

# **CITY OF HAYWARD**

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)



CITY OF  
**HAYWARD**  
HEART OF THE BAY

## **Agenda**

**Tuesday, April 26, 2016**

**7:00 PM**

**Council Chambers**

## **City Council**

**Mayor Barbara Halliday**  
**Mayor Pro Tempore Al Mendall**  
**Council Member Francisco Zermeno**  
**Council Member Marvin Peixoto**  
**Council Member Greg Jones**  
**Council Member Sara Lamnin**  
**Council Member Elisa Márquez**

**CITY COUNCIL MEETING****CALL TO ORDER Pledge of Allegiance: Council Member Zermeño****ROLL CALL****CLOSED SESSION ANNOUNCEMENT****PRESENTATION**

Third Annual Hayward Youth Poetry Contest Awards. "A New Leaf: What Hayward's New Library Means to Me" Presented by Friends of Hayward Library

**PUBLIC COMMENTS**

*The Public Comment section provides an opportunity to address the City Council on items not listed on the agenda or Work Session or Information Items. The Council welcomes your comments and requests that speakers present their remarks in a respectful manner, within established time limits, and focus on issues which directly affect the City or are within the jurisdiction of the City. As the Council is prohibited by State law from discussing items not listed on the agenda, your item will be taken under consideration and may be referred to staff.*

**ACTION ITEMS**

*The Council will permit comment as each item is called for the Consent Calendar, Public Hearings, and Legislative Business. In the case of the Consent Calendar, a specific item will need to be pulled by a Council Member in order for the Council to discuss the item or to permit public comment on the item. Please notify the City Clerk any time before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.*

**CONSENT**

1.     [MIN 16-031](#)     Approval of Minutes of the City Council Meeting on April 5, 2016  
  
      **Attachments:**   [Attachment I Draft Minutes of 04/05/16](#)
  
2.     [CONS 16-172](#)   Runway 10R-28L Rehabilitation Project at Hayward Executive Airport: Approval of Plans and Specifications and Call for Bids  
  
      **Attachments:**   [Attachment I Resolution](#)  
                              [Attachment II Project Map](#)
  
3.     [CONS 16-182](#)   Approval of Budget Appropriation for Hazardous Materials Program Settlement Funds  
  
      **Attachments:**   [Attachment I Resolution](#)

**PUBLIC HEARING**

4.        [PH 16-030](#)        Adoption of a Resolution of Intention to Introduce an Ordinance Approving an Amendment to the Contract between the City of Hayward and the California Public Employees Retirement System (PERS) for Miscellaneous Members in HAME, Local 21, and the Unpresented Employee Group (Report from Director of Human Resources Collins)

**Attachments:**    [Attachment I Ordinance to Amend CalPERS Contract](#)  
[Attachment II Resolution to Approve CalPERS Contract](#)  
[Attachment III Sample Amendment to CalPERS Contract](#)

**LEGISLATIVE BUSINESS**

5.        [LB 16-019](#)        Police Administration Building Needs Assessment Progress and Amendment to Agreement with RossDrulisCusenberry for Additional Needs Assessment Work (Report from Director of Public Works Director Fakhrai)

**Attachments:**    [Attachment I Site A, B, C Map](#)  
[Attachment II Site A Alternative Maps](#)

**CITY MANAGER'S COMMENTS**

An oral report from the City Manager on upcoming activities, events, or other items of general interest to Council and the Public.

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

Oral reports from Council Members on their activities, referrals to staff, and suggestions for future agenda items.

**ADJOURNMENT****NEXT MEETING – Tuesday, May 3, 2016, 7:00 PM****PUBLIC COMMENT RULES**

*The Mayor may, at the beginning of the hearing, limit testimony to three (3) minutes per individual and five (5) minutes per an individual representing a group of citizens or organization. Speakers will be asked for their name before speaking and are expected to honor the allotted time. Speaker Cards are available from the City Clerk at the meeting.*

**PLEASE TAKE NOTICE**

*That if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing.*

**PLEASE TAKE FURTHER NOTICE**

*That the City Council has adopted Resolution No. 87-181 C.S., which imposes the 90 day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.*

*\*\*\*Materials related to an item on the agenda submitted to the Council after distribution of the agenda packet are available for public inspection in the City Clerk's Office, City Hall, 777 B Street, 4th Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT. \*\*\**

*Assistance will be provided to those requiring accommodations for disabilities in compliance with the Americans with Disabilities Act of 1990. Interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400 or TDD (510) 247-3340.*



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## Staff Report

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**File #:** MIN 16-031

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Attached is a copy of the Draft Minutes of the City Council Meeting on April 5, 2016.



**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
**Council Chambers**  
**777 B Street, Hayward, CA 94541**  
**Tuesday, April 5, 2016, 7:00 p.m.**

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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 Lamnin.

**ROLL CALL**

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

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

Council Member Zermeño announced there will be a meeting of the Association of Bay Area Governments on April 21, 2016.

Mayor Halliday noted the Hayward Youth Commission was conducting interviews on May 18, 2016, and asked Council Members to let her know if they are interested in serving on the interview panel.

**CLOSED SESSION ANNOUNCEMENT**

City Attorney Lawson announced that the Council convened in closed session concerning three items: 1) Conference with legal counsel pursuant to Government Code 54956.9 regarding McKinney v. City of Hayward, et al., U.S.D.C., ND CA, C-15-3121 THE; 2) Conference with legal counsel pursuant to Government Code 54956.9 regarding National Lawyers Guild, etc. v. Urban, et al., Alameda County Superior Court No. RG15785743; and 3) 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 proclaiming the week April 10 to 16, 2016, as National Volunteer Week. Mayor Halliday presented the proclamation to Volunteer Coordinator, Zach Ebadi. The following groups were recognized: Community Services Commission, Keep Hayward Clean and Green Task Force, Library Commission, Personnel Commission, Planning Commission, Council Economic Development Committee, Downtown Business Improvement Area Advisory Board and Hayward Youth Commission; Hayward City Hall Volunteers and Interns; Hayward Fire Department (R.A.C.E.S.); Hayward Library (Homework Center, Literacy Plus, Friends of the Library, Seed Lending, Music & Memory, Spanish Reading Club); Hayward Police Department (Hayward Animal Shelter, Explorers, Reserve Officers, Neighborhood

Watch, HPD Volunteers); and Utilities and Environmental Services Department (Unite2 Green Leaders).

## **PUBLIC COMMENTS**

Ms. Wynn Grcich, Hayward resident, spoke about an incident when she was hit by a drunk driver in 2011 and also spoke about the City's budget.

Mr. Edward Bogue, Hayward resident, invited everyone to a "Candidates Night" event for Hayward City Council candidates on April 6, 2016, at the Alameda County Flood Control Building.

Mr. Charlie Peters, Clean Air Performance Professionals representative, referred to a document, "The Most Despised Man in America."

Mr. Frank Burton, Hayward resident who also served on the Alameda County Community Choice Aggregation Steering Committee, spoke about the Community Choice Aggregation Program and its benefits.

Ms. Elva Duvac, Hayward resident, spoke about issues that the Hookah Lounge located at 25180 Mission Boulevard is causing her neighborhood.

