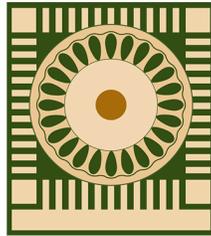


CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov



CITY OF
HAYWARD
HEART OF THE BAY

Agenda

Tuesday, May 26, 2020

7:00 PM

Remote Participation

City Council

**CONCURRENT MEETING OF THE SPECIAL JOINT
HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD)
BOARD OF DIRECTORS AND CITY COUNCIL**

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order No. 29-20 dated March 17, 2020, and Alameda County Health Officer Order No. 20-10 dated April 29, 2020, regarding the COVID-19 pandemic.

How to observe the Meeting:

1. Comcast Channel 15
2. Live stream <https://hayward.legistar.com/Calendar.aspx>

How to submit written Public Comment:

1. Use eComment on the City's Meeting & Agenda Center webpage at <https://hayward.legistar.com/Calendar.aspx>. eComments are directly sent to the iLegislate application used by City Council/GHAD Board and City staff. Comments received before 3:00 p.m. the day of the meeting will be exported into a report, distributed to the City Council/GHAD Board, City staff, and GHAD staff and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda. eComments received after 3:00 p.m. through the adjournment of the meeting will be included as a part of the meeting record and published the following day.

2. Send an email to List-Mayor-Council@hayward-ca.gov by 3:00 p.m. the day of the meeting. Please identify the Agenda Item Number in the subject line of your email. Emails will be compiled into one file, distributed to the City Council/GHAD Board, City staff, GHAD staff and published on the City's Meeting & Agenda Center under Documents Received After Published Agenda.

How to provide spoken Public Comment during the GHAD Board meeting and City Council meeting:

Call the City Clerk at (510) 583-4400 prior to the close of public comment on an item as indicated by the Mayor.

**HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD)
BOARD OF DIRECTORS MEETING**

CALL TO ORDER**ROLL CALL****CONSENT**

1. [MIN 20-054](#) Approve GHAD Minutes of the Board Meeting on February 25, 2020

Attachments: [Attachment I Draft Minutes of 2/25/2020](#)

PUBLIC HEARING

2. [PH 20-039](#) Resolution Approving a Right-of-Entry Agreement between the City of Hayward and the Hayward Geologic Hazard Abatement District (GHAD) Authorizing the City to Access GHAD Owned Property to Maintain Lighting and Landscape District No. 96-1 Improvements (Report from GHAD Manager Harrell)

Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)
[Attachment III Right of Entry Agreement](#)

3. [PH 20-040](#) Resolution Approving the Geologic Hazard Abatement District (GHAD) Budget for the 2020/21 Fiscal Year (Report from GHAD Manager Harrell)

Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)
[Attachment III FY20/21 Program Budget](#)

GHAD Manager Report

An oral report from the GHAD Manager on ongoing activities, events, or other items of general interest to the GHAD and the public, if any.

GHAD Boardmembers' Reports, Referral, and Future Agenda Items

Oral reports from GHAD Boardmembers on their activities, referrals to GHAD staff, and suggestions for future agenda items, if any.

Next Meeting: No future meetings are scheduled at this time. All future meetings will be noticed.

The Hayward Geologic Hazard Abatement District Board of Directors Adjourns and Reconvenes into the City Council Meeting.

SPECIAL CITY COUNCIL MEETING

CLOSED SESSION ANNOUNCEMENT

May 21, 2020

May 26, 2020

PRESENTATION

Asian Pacific Islander Heritage Month

PUBLIC COMMENTS

Public comments are limited only to items on the Agenda as items are called.

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 20-055](#) Approve City Council Minutes of the Special City Council Meeting on May 5, 2020

Attachments: [Attachment I Draft Minutes of 5/5/2020](#)

- 2. [CONS 20-226](#) Adopt a Resolution Approving the Project List for FY21 Road Repair and Accountability Act (RRAA) Funding for the FY21 Pavement Improvement Project

Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)
[Attachment III Project Limits](#)

3. [CONS 20-242](#) Adopt a Resolution Approving a Financing Model that Supports the Development of Middle-Income Affordable Housing and Authorize the City Manager to Execute Purchase Option Agreements with CalCHA

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III CalCHA - Executed JPA Agreement](#)

4. [CONS 20-247](#) Adopt a Resolution Authorizing the City Manager to Accept and Appropriate \$11,500 from the Chabot-Las Positas Community College District for Hayward Library Education Services Homework Support Center

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III Chabot Contract](#)

5. [CONS 20-270](#) Adopt a Resolution Approving a Side Letter of Agreement between the City of Hayward and the Hayward Police Management Unit for Implementation of an Eighty Hour Furlough in Fiscal Year 2021 and Authorizing the City Manager to Execute the Agreement

Attachments: [Attachment I Staff Report](#)
 [Attachment II Resolution](#)
 [Attachment III HPMU Side Letter](#)

WORK SESSION

Work Session items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.

