amount Not to Exceed \$23.5 million to Refinance the Outstanding 2007 Refunding Certificates of Participation (Report from Acting Finance Director Claussen) **LB 16-066**

Staff report submitted by former Finance Director Vesely and Acting Finance Director Claussen, dated June 14, 2016, was filed.

Acting Finance Director Claussen announced the report and introduced former Finance Director Vesely who provided a synopsis of the report.

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

Mayor/Chair Halliday suggested that the General Fund savings from the 2007 refunding certificates could be used to pay the unfunded liabilities.

It was moved by Council/HPFA Member Márquez, seconded by Council/HPFA Member Lamnin, and unanimously carried, to adopt the following:

Resolution 16-102, "A Resolution of the City Council of the City of Hayward Approving Certain Lease Financing Documents Relating to the Refinancing of Outstanding 2007 Certificates of Participation, and Authorizing and Directing Actions with Respect Thereto"

HPFA Resolution 16-02, "A Resolution of the Board of Directors of the Hayward Public Financing Authority Approving Certain Lease Financing Documents Relating to the Refinancing of Outstanding 2007 Certificates of Participation, and Authorizing and Directing Actions with Respect Thereto"

18. Resolution of Application Requesting the Local Agency Formation Commission to Begin Proceedings for the Dissolution of Eden Township Healthcare District (Report from City Manager David) **LB 16-070**

Staff report submitted by City Manager David, dated June 14, 2016, was filed.

City Manager David provided a synopsis of the report noting that the resolution for the report was submitted prior to the meeting. City Manager David also noted that there was communication from advocates urging the Council to delay moving forward with the petition for the dissolution of the Eden Township Healthcare District (ETHD).

Mayor Halliday opened the public hearing at 10:14 p.m.

Mr. Tom Lorentzer, Board Member of the Eden Heath District, urged a 90-day pause of the item to have a conversation because of the uncertainty about coordinated approaches to healthcare.

Mayor Halliday closed the public hearing at 10:20 p.m.

Discussion ensued among Council Members and City staff regarding the application to the Local Agency Formation Commission (LAFCo) related to the dissolution of the ETHD.

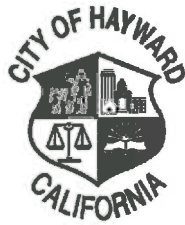
Council Member Lamnin offered a motion per staff recommendation. Mayor Halliday seconded the motion urging Council Members to support the recommendation because the process would protect Hayward's interest and would allow for a forum to have a transparent conversation.

Council Member Zermeño disclosed he is a member of the Board of Directors for the St. Rose Hospital Foundation but does not receive any monetary compensation and he was able to participate on the discussion. Mr. Zermeño was concerned the process lacked guidelines to deal with accountability and recommended postponement of any action.

Council Member Jones supported the motion noting the application to LAFCo would allow for a formal process to have a conversation and urged staff to include all stakeholders appropriately.

It was moved by Council Member Lamnin, seconded by Mayor Halliday, and carried with Council Member Zermeño voting no, to adopt the following:

Resolution 16-103, "Resolution of Application by the City of Hayward Requesting the Local Agency Formation Commission to Begin Proceedings for the Dissolution of Eden Health District"



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**CITY MANAGER COMMENTS**

City Manager David shared that Jake Javier, the son of Hayward Police Department Sergeant James Javier, sustained a significant neck injury in a swimming pool accident. It was noted that Jake's high school started a "Go Fund Me" account to assist the family with costs associated with medical bills and recovery expenses.

**COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS**

Council Member Márquez announced there was a free 4<sup>th</sup> of July Celebration on June 25, 2016 at Cesar Chavez Middle School.

Mayor Halliday shared she attended two events: the dedication of the Hayward 9/11 Memorial, adjacent to the historic old City Hall building on Mission Boulevard; and an outstanding Shakespeare performance by students at Russ Elementary School.

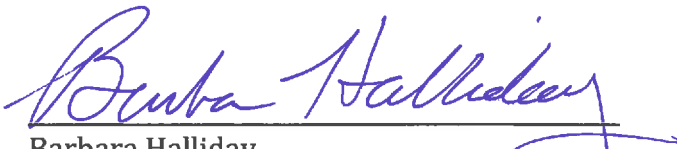
**ADJOURNMENT**

Mayor/Chair Halliday adjourned the meeting at 10:38 p.m., in memory of Ms. Nancy Jean Franke.

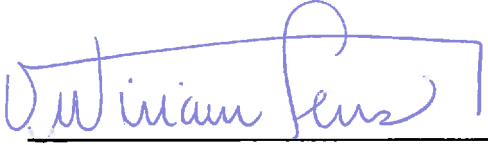
Ms. Nancy Jean Franke served the Personnel Department (now known as Human Resources Department) for thirty years; retired from the City in 1996; loved gardening; and is survived by her son Mike Stotts who currently works in the Landscape Division of Maintenance Services. Mayor Halliday asked staff to work with the Stotts' family to find a suitable place to plant a tree in memory of Nancy Jean Franke.

Mayor Halliday also had thoughts of positive recovery for Jake Javier.

**APPROVED:**

  
Barbara Halliday  
Mayor, City of Hayward  
Chair, Hayward Public Financing Authority

**ATTEST:**

A handwritten signature in blue ink that reads "Miriam Lens". The signature is written in a cursive style with a large loop at the end of the last name.

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Miriam Lens  
City Clerk, City of Hayward  
Secretary, Hayward Public Financing Authority