Ms. Barbara Bernstein, Executive Director of Eden I&R, requested that the Council consider increasing the recommended grant amount from \$40,000 to \$50,000.

Ms. Marissa Seko, Family Violence Intervention Unit Coordinator for the Family Violence Law Center, thanked the City for the funding support recommendation for her agency and explained the services provided through her agency.

Ms. Gay McDaniel, Executive Director of the Family Emergency Shelter Coalition (FESCO), urged the Council to accept the staff and Commission's recommendations.

Mr. Chad Bojorquez, Hayward Project Director of Downtown Streets Team, thanked the Commission and staff's funding recommendation.

Ms. Julie Roche, Community Services Commissioner and chair of the Infrastructure Committee, explained the funding recommendation process.

Mr. Charlie Peters, Hayward resident, recommended that the establishment of a Community Choice Aggregation be fully examined before approving it.

Ms. Diane Fagalde, Community Services Commissioner, noted her efforts on the funding recommendations.

Ms. Linda Moore, chairperson of the Community Services Commission, encouraged Council's full and deliberate consideration for all the recommendations.



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**CONSENT**

1. Approval of the Minutes of the City Council Meeting on March 15, 2016 **MIN 16-025**

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to approve the minutes of the City Council Meeting on March 15, 2016.

2. Approval of the Minutes of the Special Joint City Council/Hayward Housing Authority Meeting on March 22, 2016 **MIN 16-026**

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to approve the minutes of the Special Joint City Council/Hayward Housing Authority Meeting on March 22, 2016

3. Advanced Metering Infrastructure: Authorization for the City Manager to Execute a Contract for the Purchase and Installation of an AMI System **CONS 16-154**

Staff report submitted by Senior Management Analyst Ferreyra, dated April 5, 2016, was filed.

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

Resolution 16-042 "Resolution Authorizing the City Manager To Execute a Contract With Aclara Technologies LLC for the Purchase and Installation of an Advanced Metering Infrastructure (AMI) System in an Amount Not To Exceed \$3,113,000, Project No. 07025"

Resolution 16-043 "Resolution Authorizing the City Manager to Execute a Contract with Delta Engineering for the Purchase of Project Materials for the Advanced Metering Infrastructure (AMI) Conversion Project in an Amount Not To Exceed \$9,500,000, Project No. 07025"

Resolution 16-044 "Adoption of a Resolution Modifying the Previously Approved \$10,000,000 Transfer from the Water Operating Fund to the Water Replacement Capital Fund for the Advanced Metering Infrastructure Conversion Project, Project No. 07025"



4. Annual Review of City of Hayward Issued Debt **CONS 16-161**

Staff report submitted by Finance Director Vesely and Finance Deputy Director Claussen, dated April 5, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to approve the staff recommendation.

5. Annual City Benefit Liabilities and Funding Plan Review **CONS 16-162**

Staff report submitted by Finance Director Vesely, dated April 5, 2016, was filed.

It was moved by Council Member Márquez, seconded by Council Member Zermeño, and carried unanimously, to approve the staff recommendation.

6. Resolution Accepting the Resignation of Mr. Jason Escareno from the Keep Hayward Clean and Green Task Force and Mr. Joseph Davis from the Downtown Hayward Business Improvement Area Advisory Board **CONS 16-163**

Staff report submitted by City Clerk Lens, dated April 5, 2016, was filed.

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

Resolution 16-045 "Resolution Accepting the Resignation of Jason Escareno from the Keep Hayward Clean and Green Task Force and Joseph Davis from the Downtown Hayward Business Improvement Area Advisory Board"

**WORK SESSION**

7. East Bay Community Energy **WS 16-024**

Staff report submitted by Environmental Services Manager Pearson, dated April 5, 2016, was filed.

Utilities and Environmental Services Director Ameri provided a synopsis of the report and introduced Mr. Bruce Jensen, Senior Planner with the Alameda County Planning Department and Mr. Seth Baruch, Carbonomics' Consultant. Mr. Baruch delivered a presentation about the Community Choice Aggregation (CCA) program.

Discussion ensued among Council Members, City staff and Carbonomics Consultant Baruch regarding the possibility of establishing a CCA program also known as the Community Choice Energy (CCE) program; PG&E's role in the program; renewable energy resources;



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potential job prospects; community outreach programs to educate the public; rate structure; and the benefits of the program for the community.

Council Member Jones disclosed he is leasing a space for his business from the Hayward Area Historical Society, which is applying for funding. Therefore, he recused himself from participation on Item #8 and left the Council Chambers at 9:15 p.m.

8. FY 2017 Community Agency Funding Recommendations including Community Development Block Grant (CDBG), Social Services, and Arts/Music; and Discussion of the CDBG Annual Action Plan and the CDBG Citizen Participation Plan **WS 16-025**

Staff report submitted by Community Services Manager Jaeger and Administrative Analyst McNamara, dated April 5, 2016, was filed.

Library and Community Services Director Reinhart acknowledged the members of the Community Services Commission in attendance, and provided a synopsis of the report.

Discussion ensued among Council Members and City staff regarding the proposed funding recommendations. Council Members offered the following suggestions for City staff: review the Community Development Block Grant (CDBG) funding process; identify monies to fund agencies that need additional funding; provide performance metrics for larger grantees; provide summary of agencies' performance metrics to Community Services Commission members; reduce funding for past grantees so that new programs can be funded; include grantees' performance at a higher level in the review process; and evaluate how Eden I&R's funding can be increased from \$40,000 to \$50,000.

Council Member Jones returned to the Council Chambers at 10:08 p.m.

## **PUBLIC HEARING**

9. Proposed Subdivision and Construction of Fifty Townhome-Style Condominiums and Related Site Improvements at 31 West Jackson Street - east of Amador Street, Requiring Introduction of an Ordinance and Adoption of a Resolution Related to a Zone Change from Planned Development (PD) to High Density Residential (RH), Zoning Designation of a Vacated Right-of-Way to High Density Residential (RH), Approval of a Variance allowing a Fifteen Foot Front Yard Set Back and Approval of a Vesting Tentative Map (Tract 8240) for Harvest Park (Application No. 201400466). (Applicant: Blake Felson/Felson Companies Inc., Owners: Felson Partners, LP, and Diamond Crossing Associates LP) **PH 16-027**

Staff report submitted by Associate Planner Camire, dated April 5, 2016, was filed.

Development Services Director Rizk announced the report and introduced Associate Planner Camire who provided a synopsis of the report. Ms. Camire provided a revised Condition of Approval No. 56 and stated that Condition of Approval No. 120 and No. 125 were the same and that No. 125 would be deleted.

Discussion ensued among Council Members and City staff regarding: emergency vehicle access to the adjacent development; the entrance road to the development; and the affordable housing component being included in the Conditions of Approval.

Council Members Lamnin, Márquez, Mendall, and Mayor Halliday disclosed having met individually with the applicant.

Mayor Halliday opened the public hearing at 10:25 p.m.

Mr. Jeff Potts, Project Architect, delivered a presentation about the proposed project.

Mr. Joe Felson, applicant with Felson Companies, Inc., thanked the Council and asked for its approval of the proposed project.