6. [WS 20-022](#) Racial Equity Action Plan: Report on the City of Hayward's Diversity, Equity, and Inclusion Work and Racial Equity Action Plan (Report from City Manager McAdoo)

Attachments: [Attachment I Staff Report](#)
 [Attachment II Racial Equity Action Plan](#)

LEGISLATIVE BUSINESS

7. [LB 20-023](#) Salary and Benefits: Adopt a Resolution Amending the Salary and Benefits Resolution for Unrepresented Executives, Management, City Manager's Office, Human Resources, and City Attorney Employees (Report from Assistant City Manager/Interim Director of Human Resources Hurtado)

Attachments: [Attachment I Staff Report](#)
[Attachment II Resolution](#)

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 AND ANNOUNCEMENTS

Council Members can provide oral reports on attendance at intergovernmental agency meetings, conferences, seminars, or other Council events to comply with AB 1234 requirements (reimbursable expenses for official activities).

COUNCIL REFERRALS

Council Members may bring forward a Council Referral Memorandum (Memo) on any topic to be considered by the entire Council. The intent of this Council Referrals section of the agenda is to provide an orderly means through which an individual Council Member can raise an issue for discussion and possible direction by the Council to the appropriate Council Appointed Officers for action by the applicable City staff.

ADJOURNMENT

NEXT MEETING, June 2, 2020, 7:00 PM

PUBLIC COMMENT RULES

Any member of the public desiring to address the Council shall limit her/his address to three (3) minutes unless less or further time has been granted by the Presiding Officer or in accordance with the section under Public Hearings. The Presiding Officer has the discretion to shorten or lengthen the maximum time members may speak. 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 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.

Assistance will be provided to those requiring language assistance. To ensure that interpreters are available at the meeting, interested persons must request the accommodation at least 48 hours in advance of the meeting by contacting the City Clerk at (510) 583-4400.

CHILDCARE WILL NOT BE PROVIDED UNTIL FURTHER NOTICE DUE TO COUNTYWIDE SHELTER-IN-PLACE ORDER.



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: MIN 20-054

DATE: May 26, 2020

TO: Geologic Hazard Abatement District Board

FROM: GHAD Manager

SUBJECT

Approve GHAD Minutes of the Board Meeting on February 25, 2020

RECOMMENDATION

That the GHAD Board approves the GHAD Board meeting minutes of February 25, 2020.

SUMMARY

The GHAD Board held a meeting on February 25, 2020.

ATTACHMENTS

Attachment I Draft Minutes of February 25, 2020

**MINUTES OF JOINT CITY COUNCIL/HAYWARD GEOLOGIC HAZARD
ABATEMENT DISTRICT BOARD MEETING
OF THE CITY OF HAYWARD
Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, February 25, 2020**

The Joint City Council/Hayward Geologic Hazard Abatement District Board meeting was called to order by Board Chair Halliday at 7:02 p.m., followed by the Pledge of Allegiance led by Board member Zermeño.

ROLL CALL

Present: BOARD MEMBERS Zermeño, Márquez, Mendall, Lamnin, Wahab, Salinas and Chair Halliday

Absent: None

MINUTES

1. Accept the Minutes of the May 7, 2019 meeting of the GHAD Board of Directors. It was moved by Board Member Lamnin and seconded by Board Member Márquez, to approve the Minutes of the May 7, 2019 meeting of the GHAD Board of Directors; the motion carried unanimously (7-0-0).

PUBLIC HEARING

2. GHAD Manager Eric Harrell provided the staff report regarding the Board's consideration to accept transfer of the Hayward GHAD's Plan of Control responsibilities for certain eligible parcels from The Reserve development (Tract 7620) to the Hayward GHAD. La Vista, LP, the developer of The Reserve, applied to the GHAD Manager for transfer of certain parcels within the development. The GHAD Manager recommended the Board approve the transfer of 206 parcels for monitoring, maintenance, and/or ownership responsibilities.

A condition of approval of the La Vista development required the developer to form a Lighting and Landscape Assessment District ("LLD"). The developer formed and annexed to Benefit Zone No. 14 of LLC No. 96-1. Some LLD improvements within the 13 parcels eligible for transfer to the GHAD will be required to be maintained by the City so GHAD staff also recommended the Board consider granting a right of entry to the City of Hayward in connection with this LLD. The Board directed that consideration of the Right of Entry be continued to the next scheduled Board meeting to allow time for the City Attorney to work with GHAD Counsel to finalize the Right of Entry.

Board member Márquez requested confirmation that Parcels A and P were located within the open space/park area of The Reserve and that the detention basin within the open space/park area would be maintained by the GHAD. GHAD Manager confirmed the detention basin would be maintained by the GHAD.

GHAD staff noted corrections be made to Resolution No. 20-01 related to the GHAD's name and the LLD.

It was moved by Board member Zermeño and seconded by Board member Márquez to approve Resolution No. 20-01, with amendments to correct the GHAD name and to remove text references to the LLD, to accept transfer of Plan of Control responsibilities for 13 parcels within The Reserve development (Tract 7620); motion carried unanimously (7-0-0).

3. GHAD Manager provided a brief staff report regarding changing the designation of the GHAD Treasurer from "Watermark Asset Management, Inc.", to "GHAD Treasurer, Inc." and introduced Mark Miller and Dave Fernandez with GHAD Treasurer, Inc. to the Board. The change in designation is necessary since Watermark Asset Management was acquired by CAPTRUST in 2019 warranting a separation in treasurer services versus investment management services. GHAD Manager also recommended that a formal contract for Treasurer services be approved by the Board.

Board member Lamnin requested the contract for services be modified to reflect the mileage rate be adjusted according to the IRS's mileage rate and Mr. Miller responded he was amenable to the proposed modification.

Board member Márquez inquired whether the Treasurer would be providing monthly, quarterly, and annual reports directly to the Board and Mr. Miller responded the Treasurer would be providing those reports directly to the Board. Mr. Miller also reported the Board members will each have on-line access to the GHAD account to monitor revenue and expense activities and daily balances.

It was moved by Board member Márquez and seconded by Board member Lamnin to approve Resolution No. 20-02 to change the Treasurer designation to GHAD Treasurer, Inc., and to approve a contract for Treasurer services; motion carried unanimously (7-0-0).

4. GHAD Manager provided the staff report regarding approval of the GHAD budget for the remainder of the 2019-2020 fiscal year since the Board has now accepted transfer of monitoring, maintenance, and/or ownership responsibilities of 206 of The Reserve parcels. GHAD Manager proposed a budget for these activities for the remainder of the 2019-2020 fiscal year in the amount of \$36,650.

Board member Mendall asked whether there was a spending limit on the GHAD Manager. GHAD Manager responded that he would return to the Board to request authority to exceed the budget in the event of the GHAD's need to respond to an emergency and costs in excess of \$36,500 were incurred.

It was moved by Board member Mendall and seconded by Board member Márquez to approve Resolution No. 20-03 to approve the budget for the remaining fiscal year; motion carried unanimously.

ADJOURNMENT

GHAD Board Chair Halliday adjourned the meeting at 7:32 pm.

APPROVED:

Barbara Halliday, Board Chair,
Hayward Geologic Hazard Abatement District

ATTEST:

Patricia E. Curtin Clerk,
Hayward Geologic Hazard Abatement District



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: PH 20-039

DATE: May 26, 2020

TO: Geologic Hazard Abatement District Board

FROM: GHAD Manager, GHAD Attorney

SUBJECT

Resolution Approving a Right-of-Entry Agreement between the City of Hayward and the Hayward Geologic Hazard Abatement District (GHAD) Authorizing the City to Access GHAD Owned Property to Maintain Lighting and Landscape District No. 96-1 Improvements

RECOMMENDATION

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 20-04 approving a right-of-entry agreement between the City of Hayward and the GHAD.

SUMMARY

As part of the formation of the Hayward GHAD, the GHAD Board of Directors approved a Plan of Control and Engineer's Report for the La Vista (The Reserve) development (Tract 7620) that outlined a process for the developer to transfer long-term monitoring and maintenance responsibilities to the GHAD when specified conditions had been met. As planned, in addition to monitoring and maintenance responsibilities, the GHAD will own selected parcels within Tract 7620. GHAD staff verified that selected parcels were eligible for transfer and this transfer was approved by the GHAD Board of Directors on February 25, 2020. Several of the parcels have Lighting and Landscape District No. 96-1-maintained landscaped improvements on the GHAD owned parcels.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Right of Entry Agreement

**HAYWARD
GEOLOGIC HAZARD ABATEMENT DISTRICT**

TO: Hayward GHAD Board of Directors

**FROM: GHAD Manager
GHAD Attorney**

BOARD MEETING DATE: May 26, 2020

SUBJECT: Resolution Approving a Right-of-Entry Agreement between the City of Hayward and the Hayward Geologic Hazard Abatement District (GHAD) Authorizing the City to Access GHAD-Owned Property to Maintain Lighting and Landscape District No. 96-1 Improvements

RECOMMENDATION(S):

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 20-04 approving a right-of-entry agreement between the City of Hayward and the GHAD.

SUMMARY:

As part of the formation of the Hayward GHAD, the GHAD Board of Directors approved a Plan of Control and Engineer's Report for the La Vista (The Reserve) development (Tract 7620) that outlined a process for the developer to transfer long-term monitoring and maintenance responsibilities to the GHAD when specified conditions had been met. As planned, in addition to monitoring and maintenance responsibilities, the GHAD will own selected parcels within Tract 7620. GHAD staff verified that selected parcels were eligible for transfer and this transfer was approved by the GHAD Board of Directors on February 25, 2020. Several of the parcels have Lighting and Landscape District No. 96-1-maintained landscaped improvements on the GHAD-owned parcels.