Mayor Halliday closed the public hearing at 10:44 p.m.

Council Member Zermeño disclosed he had a telephone conversation with the applicant.

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

Mayor Halliday suggested that the open space be more contiguous.

It was moved by Council Member Zermeño, seconded by Council Member Peixoto, and carried unanimously, to adopt the following with revisions to Condition of Approval No. 56 and deletion of Condition of Approval No. 125:

Resolution 16-046, "A Resolution Adopting California Environmental Quality Act Categorical Exemption, Approving Zone Change Application 201400466 Pertaining to a Zone Change from Planned Development (PD) to High Density Residential (RH) for 73 West Jackson Street and a 11,326-Square-Foot Portion of Right-of-Way Adjacent to 31 and 73 West Jackson Street, Approving A Variance Allowing a Fifteen-Foot Front Yard Setback in Lieu of the Required Minimum Twenty-Foot Front Yard Setback and Approving Vesting Tentative Tract Map No. 8240 for Fifty Residential Units"



**MINUTES OF THE CITY COUNCIL MEETING OF THE CITY OF HAYWARD**  
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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. 201400466 Relating to Vesting Tentative Tract Map No. 8240; Harvest Park"

**LEGISLATIVE BUSINESS**

**10. Increase Funding for Downtown Specific Plan LB 16-033**

Staff report submitted by Senior Planner Golubics, dated April 5, 2016, was filed.

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

Discussion ensued among Council Members and City staff regarding the Form-Based Code element of the Downtown Specific Plan project and the source of revenue for the additional \$230,000.

There being no public comments Mayor Halliday opened and closed the public hearing at 11:09 p.m.

Council Member Mendall shared his concerns about the Form-Based Code element of the Downtown Specific Plan.

Council Member Zermeño suggested that monthly reports be provided to Council about the Consultant's recommendations.

Council Member Zermeño offered a motion per staff recommendation.

Council Member Márquez seconded the motion.

Council Member Lamnin suggested that the Downtown Specific Plan project be scaled back to the original funding and for staff to work with the consultant to come up with a proposal within the approved funds.

Council Member Jones supported the motion.

Council Member Mendall suggested that the land use component be incorporated into the Downtown Specific Plan and he did not favor the Form-Based Code element for this project.

It was recommended that the Council be provided with regular updates regarding the project.

Mayor Halliday supported the motion.

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

Resolution 16-047, "Resolution Authorizing Additional Funding  
for the Downtown Specific Plan Project"

**CITY MANAGER'S COMMENTS**

There were none.

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

Mayor Halliday announced that the Oakland Ballet will be performing at Chabot College on April 23, 2016.

**ADJOURNMENT**

Mayor Halliday adjourned the meeting at 11:36 p.m.

**APPROVED:**

Barbara Halliday  
Mayor, City of Hayward

**ATTEST:**

Yolanda Cruz  
Deputy City Clerk, City of Hayward



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## Staff Report

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**File #:** CONS 16-172

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**DATE:** April 19, 2016

**TO:** Mayor and City Council

**FROM:** Director of Public Works

### SUBJECT

Runway 10R-28L Rehabilitation Project at Hayward Executive Airport: Approval of Plans and Specifications and Call for Bids

### RECOMMENDATION

That Council adopts the attached resolution (Attachment I) approving the plans and specifications for the Runway 10R-28L Rehabilitation Project at Hayward Executive Airport project, calling for bids to be received on May 17, 2016.

### BACKGROUND

As previously presented at the Council Airport Committee meeting on January 22, 2015, rust resulting from the oxidation of iron minerals in the pavement aggregate is penetrating through the existing runway markings on Runway 10R-28L at the Hayward Executive Airport. This has reduced the contrast between the dark pavement and white paint markings and could create potential unsafe conditions for aircraft using the runway. This project calls for the rehabilitation of the main runway. The proposed improvements will remove the top two inches of oxidized pavement that will be replaced with new asphalt pavement. By carefully testing the new asphalt to confirm that it meets standards, we do not expect a reoccurrence of this problem.

### DISCUSSION

Runway 10R-28L is primarily used by jet and turboprop aircraft and is the most critical runway for aircraft approaching the Airport. If oxidation of aggregate in the pavement is allowed to progress, particles could begin to flake and loosen from the pavement surface potentially causing damage to aircraft. A specialist from the Airport's consultant, AECOM, evaluated the runway and recommended that milling the existing pavement and applying a two-inch asphalt lift with proper mix should alleviate the rust issue. It was determined there are no sealants or other chemical products on the market that can successfully address the rust issue as an alternative to removing the oxidized pavement layer and repaving the runway.

A key staff objective is to reduce the overall cost of capital projects through the use of grants from local, state or federal government. On September 28, 2015, staff was informed that the Federal Aviation Administration (FAA) had tentatively approved funding in the amount of \$1,935,000 to resurface Runway 10R-28L. This was in addition to a grant recently approved by Caltrans in the amount of \$499,000 for the same project. To move forward with the FAA grant process, a resolution from Council approving the plans and specification and call for bids must be approved.

This project is categorically exempt under Section 15301(c) of the California Environmental Quality Act Guidelines for the operation, repair, maintenance, or minor alteration of existing facilities.

### **FISCAL IMPACT**

The estimated project costs are as follows:

<b>Project Construction Cost</b>	<b>\$2,414,000</b>
<b>Design and Administration</b>	<b>\$135,000</b>
<b>Construction Inspecting and Testing</b>	<b>\$100,000</b>
<b>Total Estimated Project Cost</b>	<b>\$2,649,000</b>

The estimated funding is as follows:

<b>Federal Aviation Administration Grant</b>	<b>\$1,935,000</b>
<b>City's Matching Portion</b>	<b>\$215,000</b>
<b>Caltrans Funding</b>	<b>\$499,000</b>
<b>Total Project Cost</b>	<b>\$2,649,000</b>

### **PUBLIC CONTACT**

The public was initially informed of the project and the potential FAA and Caltrans grants in the staff report dated January 22, 2015 to the Council Airport Committee (CAC). Based on input from the Council members of CAC and the public, the Airport Manager subsequently formed an advisory group of airport tenants to provide feedback during the initial planning phase of the project. Two informational meetings with the advisory group were held on May 7, 2015 and March 1, 2016. Pavement experts participated in those meetings and presented options to address the concerns expressed by airport tenants.

The project was also the subject of additional staff reports and public presentations to the CAC on April 23, 2015 and October 22, 2015. The project was highlighted in airport newsletters dated August 2015 and April 2016. The newsletter is distributed to all airport tenants and posted online. Staff will work closely with paving experts and based tenants to minimize runway downtime.

### **NEXT STEPS**

The final schedule will be determined based upon FAA grant approval. Once the bids are received, and a recommendation of award of the lowest responsible bidder is provided to the FAA, the FAA will provide

notification of the available funding for this project.

Construction work will include a required sixty-calendar day mobilization and Airport safety training period with the closure of the main Runway 10R-28L for only seven consecutive calendar days as noted below. The completion of the remaining project work will not require runway closures.