BACKGROUND AND DISCUSSION:

A condition of approval for the La Vista development required the developer to form a Lighting and Landscape Assessment District ("LLD"). La Vista, LP formed and annexed the development to Benefit Zone No. 14 of LLD No. 96-1. On February 25, 2020, the GHAD Board of Directors approved Resolution No. 20-01, accepting ownership of, and Plan of Control responsibilities for, 13 parcels within Tract 7620. Eight of the 13 parcels require the City to access GHAD-owned parcels in order to undertake the work of LLD No. 96-1. The GHAD Board, therefore, is granting a Right of Entry to the City of Hayward to allow the LLD work to be undertaken on GHAD property. Table 1 identifies which GHAD-owned open space parcels will require the City to enter in order to undertake work.

TABLE 1: Parcels with LLD Maintained Improvements

ASSESSOR'S PARCEL NUMBER	DESCRIPTION (Tract 7620)	GHAD ACCEPTANCE	LLD MAINTAINED IMPROVEMENT AREAS
83-477-4	Parcel C	Yes	Yes
83-480-1	Parcel D	Yes	Yes
83-480-2	Parcel N	Yes	Yes
83-478-6	Parcel O	Yes	Yes
83-480-3	Parcel U	Yes	Yes
83-480-4	Parcel V	Yes	Yes
83-75-2-15	Unsurveyed Remainder	Yes	Yes
83-125-1-14	Unsurveyed Remainder	Yes	Yes
83-75-2-9	La Vista LP 2006-301610	Yes	No
83-75-2-11	La Vista LP 2007-408664	Yes	No
83-75-2-13	La Vista LP 2007-408664	Yes	No
83-125-1-18	La Vista LP 2007-408664	Yes	No
83-125-1-21	La Vista LP 2007-408664	Yes	No

If the Right-of-Entry agreement for the parcels listed in Table 1 is approved by the GHAD Board of Directors by resolution, the GHAD will execute an agreement with the City to allow access for LLD No 96-1's landscape, lighting, and maintenance responsibilities on the identified parcels.

FISCAL IMPACT:

LLD No. 96-1 is funded by property assessments from homeowners within Benefit Zone No. 14. There is no fiscal impact on the GHAD.

NEXT STEPS:

Future GHAD-owned Parcels "B" and "P" within The Reserve development are not currently eligible for the transfer of GHAD responsibilities, but do include LLD-maintained improvements. At a later date, when transfer of GHAD maintenance responsibilities and ownership are brought before the GHAD Board of Directors for these two parcels, a separate Right-of-Entry agreement for these two parcels will be included for Board consideration.

Prepared by: The GHAD Manager and GHAD Attorney

Recommended by: GHAD Manager

ATTACHMENTS:

- A. Resolution 20-04 to Approve Right-of-Entry Agreement between the City of Hayward and the Hayward Geologic Hazard Abatement District (GHAD) Authorizing the City to Access GHAD-Owned Property to Maintain **Lighting and Landscape District No. 96-1** Improvements.

B. Exhibit A to Resolution (Right-of-Entry and Agreement Regarding Open Space Property)

THE BOARD OF DIRECTORS OF HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT

RESOLUTION NO. 20-04

APPROVING A RIGHT-OF-ENTRY AGREEMENT BETWEEN THE CITY OF HAYWARD AND THE HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT (GHAD) AUTHORIZING THE CITY TO ACCESS GHAD-OWNED PROPERTY TO MAINTAIN LIGHTING AND LANDSCAPE DISTRICT NO. 96-1 IMPROVEMENTS

WHEREAS, on March 1, 2016, the City Council adopted Resolution 16-030, approving and ordering formation of the Hayward Geologic Abatement District (GHAD) as described in the GHAD Plan of Control for the La Vista subdivision (Tract 7620) and appointed itself to act as the GHAD Board of Directors (the "Board"); and

WHEREAS, on October 25, 2016 the Hayward GHAD adopted Resolution No. 16-03 that approved the Plan of Control for the La Vista (The Reserve) development; and

WHEREAS, on February 25, 2020, the Hayward GHAD approved the transfer of ownership, monitoring, and maintenance responsibilities for GHAD activities from the developer of the La Vista (The Reserve) development to the GHAD; and

WHEREAS, a condition of approval of the La Vista development required the developer to form a Lighting and Landscape Assessment District ("LLD") which is required to enter GHAD property in order to undertake the maintenance and repair work of LLD No. 96-1. The GHAD Board, therefore, is granting a Right of Entry to the City of Hayward to allow the LLD work to be undertaken on GHAD property.

NOW, THEREFORE, BE IT RESOLVED that the Hayward GHAD Board of Directors hereby orders that:

1. A Right-of-Entry Agreement between the City of Hayward and the Hayward Geologic Hazard Abatement District (GHAD) Authorizing the City to Access GHAD-Owned Property to Maintain Lighting and Landscape District No. 96-1 Improvements be approved.
2. This Resolution shall become effective immediately upon its passage and adoption.