The estimated schedule is as follows:

Open Bids	May 17, 2016
Notification of Available Funding from FAA	June 17, 2016
Council Award of Contract	June 28, 2016
Mobilization and Airport Safety Training	July 28, 2016
Begin Runway Work and Closure	August 1, 2016
Complete Runway Work and Opening	August 8, 2016
Complete Project	September 23, 2016

*Prepared by:* Douglas McNeeley, Airport Manager

*Recommended by:* Morad Fakhrai, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

Attachment I	Resolution
Attachment II	Map of Project



HAYWARD CITY COUNCIL

RESOLUTION NO. 16-\_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE  
RUNWAY 10R-28L REHABILITATION PROJECT AT HAYWARD  
EXECUTIVE AIRPORT, PROJECT NO. 06824 AND CALL FOR BIDS

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, those certain plans and specifications for the Runway 10R-28L Rehabilitation Project at Hayward Executive Airport, Project no. 06824, on file in the office of the City Clerk, are hereby adopted as the plans and specifications for the project; and

WHEREAS, the City Clerk is hereby directed to cause a notice calling for bids for the required work and material to be made in the form and manner provided by law; and

WHEREAS, sealed bids therefor will be received by the City Clerk's office at City Hall, 777 B Street, 4<sup>th</sup> Floor, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, May 17, 2016, and immediately thereafter publicly opened and declared by the City Clerk in the Public Works Conference Room, 4D, located on the 4<sup>th</sup> Floor of City Hall, Hayward, California.

NOW, THEREFORE, BE IT RESOLVED, that the City Council will consider a report on the bids at a regular meeting following the aforesaid opening and declaration of same.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the project is categorically exempt under section 15301(c) of the California Environmental Quality Act Guidelines for the operation, repair, maintenance, or minor alteration of existing facilities

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

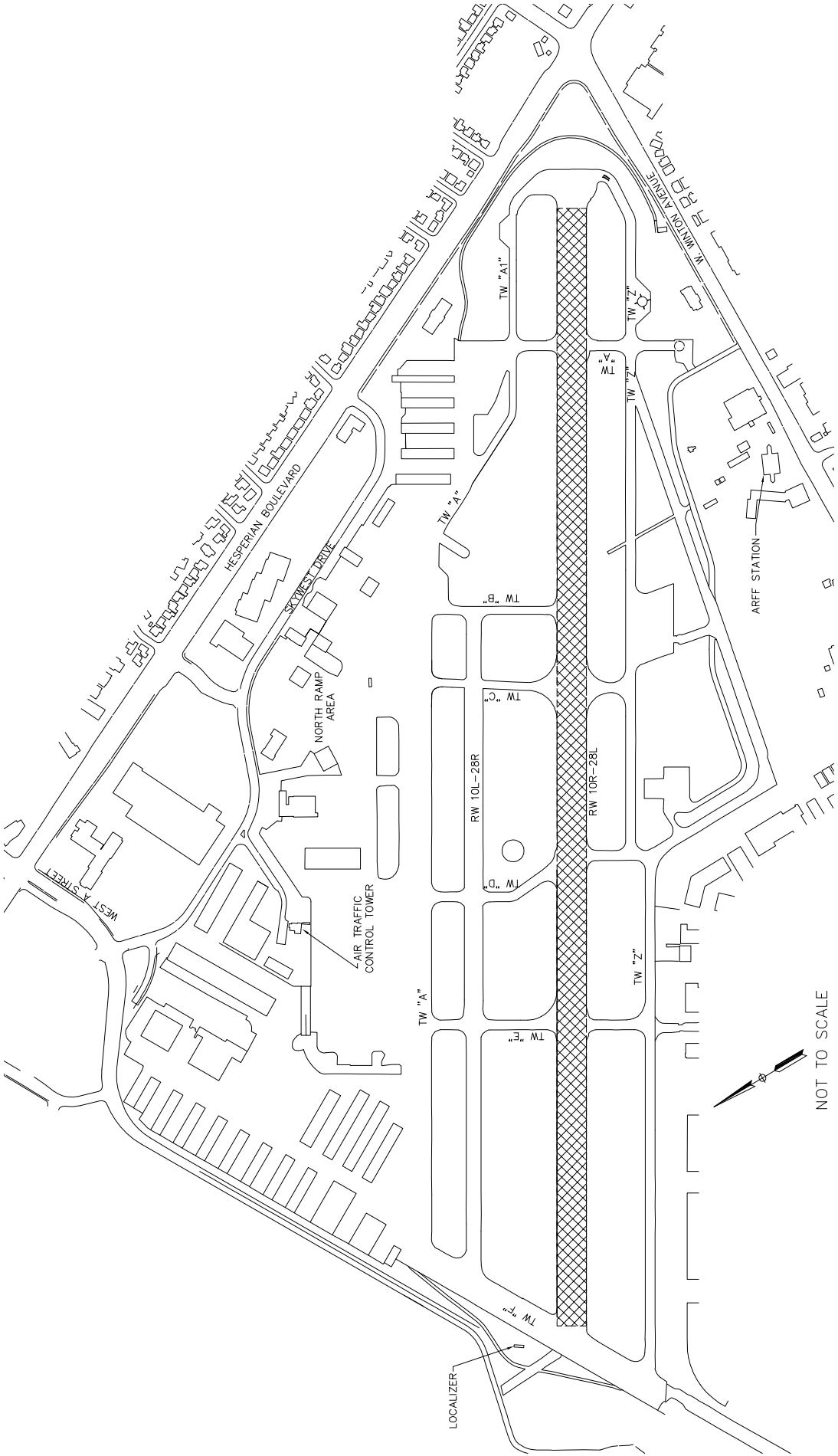
ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward



**RUNWAY 10R-28L PAVEMENT REHABILITATION AT  
HAYWARD EXECUTIVE AIRPORT  
PROJECT MAP**



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## Staff Report

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**File #:** CONS 16-182

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**DATE:** April 26, 2016

**TO:** Mayor and City Council

**FROM:** Fire Chief

**SUBJECT**

Approval of Budget Appropriation for Hazardous Materials Program Settlement Funds

**RECOMMENDATION**

That the City Council approves a budget appropriation in the amount of \$225,350.50 for received Hazardous Materials Program settlement funds.

**BACKGROUND**

The Hazardous Materials Program of the Hayward Fire Department's Fire Prevention Office has been designated by the State of California to be the Certified Unified Program Agency (CUPA) in the City of Hayward. As a CUPA, the Hazardous Materials Program has been a party to numerous lawsuits and administrative enforcements involving companies and regulated entities within the City who violate hazardous materials/waste-related rules and regulations established by State, County, or City statutes. Examples of violations include the improper handling/disposal/reporting of hazardous materials/waste, inappropriate monitoring/safeguards associated with underground fuel tanks, and the failure to adhere to conditions outlined in City-issued permits. Many of the cases are resolved via monetary awards, otherwise known as settlements, with the City CUPA receiving a share of such funds.

**DISCUSSION**

As the settlement amounts are received by the City CUPA, they are deposited, as required by law, into a special fund in order to avoid comingling the funds with general purpose sources, such as the General Fund. While each settlement has certain stipulations attached to how funds can be utilized by the City, the overwhelming majority of the settlements have similar conditions and can be used towards the purchase of any equipment or services that promote the goals of hazardous materials/waste compliance.