IN COUNCIL, HAYWARD, CALIFORNIA May 26, 2020

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____

Clerk of Hayward Geologic Hazard
Abatement District
Board of Directors of the City of Hayward

APPROVED AS TO FORM:

General Counsel of the Hayward Geologic Hazard Abatement District

Attachment 1- Right of Entry Agreement

RECORDING REQUESTED BY, AND
WHEN RECORDED RETURN TO:

Hayward Geologic Hazard Abatement District
Board of Directors
c/o Hayward GHAD Manager
ENGEO Incorporated
2010 Crow Canyon Place, Suite 250
San Ramon, CA 94583
Attention: Eric Harrell

THIS SPACE ABOVE FOR RECORDER'S USE

RIGHT OF ENTRY AND AGREEMENT REGARDING OPEN SPACE PROPERTY

This Right of Entry and Agreement Regarding Open Space Property (the "Agreement") is entered into as of March 18, 2020 (the "Effective Date"), by and between the CITY OF HAYWARD, a municipal corporation ("CITY") and HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT, a California district organized and existing under the laws of the State of California ("GHAD").

RECITALS

This Agreement is made with reference to and reliance upon the following:

WHEREAS, the City approved a 179-lot residential subdivision by and through Final Map, Subdivision 7620, filed on May 3, 2016, in Book 339 of Maps, at pages 46 through 69, all in the Official Records of Alameda County, California (the "La Vista Development" or "Development").

WHEREAS, Condition of Approval #84 of the Subdivision 7620 required the formation of the GHAD to include the Development. Condition of Approval # 35 required the Development to form a Lighting and Landscape Assessment District ("LLD"). La Vista formed and annexed the Development to Benefit Zone No. 14 of LLD No. 96-1.

WHEREAS, the GHAD is the owner of real property consisting of parcels C, D, N, O, U, V and APN 083-075-002-15 and more particularly described in Exhibit A hereto (the "Property"). GHAD is the sole owner in fee simple of the Property.

WHEREAS, GHAD therefore desires to allow the City and its representatives, employees, agents, consultants, contractors, and subcontractors (collectively, "City's Agents"), to enter upon and to undertake any and all actions on the Property that are necessary to perform the work required of LLD 96-1 and which is consistent with the GHAD Plan of Control.

WHEREAS, the City and GHAD have agreed to execute this Agreement in order to establish the rights, duties and obligations of the City and the GHAD with regard to the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises, covenants, terms and conditions, and restrictions contained herein, CITY and GHAD hereby agree as follows:

1. **Right of Entry.** GHAD hereby grants to CITY and to CITY's Agents the perpetual right to enter onto the Property at any time and from time to time, without prior notice to GHAD, in order to conduct any and all activities necessary for the performance of the CITY Work described below in Section 2 (the "Right of Entry").

2. **CITY's Duties and Obligations.** CITY will have the following rights and obligations with respect to the Property:

2.1 City shall be solely responsible to maintain and service the following on GHAD property including firebreak landscaping, groundcover, shrubs, trees, and weed abatement in planted area, upkeep and servicing of the irrigation system; graffiti removal, renovations and replacements; and maintenance of bioswales and tree filters.

2.2 CITY shall be solely responsible for all costs associated with performing the CITY Work, including payment of any and all water and utility bills.

2.3 CITY shall, at its sole expense, repair any damage done to the Property or to any improvements thereon that are in any manner whatsoever damaged, destroyed, or removed in connection with the exercise by CITY or CITY's Agents of the rights herein granted.

3. **GHAD's Duties and Obligations.** GHAD will have the following rights and obligations with respect to the Property:

3.1 GHAD shall be solely responsible for managing the Property consistent with the terms of the Plan of Control and shall have all rights accruing from its ownership of the Property.

3.2 GHAD shall take no action, with the exception of the prevention, mitigation, abatement, or control of geologic hazards as provided in the GHAD Plan of Control, which will interfere with or adversely affect the performance of the CITY Work. If such interference or adverse effect occurs due to actions or events caused by or within the control of GHAD, GHAD shall take all actions necessary to correct such interference or adverse effect.

4. **Indemnification by CITY.** CITY shall defend (with counsel acceptable to GHAD), indemnify, protect, and hold harmless GHAD, its officers, directors, employees, officials, agents, representatives and contractors and the heirs, personal representatives, successors, and assigns of each of them (collectively "GHAD Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expense, cause of action, claims, demands or judgments, including without limitation reasonable attorneys' fees, arising from or in any way connected with: (a) any activities of CITY or of any of CITY's Agents on the Property or under this Agreement, including without limitation CITY's failure to pay when due all claims for labor or materials furnished or alleged to have been furnished to CITY at, or for use on, the Property; (b) any injury to, or death of, any person, or physical damage to the Property or to any personal

property thereon, resulting from any act by CITY or CITY's Agents occurring on the Property, except to the extent such injury, death or damage is caused by the negligent act or intentional misconduct of any of the GHAD Indemnified Parties; (c) the breach of any of the terms of this Agreement by CITY.

5. **Indemnification by GHAD.** GHAD shall defend (with counsel acceptable to CITY), indemnify, protect, and hold harmless CITY, its officers, directors, employees, officials, agents, representatives and contractors and the heirs, personal representatives, successors, and assigns of each of them (collectively "CITY Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expense, cause of action, claims, demands or judgments, including without limitation reasonable attorneys' fees, arising from or in any way connected with: (a) any activities of GHAD or of any of GHAD's Agents on the Property or under this Agreement, including without limitation GHAD's failure to pay when due all claims for labor or materials furnished or alleged to have been furnished to GHAD at, or for use on, the Property; (b) any injury to, or death of, any person, or physical damage to the Property or to any personal property thereon, resulting from any act by GHAD or GHAD's Agents occurring on the Property, except to the extent such injury, death or damage is caused by the negligent act or intentional misconduct of any of the CITY Indemnified Parties; (c) the breach of any of the terms of this Agreement by GHAD; or (d) any conditions existing on the Property as of the Effective Date.

6. **Successors.** The covenants, terms, conditions, rights and obligations of GHAD under this Agreement shall run with the land and shall be binding upon and inure to the benefit of GHAD and its respective successors and assigns. The successors and assigns of GHAD's interest in the Property shall have the right to enforce the terms of the Agreement against CITY and/or CITY's successors and assigns. CITY shall likewise have the right to enforce the terms of the Agreement against GHAD and its and/or GHAD's successors and assigns.

7. **Notice and Cure.** In the event of a default by either party under this Agreement, the non-defaulting party shall provide thirty (30) days written notice of such default to the defaulting party, during which time the defaulting party shall be entitled to cure said default. In the event that the default cannot reasonably be cured within thirty (30) days, the defaulting party shall be entitled to diligently pursue cure of the default until finally cured. If the default by either party remains uncured at the end of the thirty (30) day cure period, or, in the event that the default cannot reasonably be cured within thirty (30) days, if the defaulting party fails to continue diligently to cure such default, the non-defaulting party shall be entitled to exercise all rights or remedies available at law or in equity.

8. **Miscellaneous**

8.1 **Entire Agreement.** This Agreement, and the Exhibits attached hereto, which are incorporated herein by this reference, embodies the entire agreement between CITY and GHAD relative to the subject matter hereof, and there are no oral agreements existing between CITY and GHAD relative to the subject matter hereof that are not expressly set forth herein and covered hereby.

8.2 Headings. The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation hereof.

8.3 Controlling Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of California.

8.4 Attorney's Fees. In any proceeding between the parties hereto seeking enforcement of or attempting to construe any of the terms and provisions of this Agreement, including without limitation any litigation seeking legal, declaratory or other relief, the prevailing party in such action shall be awarded, in addition to damages, injunctive, or other relief, its reasonable costs and expenses and reasonable attorneys' fees.

8.5 Notices. Any notice required or permitted to be delivered hereunder shall be in writing and personally delivered or sent by United States mail, postage prepaid, certified or registered mail, return receipt requested; by facsimile transmission; or by Federal Express, UPS or similar nationally recognized overnight courier service. Notice shall be deemed received upon personal delivery to the party to whom the notice is directed; or, if sent by mail, two (2) Business Days following its deposit in the United States mail, postage prepaid; or, if sent by facsimile, upon transmission; or one (1) Business Day following deposit with Federal Express, UPS or similar nationally recognized overnight courier service, addressed to CITY or GHAD, as the case may be, at the address set forth below (or at such other address as CITY or GHAD may specify by notice given pursuant to this Paragraph):

If to CITY:

City of Hayward
Attn: Public Works Director
777 "B" Street
Hayward, CA 94541

If to GHAD:

Hayward Geologic Hazard Abatement District
ENGEIO Incorporated, General Manager
2010 Crow Canyon Place, Suite 250
San Ramon, CA 94583

8.6 Business Days. The term "Business Day" as used in this Agreement shall mean any day other than: (a) a Saturday, Sunday or a public holiday in the State of California; or (b) a day on which state, federal or municipal offices are closed for the conduct of business. If the time period for the performance of any act called for under this Agreement expires on a day other than a Business Day, said act may be performed on the next succeeding Business Day.

8.7 Severability. In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof, and the

remainder of the provisions of this Agreement shall continue in full force and effect without impairment.

8.8 Time of the Essence. Time is of the essence in this Agreement.

8.9 Waiver. The waiver by either party of a breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach whether of the same or another provision of this Agreement.

8.10 Counterparts and Duplicate Originals. The Parties may execute this Agreement in two or more counterparts, which shall, in the aggregate, be signed by all parties. Each counterpart shall be deemed an original instrument as against any party who has signed it. This Agreement may be executed in any number of duplicate originals, all of which shall be of equal force and effect.