For example, the Hazardous Materials Program/CUPA utilizes software that is expressly for the purpose of monitoring compliance with state hazardous materials/waste programs. The software is connected to a State database called the California Environmental Reporting System (CERS). If there are issues with the software (i.e. upgrades or new features), a consultant can be retained and funded from settlement money to assist Hazardous Materials staff with understanding the new functions of the software. Other items, such as computers, are also allowed under the settlement terms as they are utilized to primarily support hazardous materials/waste-related programs.

Hazardous Materials Program staff is currently in the process of developing and establishing a list of needs in order to ensure that the program keeps current and viable with the ever-changing landscape of new codes and laws surrounding hazardous materials/waste inspections and enforcement. A portion of the funds will be utilized to address any immediate concerns, and any remaining amounts will be carried forward into FY 2017 to address other issues that may arise.

**FISCAL IMPACT**

The total amount of \$225,350.50 will have a positive impact on the General Fund as many of these costs would have been borne from the Fire Department's operating fund, but instead will be paid for out of this special fund.

**PUBLIC CONTACT**

No public hearings or meetings were required for this item.

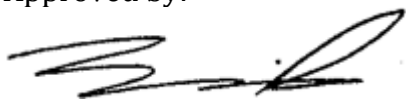
**NEXT STEPS**

If approved, the Department's administrative staff will work with Hazardous Materials staff to evaluate and monitor the requests for needed supplies and services, ensuring that the requests are appropriate per the terms and conditions of each settlement and that future purchases adhere to all existing City purchasing and approval policies and procedures.

*Prepared by:* Todd Strojny, Management Analyst II

*Recommended by:* Garrett Contreras, Fire Chief

Approved by:



Fran David, City Manager

Attachments:

Attachment I

Resolution - Budget Appropriation

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-\_\_\_\_\_

Introduced by Council Member \_\_\_\_\_

RESOLUTION APPROVING A BUDGET APPROPRIATION FOR HAZARDOUS MATERIALS PROGRAM SETTLEMENT FUNDS

BE IT RESOLVED by the City Council of the City of Hayward as follows:

WHEREAS, the City of Hayward has an established Hazardous Materials Program/ Certified Unified Program Agency (CUPA) contained within the Fire Prevention Office of the City of Hayward Fire Department; and

WHEREAS, the primary goal of the Hazardous Materials Program/CUPA is to monitor, inspect, and enforce Federal, State, County, and City regulations, ordinances and statutes pertaining to hazardous materials/waste; and

WHEREAS, businesses or other regulated entities within Hayward have, from time to time, violated such regulations, ordinances and statutes; leading to lawsuits and/or administrative enforcements; and

WHEREAS, the City of Hayward Fire Department Hazardous Materials Program/CUPA has been named as a plaintiff or has taken the lead in administrative enforcements in such cases; and

WHEREAS, the resolution of many of the cases has led to monetary judgements, otherwise known as settlements, levied against the defendants and/or responsible parties; and

WHEREAS, as a party in such lawsuits or administrative enforcements, the City Fire Department Hazardous Materials Program/CUPA is entitled to a portion or all of the total award of each action; and

WHEREAS, received settlements are, by law, required to be deposited into a separate fund; and

WHEREAS, the City Fire Department Hazardous Materials Program/CUPA has accumulated \$225,350.50 in settlement funds; and

WHEREAS, the Hazardous Materials Program/CUPA has identified certain needs that will further their abilities to enforce Federal, State, County, and City regulations, ordinances and statutes; and

WHEREAS, it is understood that each settlement includes specific restrictions as to what the funds can be utilized for; and

WHEREAS, the needs identified by the Hazardous Materials Program/CUPA are appropriate and proper uses of said funds; and

WHEREAS, Council action is required to allow for the Hayward Fire Department's Hazardous Materials Program/CUPA to spend said funds.

NOW, THEREFORE, BE IT RESOLVED by the City Council that a budget appropriation in the amount of \$225,350.50 is authorized out of Fund 220, which is equal to the total amount of received settlements, that is to be utilized for purposes related to hazardous materials/waste monitoring, inspection, training and enforcement, as outlined in the terms and conditions for each of the received settlements.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

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



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

## Staff Report

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**File #:** PH 16-030

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**DATE:** April 19, 2016

**TO:** Mayor and City Council

**FROM:** Director of Human Resources

### SUBJECT

Adoption of a Resolution of Intention to Introduce an Ordinance Approving an Amendment to the Contract between the City of Hayward and the California Public Employees Retirement System (PERS) for Miscellaneous Members in HAME, Local 21, and the Unrepresented Employee Group

### RECOMMENDATION

That the City Council adopts the attached Resolution of Intention to approve and introduce an Ordinance executing the amendment of the City of Hayward's contract with PERS to add a provision for cost sharing for the Miscellaneous Members in HAME, Local 21 and the Unrepresented Employee Group.

### BACKGROUND

Employee salaries and benefits comprise approximately eighty percent of the City's expenses. Over the last five years, the City of Hayward has worked hard to close a growing structural General Fund gap each fiscal year. Significant changes to employee salary and benefit packages are a key element in closing this gap.

When City Council adopted the FY 2016 Budget in June 2015, the General Fund projected a balanced budget with no use of General Fund Reserves. This was accomplished through difficult decisions made by the City Council and increased sharing of compensation costs by most of the City's bargaining units.

The City has worked hard to keep the budget balanced; however, the unbudgeted increases in expenditures due to changes to the agreements between the City and many of the employee bargaining units, the settlement of claims levied against the City, as well as increases to other operating costs, have made the task increasingly difficult. While revenue projections have increased, they have not kept pace with expenses. Revised projections now forecast a \$5.7 million gap in FY 2016. Furthermore, the General Fund structural gap is projected to return in FY 2017, and absent additional cost-cutting efforts (or significant new revenues), it will grow in future years.

Despite the financial challenges, the City remains committed to providing fair and competitive benefits



packages in a fiscally responsible manner that also addresses the structural gap. This task is extremely challenging because given available alternatives, any reasonable solution to achieve long-term financial stability at this time must include increased employee contributions toward the growing cost of benefits.

Since FY 2010, the City's employee groups have assisted the City with reducing the projected budget gap through wage concessions and benefit cost-sharing. The Police and Fire groups restructured their contracts and agreed to increased contributions to the employer share of PERS, and currently pay a total of fifteen percent toward retirement costs. The City concluded labor negotiations in 2015 with Service Employees International, Local 1021 ("SEIU"), the Hayward Association of Management Employees, ("HAME"), and International Federation of Professional Engineers, Local 21 ("Local 21"), revised the Salary and Benefits Resolution for Unrepresented employees (; and extended employment agreements with the Council appointed employees. All of these agreements, which cover all Miscellaneous Employee groups from a CalPERS perspective, include cost sharing that allows for the employee to pay a portion of the employer's retirement contribution as described below.