8.11 Amendments in Writing. The provisions of this Agreement may not be amended or altered except by a written instrument duly executed by each of the parties hereto.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date:

CITY: CITY OF HAYWARD

By: _____
Kelly McAdoo

Its: _____
City Manager

GHAD: HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT, a California district organized and existing under the laws of the State of California

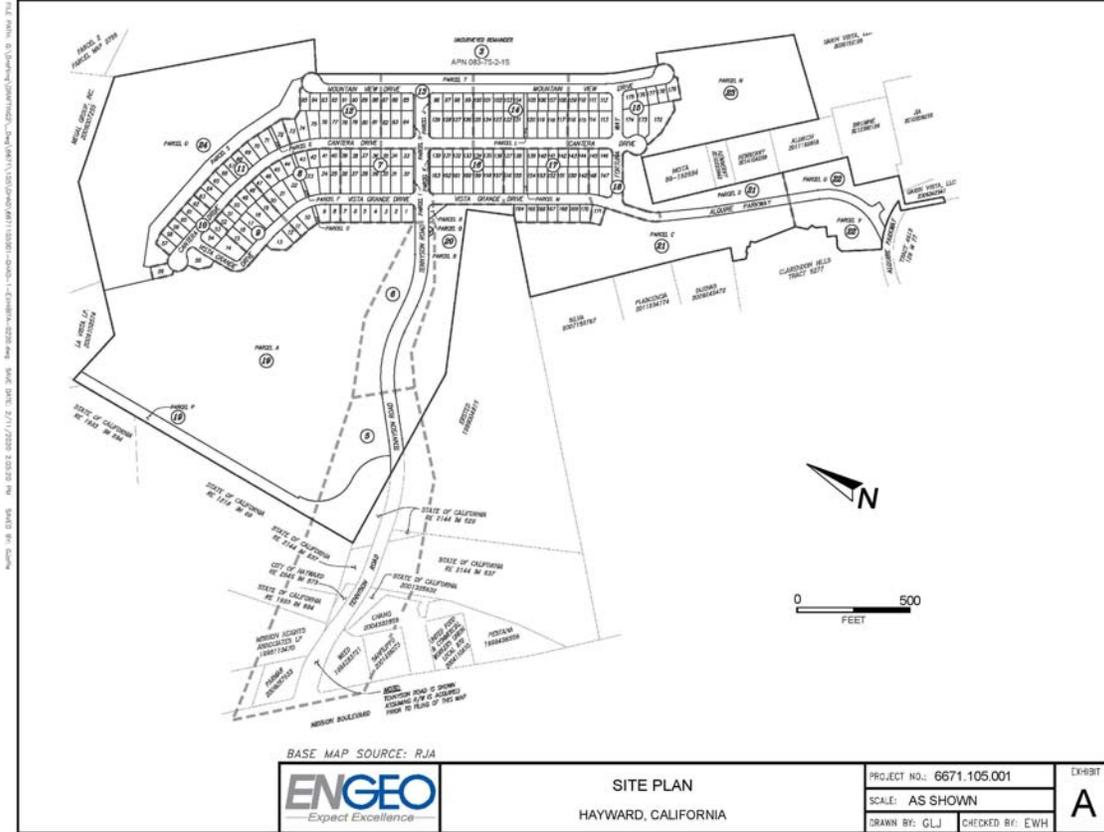
By: _____

Its: _____

EXHIBIT A

Map of the Property (Parcels C, D, N, O, U, V, and APN 083-075-002-15)

(see attached)





CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: PH 20-040

DATE: May 26, 2020

TO: Geologic Hazard Abatement District Board

FROM: GHAD Manager

SUBJECT

Resolution Approving the Geologic Hazard Abatement District (GHAD) Budget for the 2020/21 Fiscal Year

RECOMMENDATION

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 20-05 approving the GHAD budget for the 2020/21 fiscal year.

SUMMARY

The Hayward GHAD Board of Directors accepted monitoring, maintenance, and/or ownership of selected parcels within the Hayward GHAD with the approval of Resolution 20-01 on February 25, 2020. The proposed budget allows funding of GHAD responsibilities for the 2020/21 fiscal year from July 1 to June 30. The proposed budget for the 2020/21 fiscal year is \$116,600.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	FY20/21 Program Budget

**HAYWARD
GEOLOGIC HAZARD ABATEMENT DISTRICT**

TO: Hayward GHAD Board of Directors

FROM: GHAD Manager

BOARD MEETING DATE: May 26, 2020

SUBJECT: Resolution Approving the Geologic Hazard Abatement District (GHAD) Budget for the 2020/21 Fiscal Year

RECOMMENDATION(S):

Staff recommends that the Hayward GHAD Board of Directors adopt Resolution 20-05 approving the GHAD budget for the 2020/21 fiscal year.

SUMMARY:

The Hayward GHAD Board of Directors accepted monitoring, maintenance, and/or ownership of selected parcels within the Hayward GHAD with the approval of Resolution 20-01 on February 25, 2020. The proposed budget allows funding of GHAD responsibilities for the 2020/21 fiscal year from July 1 to June 30. The proposed budget for the 2020/21 fiscal year is \$116,600.

BACKGROUND AND DISCUSSION:

Hayward City Council adopted Resolution 16-030 approving the formation of the Hayward GHAD and the Plan of Control for The Reserve (La Vista) development within the Hayward GHAD on March 1, 2016.

The Hayward GHAD Board of Directors accepted monitoring, maintenance, and/or ownership of selected parcels within the Hayward GHAD with the approval of Resolution 20-01 on February 25, 2020. The adopted Plan of Control summarizes the GHAD's responsibilities and the approved Engineer's Report established a budget and assessment limit for residential properties within The Reserve development. At the February 25, 2020 meeting, the GHAD Board of Directors also approved a budget for the remainder of the 2019/20 fiscal year.