To implement any changes to the retirement program, it is necessary to amend the City's existing contracts with CalPERS each fiscal year. The Resolution authorizes staff to work with CalPERS to amend the miscellaneous contract to incorporate the cost sharing provision. The proposed Ordinance approves the amendment and authorizes staff to execute the contract effective June 27, 2016.

## **DISCUSSION**

The City contracts with CalPERS for retirement benefits. The existing CalPERS contract for Miscellaneous members (non-safety) requires Classic members (hired prior to January 1, 2013) to pay eight percent of their salaries for the employees' share of retirement costs. Public Employees' Pension Reform Act ("PEPRA") members (hired on or after January 1, 2013 and receiving overall lower retirement benefits than Classic members) are required to contribute fifty percent of the normal cost of PERS benefits, which is currently 12.50%. Therefore, PEPRA employees are required to contribute 6.25% of their salaries for the employees' share of retirement costs. The City currently contributes 24.467% for FY 2016, which increases in FY 2017 to 26.388% for the employer share.

Under the terms of the current MOU's and the Unrepresented Salary and Benefits Resolution, HAME, Local 21, and Unrepresented, all members will continue to pay the current employee contribution of eight percent for classic members and 6.25% for PEPRA members in addition to a total of three percent of the employer's share phased in one percent per year beginning in FY 2016, for a total of eleven percent contribution by FY 2018 for classic members and a total of 9.25% for PEPRA members. This employee contribution toward the employer rate shall be credited to each member's account as a normal contribution effective the first pay period following thirty days of the adoption of the final Ordinance. This action by the Council to amend the CalPERS agreement will allow the FY 2017 deductions to commence.

Under the terms of their negotiated agreement, SEIU elected to not contribute to medical insurance and make a contribution of 4.5% (in addition to the full 8% employee's share except for PEPRA members as identified above) toward the employer share of PERS, phased in over the contract period, for a total PERS contribution of 12.5% (8 % employee share plus the additional 4.5% employer share. SEIU further

agreed that the additional contributions toward the employer share would be made pursuant to Government Code Section 20516 (f), which allows the contributions to be effective without a contract amendment.

Under 201516(f), the amount of the City's employer contribution paid by bargaining unit members would not be credited to the members' individual CalPERS accounts. Choosing to not have the additional contribution toward the employers share credited to the members' individual account only impacts employees who leave PERS service and withdraw their funds or beneficiaries of employees who did not retire prior to death. If an employee or beneficiary withdraws their contributions, they receive what has been credited to their account, which in this case would not include the additional contribution to the employer share. It is estimated that more than 95% of employees retire from PERS service and do not prematurely withdraw their contributions. Under 20516(f), the additional contributions are in the employer's fund and offset unfunded liabilities.

Table 1 summarizes the additional share of the employer's contribution the Miscellaneous Employee groups have agreed to contribute beyond their current eight percent employee contribution.

**Table 1: Percentage of CalPERS employer share paid by employee.**

Bargaining Group	Additional PERS Contribution		
	FY16	FY17	FY18
HAME	1%	2%	3%
Local 21	1%	2%	3%
Unrepresented	1%	2%	3%
SEIU	1.5%	3.0%	4.5%

\*All Miscellaneous Employees currently pay their full eight percent Employee Contribution amount. The above table reflects the additional amount employee's will contribute toward the Employer Contribution in each fiscal year.

## **FISCAL IMPACT**

The approximate total cost of the negotiated salary and benefit packages for the Miscellaneous Groups is \$5 million dollars. The additional contributions toward the employer share of PERS costs offset the cost of the salary and benefit packages by approximately \$2.7 million during the contract terms, while keeping the current benefit options intact.

The cost sharing contributions with the Miscellaneous Groups are consistent with the City's philosophical structure of protecting the robust benefits we receive and asking for greater employee contributions toward the cost of their health and retirement benefits.

These contributions are structural in nature and represent significant ongoing and permanent savings. Table 2 summarizes the approximate value of the cost sharing contributions for each employee group.

**Table 2: Approximate savings to the City per group, per fiscal year.**

Group	Savings from CalPERS Cost Share Per FY			Total
	FY16	FY17	FY18	
HAME	\$ (75,416)	\$ (152,752)	\$ (232,471)	\$ (460,639)
Local 21	\$ -	\$ (176,027)	\$ (334,228)	\$ (510,255)
Unrepresented	\$ (26,867)	\$ (74,776)	\$ (124,643)	\$ (226,286)
SEIU	\$ (251,215)	\$ (529,945)	\$ (795,606)	\$ (1,576,766)
				\$ (2,773,946)

## NEXT STEPS

Human Resources staff will work with the bargaining units and Finance Department staff to complete the contract amendment process. The final reading of the Ordinance will be presented during a Public Hearing on May 24, 2016. If approved, the Ordinance will take effect on June 23, 2016. The contract amendment will be effective June 27, 2016.

The three percent employee cost-share is phased in at one percent each fiscal year. In accordance with Government Code Section 20516, CalPERS requires a new contract amendment each fiscal year to phase in the additional one percent contribution. Currently, employees are contributing one percent. The proposed contract amendment will increase that amount an additional one percent, for a total of two percent in FY 2017. Staff will return to Council to amend the PERS contract for another one percent, for a total of three percent for FY 2018 for HAME, Local 21 and the Unrepresented groups; and another 1.5% for a total of 4.5% for SEIU.. Table 3 is the tentative schedule for the FY 2017 and FY 2018 CalPERS contract amendments.

**Table 3: Tentative schedule for FY 2017 and FY 2018 amendment.**

Action	Approximate Contract Amendment Dates	
	FY17	FY18
Adoption of Resolution	4/26/2016	4/25/2017
Adoption of Ordinance	5/24/2016	5/23/2017
Effective Date of Ordinance	6/23/2016	6/22/2017
Effective Date of Amendment	6/27/2016	6/26/2017

*Prepared by:* Ali Adams, Human Resources Analyst II

*Recommended by:* Nina S. Collins, Director of Human Resources

Approved by:



Fran David, City Manager

**Attachments:**

- |                |  |
|----------------|--|
| Attachment I   | Ordinance Authorizing an Amendment to the Contract between the City and CalPERS                    |
| Attachment II  | Resolution Authorizing Intention to Approve Amendment to the Contract between the City and CalPERS |
| Attachment III | Exhibit to the Ordinance - Sample Amendment to CalPERS Contract                                    |

ORDINANCE NO. 16-

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.

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Provisions.

1. That an amendment between the City Council of the City of Hayward and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked Exhibit, and by such reference made a part hereof as though herein set out in full.
2. The City Manager of the City of Hayward is hereby authorized, empowered, and directed to execute said amendment for and on behalf of the City of Hayward.

Section 2. Severance. Should any part of this ordinance be declared by a final decision of a court or tribunal of competent jurisdiction to be unconstitutional, invalid, or beyond the authority of the City, such decision shall not affect the validity of the remainder of this ordinance, which shall continue in full force and effect, provided that the remainder of the ordinance, absent the unexcised portion, can be reasonably interpreted to give effect to the intentions of the City Council.

Section 3. Effective Date. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective 30 days from and after the date of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the \_\_\_\_ day of \_\_\_\_, 2016, by Council Member \_\_\_\_\_.

ADOPTED at a regular meeting of the City Council of the City of Hayward, held the \_\_\_\_ day of \_\_\_\_, 2016, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: \_\_\_\_\_  
Mayor of the City of Hayward

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward

HAYWARD CITY COUNCIL

RESOLUTION NO. 16-

Introduced by Council Member \_\_\_\_\_

RESOLUTION AUTHORIZING INTENTION TO APPROVE AN  
AMENDMENT TO CONTRACT BETWEEN THE BOARD OF  
ADMINISTRATION, CALIFORNIA PUBLIC EMPLOYEES RETIREMENT  
SYSTEM AND THE CITY OF HAYWARD

WHEREAS, the Public Employees' Retirement Law permits the participation of public agencies and their employees in the Public Employees' Retirement System by the execution of a contract and sets forth the procedure by which said public agencies may elect to subject themselves and their employees to amendments to said Law: and

WHEREAS, one of the steps in the procedure to amend this contract is the adoption by the governing body of the public agency of a resolution giving notice of its intention to approve an amendment to said contract, which resolution shall contain a summary of the change proposed in said contract; and

WHEREAS, the following is a statement of the proposed change: To provide Section 20516 (Employees Sharing Additional Cost) of 2% for all local miscellaneous members in the Hayward Association of Management Employees Group, International Federation of Professional and Technical Engineers, Unrepresented Group, and Council Appointed Employee Group.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that it does hereby give notice of its intention to approve an amendment to the contract between the City of Hayward and the Board of Administration, California Public Employees' Retirement System ("CalPERS") a copy of said amendment being attached here to as an "Exhibit 1" and by this reference made a part hereof, and to authorize staff to work with CalPERS to finalize such contract amendments.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2016

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

MAYOR:

NOES: COUNCIL MEMBERS:

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





## EXHIBIT

California  
Public Employees' Retirement System

# AMENDMENT TO CONTRACT

Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
City Council  
City of Hayward

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective October 1, 1950, and witnessed August 7, 1950, and as amended effective January 16, 1952, January 1, 1956, April 1, 1959, January 1, 1960, November 1, 1962, April 1, 1965, December 1, 1969, July 1, 1973, July 16, 1973, June 1, 1978, April 23, 1979, January 12, 1981, March 9, 1981, July 11, 1986, October 10, 1988, June 21, 1991, June 19, 1992, March 8, 1996, January 1, 2001, April 1, 2001, July 1, 2001, August 26, 2002, May 23, 2008, July 4, 2011, February 24, 2014 and July 27, 2015 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 14 are hereby stricken from said contract as executed effective July 27, 2015, and hereby replaced by the following paragraphs numbered 1 through 16 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 50 for classic local safety members and age 57 for new local safety members.
  2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1950 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
  - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
  - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
  - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
  - a. Local Fire Fighters (herein referred to as local safety members);
  - b. Local Police Officers (herein referred to as local safety members);
  - c. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
  - a. **PERSONS EMPLOYED AFTER JANUARY 16, 1952 AS CROSSING GUARDS; AND**
  - b. **PERSONS EMPLOYED AFTER JANUARY 30, 1959 AS PART-TIME LIFEGUARDS AND PART-TIME LIBRARY AIDES.**

6. The percentage of final compensation to be provided for each year of credited prior and current service for classic local miscellaneous members in employment before and not on or after August 26, 2002 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1956, the effective date of Social Security coverage, and prior to December 30, 1980, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).
7. The percentage of final compensation to be provided for each year of credited prior and current service for classic local miscellaneous members in employment on or after August 26, 2002 shall be determined in accordance with Section 21354.4 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1956, the effective date of Social Security coverage, and prior to December 30, 1980, termination of Social Security, for members whose service has been included in Federal Social Security (2.5% at age 55 Full and Modified).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
11. Public Agency elected and elects to be subject to the following optional provisions:
  - a. Section 21573 (Third Level of 1959 Survivor Benefits) for local safety members only.
  - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.
  - c. Section 20042 (One-Year Final Compensation) for classic members only.
  - d. Section 21635 (Post-Retirement Survivor Allowance to Continue After Remarriage) for local safety members only.

- e. Section 21024 (Military Service Credit as Public Service).
- f. Section 21027 (Military Service Credit for Retired Persons).
- g. Section 21551 (Continuation of Pre-Retirement Death Benefits After Remarriage of Survivor).
- h. Section 21022 (Public Service Credit for Periods of Lay-Off) for local miscellaneous members only.
- i. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local miscellaneous members only.
- j. Section 20903 (Two Years Additional Service Credit).
- k. Section 20965 (Credit for Unused Sick Leave) for local fire members only.
- l. Section 21547.7 (Alternate Death Benefit for Local Fire Members Credited with 20 or More Years of Service).
- m. Section 20516 (Employees Sharing Cost of Additional Benefits):

Section 21362.2 (3% @ 50) effective January 1, 2001 and Section 20042 (One-Year Final Compensation) effective January 12, 1981 for classic local fire members. The employee cost sharing contribution is not to exceed 15.607%. The maximum employee cost sharing contribution is the normal cost plus the increase in the accrued liability due to the benefit improvement amortized over 20 years. In no event shall the employee cost sharing contribution attributable to the unfunded liability remain in effect beyond June 30 preceding the 20th anniversary of the effective date of the additional benefits. Therefore, after June 30, 2020, in any given contribution year, the maximum employee cost sharing contribution cannot exceed 5.986%.

Section 21362.2 (3% @ 50) effective July 1, 2001 and Section 20042 (One-Year Final Compensation) effective April 23, 1979 for classic local police members. The employee cost sharing contribution is not to exceed 13.882%. The maximum employee cost sharing contribution is the normal cost plus the increase in the accrued liability due to the benefit improvement amortized over 20 years. In no event shall the employee cost sharing contribution attributable to the unfunded liability remain in effect beyond June 30 preceding the 20th anniversary of the effective date of the additional benefits. Therefore, after June 30, 2021, in any given contribution year, the maximum employee cost sharing contribution cannot exceed 5.505%.

n. Section 20516 (Employees Sharing Additional Cost):

From and after February 24, 2014, 3.75% for new local fire members.

From and after July 27, 2015, 2.25% for new local police members.

From and after the effective date of this amendment to contract, 2% for local miscellaneous members in the Hayward Association of Management Employees Group, International Federation of Professional and Technical Engineers Local 21, Unrepresented Group, and Council Appointed Employee Group.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

12. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on June 1, 1978. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
13. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
14. Public Agency shall also contribute to said Retirement System as follows:
  - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.
  - b. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.

- c. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
  - d. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
15. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
16. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BOARD OF ADMINISTRATION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL  
CITY OF HAYWARD

BY \_\_\_\_\_  
RENEE OSTRANDER, CHIEF  
EMPLOYER ACCOUNT MANAGEMENT DIVISION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
PRESIDING OFFICER

\_\_\_\_\_  
Witness Date

Attest:

\_\_\_\_\_  
Clerk



# CITY OF HAYWARD

Hayward City Hall  
777 B Street  
Hayward, CA 94541  
[www.Hayward-CA.gov](http://www.Hayward-CA.gov)

## Staff Report

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**File #:** LB 16-019

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**DATE:** March 8, 2016

**TO:** Mayor and City Council

**FROM:** Director of Public Works

### SUBJECT

Police Administration Building Needs Assessment Progress and Amendment to Agreement with RossDrulisCusenberry for Additional Needs Assessment Work

### RECOMMENDATION

That Council reviews and comments on this report and staff's presentation, and authorizes the City Manager to amend the agreement with RossDrulisCusenberry for an increase of \$75,000 to cover additional study costs.

### BACKGROUND

The approximately 39,000 square foot Hayward Police Department administration facility on Winton Avenue was completed in 1975. In 2003, almost 2,000 square feet of additional office space was added to the administration building to accommodate the Youth and Family Services program, as well as the Communications Center. This forty-one year old building and the subsequent expansion no longer meets the space, operational, and security needs of the department. Policing operations are hampered by lack of space and outdated interior planning. Teams that should work closely together are separated with the use of modular buildings outside the main building. Further, there is insufficient parking to accommodate department and staff vehicles. Prudent investment in an adequately sized replacement building at this point in time will ensure that the department can efficiently and cost-effectively meet the needs of the community for many years into the future.

With that in mind, on December 17, 2013, City Council authorized the City Manager to negotiate and execute an agreement with RossDrulisCusenberry Architecture (RDC) for Professional Services for the facilities needs assessment study and master planning for the Police Administration Building, along with a similar study for six Fire Stations and the Fire Training Center.

### DISCUSSION

This study was geared toward determining the needed building space and service needs to serve the Hayward community over the next twenty-five years or more. At that time, three possible locations for

siting the new Police Administration building were considered. These were: (Site A) the current building site on West Winton Avenue, (Site B) a City-owned lot between City Hall and the Hayward BART Station, and (Site C) an existing structure that could be modified to satisfy police space and service needs. The former Mervyn's headquarters site on Foothill Boulevard was selected as the existing structure to be considered (see Attachment I).

While preparing this study, RDC worked closely with the Hayward Police Department (HPD) command staff to verify their department's requirements for workload, staffing, space, functionality and security. From this, RDC developed a unique understanding of the HPD's facility and operational needs. The 2014 study indicates that the current building is undersized by approximately 27,000 SF for its current program requirements and undersized by approximately 53,000 SF for the projected 2040 program requirements. The staff presentation at the meeting will review in more detail how the space requirements were determined.

Based on the projected 2040 building size, RDC developed a schematic design for a viable police administration building on each of the three possible building sites that were identified early in this process, then estimated the costs to construct each of these facilities. The rough order of magnitude (ROM) estimates of costs were as follows:

Site	ROM Project Cost
A	\$94 million
B	\$106 million
C	\$112 million

After evaluating the pros and cons of the schematic designs for each of these sites, the existing Police Administration Building site on West Winton Avenue was determined to be the most desirable location for a new facility at this preliminary stage. The existing site is an appropriate size, is near I-880, SR 92, and Alameda County's court facilities, has room for expansion, and has reasonable setback distances from West Winton Avenue and Santa Clara Street. While Site A appears to be the best alternative studied, the 2014 study focused on replacing, not renovating or expanding, the existing building at its current location. RDC and staff believe that there may be additional opportunities to utilize the existing building or adjacent park lands to reduce costs and mitigate the less efficient aspects of the proposed design.

Since this preliminary effort, some elements have changed affecting these choices: (1) Alameda Criminal Court functions may be moving from the area; and (2) Council and others have expressed a desire to seriously consider locating the Police facility in South Hayward; and (3) the Mervyn's site is no longer an option. Staff is recommending an amendment to the RDC professional services agreement for a supplemental study of Site A to evaluate the existing building's structural system, and four options for renovation and/or expansion (see Attachment II). These are:

- 1) On Site Renovation/Expansion with the Current Program: including a conceptual construction phasing plan and a temporary accommodation plan.



- 2) On Site Renovation/Expansion with Consolidation of Other Remotely Located Facilities: renovating and expanding the existing building while studying the potential to relocate other remotely located functions in an expanded facility, including a conceptual construction phasing plan and temporary accommodation plan. These other remotely located functions include the Animal Shelter, Property and Evidence Warehouse, Fitness Room area, and Long-gun Range.
- 3) New Police Building on Park Property across Santa Clara Street: constructing a new Police Building on the adjacent HARD park property after a "land swap" with HARD. No phasing would be required for this option (i.e. build a new building, then move PD, then demolish old).
- 4) Demolish and Replace Existing Building On Site: updating the previously authorized study with any new info that emerges from the three options above.

During this additional phase of the study, there will be some preliminary investigation of the possibility of sites in South Hayward. Staff will also determine if and when the Alameda County Criminal Courts may be moving, and the impact this may have on location of the Police facility, as well as what economic development opportunities this may open up along Winton Avenue.

## **FISCAL IMPACT**

Council approved a professional services agreement (PSA) with RDC for the Police & Fire Needs Assessment Study for a not-to-exceed amount of \$200,000 and another \$20,000 for City staff oversight. The estimated additional cost to complete the PSA for the Police Administration Building Study is as follows:

RDC PSA Amendment	\$75,000
City Staff	\$10,000
<b>Total</b>	<b>\$85,000</b>

The overall cost of the Police/Fire study with this amendment is now \$305,000 (\$220,000 plus \$85,000).

## **PUBLIC CONTACT**

Upon completion of the Needs Assessment Study and identification of feasible options, staff will return to Council for further direction. As the project moves forward from that point, staff will conduct appropriate community meetings for comments and input on next steps.

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**File #:** LB 16-019

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**NEXT STEPS**

After completion of the draft study, staff will report findings to City Council during the fall of 2016.

*Prepared by:* Yaw Owusu, Assistant City Engineer

*Recommended by:* Morad Fakhrai, Director of Public Works

Approved by:

A handwritten signature in black ink, appearing to read 'Fran David', with a stylized flourish at the end.

Fran David, City Manager

**Attachments:**

Attachment I  
Attachment II

Site A, B, C Map  
Site A Alternative Maps



**A**

**B**

**C**

**THREE SITES STUDIED**



**TEMPORARY  
PARKING**

**WEST WINTON AVENUE**

**(E)**

**(E) BUILDING  
DEMOLISHED AFTER  
CONSTRUCTION OF (N)**

**(N)**

**PHASED REPLACEMENT**

**SANTA CLARA ST.**

**A1**



TEMPORARY  
PARKING

WEST WINTON AVENUE

(E)  
REMODELED  
(N)

REMODEL & EXPAND

SANTA CLARA ST.

A2



**NO PHASING  
REQUIRED**

WEST WINTON AVENUE

(N)

(E)  
[DEMOLISH AFTER  
CONSTRUCTING NEW]

**NEW STAND-ALONE FACILITY**

SANTA CLARA ST.  
**A3**



WEST WINTON AVENUE

REQUIRES P.D.  
RELOCATION  
DURING  
CONSTRUCTION

(N)

NEW REPLACEMENT FACILITY

SANTA CLARA ST.

A4