The Hayward GHAD has been levying and collecting assessments since fiscal year (FY) 2017/18. For the 2020/21 FY, all 179 residential parcels with The Reserve development are subject to the levy of a GHAD assessment. No parcels within the adjacent Ersted Property are yet subject to the levy of a GHAD assessment. Parcels are subject to the levy starting the first fiscal year following issuance of a building permit. Total revenue for the Hayward GHAD for FY 2020/21 is estimated at \$311,845

The proposed program budget for fiscal year 2020/21 is \$116,600. The budget expenses break down into the following amounts:

Major Repair	\$0
Preventive Maintenance and Operations	\$79,000
Special Projects	\$0
Administration	\$ 18,000
Additional - Outside Professional Services	\$ 19,600
Total Expenses	\$ 116,600

FISCAL IMPACT:

The Hayward GHAD is proposing a budget of \$116,600 for anticipated management and maintenance fees for the 2020/21 fiscal year. The Hayward GHAD fund balance as of May 8, 2020 is \$559,904. After receiving assessments and interest, and estimated expenses shown in the proposed budget for the 2020/21 fiscal year, the Hayward GHAD fund balance on June 30, 2021 is estimated to be \$735,149.

The Hayward GHAD operates as a separate entity from the City of Hayward; therefore, there is no fiscal impact to the City of Hayward.

NEXT STEPS:

The Hayward GHAD Treasurer will provide the Board of Directors quarterly financial reports by e-mail if no Board meetings are scheduled in the near future.

Prepared by: The GHAD Manager and GHAD Treasurer

Recommended by: GHAD Manager

ATTACHMENTS:

- A. Resolution No. 20-05

THE BOARD OF DIRECTORS OF HAYWARD GEOLOGIC HAZARD ABATEMENT
DISTRICT

RESOLUTION NO. 20-05

APPROVING THE BUDGET FOR THE 2020/21 FISCAL YEAR FOR THE RESERVE (LA VISTA)
DEVELOPMENT WITHIN THE HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT
(GHAD)

WHEREAS, on March 1, 2016, the City Council adopted Resolution 16-030, approving and ordering the formation of the Hayward Geologic Abatement District (GHAD) as described in the GHAD Plan of Control for the La Vista subdivision (Tract 7620) and appointed itself to act as the GHAD Board of Directors (the "Board"); and

WHEREAS, the GHAD Manager, EN GEO, has prepared a budget for Fiscal Year 2020/21 which is attached as Attachment 1; the estimated budget amount for management, maintenance, and repair responsibilities is \$116,600.

WHEREAS, the GHAD Board of Directors desires to adopt the budget for the fiscal year 2020/21.

NOW, THEREFORE, BE IT RESOLVED that the Hayward GHAD Board of Directors hereby orders that:

1. The GHAD Board approves the GHAD Budget for the 2020/21 fiscal year attached hereto as Attachment I.
2. The recitals are incorporated herein by this reference.
3. This Resolution shall become effective immediately upon its passage and adoption.

IN COUNCIL, HAYWARD, CALIFORNIA May 26, 2020

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST: _____
Clerk of Hayward Geologic Hazard Abatement
District Board of Directors

APPROVED AS TO FORM:

General Counsel of the Hayward Geologic Hazard Abatement District

Attachment 1- Hayward GHAD Budget for Fiscal Year 2020-2021

**HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT
PROGRAM BUDGET FOR FISCAL YEAR 2020/21**



May 14, 2020

Hayward Geologic Hazard Abatement District Board of Directors
Chair Barbara Halliday
Boardmember Francisco Zermeño
Boardmember Al Mendall
Boardmember Sara Lamnin
Boardmember Elisa Márquez
Boardmember Mark Salinas
Boardmember Aisha Wahab

Hayward Geologic Hazard Abatement District
777 B Street
Hayward, CA 94541

Subject: The Reserve (La Vista) Development
Ersted Property Development
Hayward Geologic Hazard Abatement District
Hayward, California

PROGRAM BUDGET FOR FISCAL YEAR 2020/21

Dear Chair Halliday and Boardmembers:

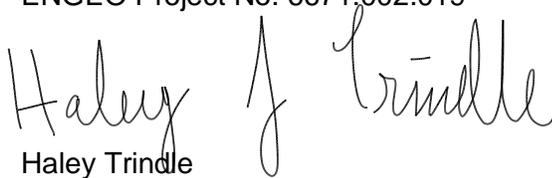
Attached is the program budget for the Hayward Geologic Hazard Abatement District (GHAD) for Fiscal Year (FY) 2020/21. The proposed program budget is \$116,600. The budget expenses break down into the following approximate percentages of the total receivables.

Major Repair	0 percent
Preventive Maintenance and Operations	25 percent
Special Projects	0 percent
Administration	7 percent
Additional - Outside Professional Services.....	6 percent

The budget anticipates FY 2020/21 revenue of \$311,845 with an estimated contribution of \$195,245 to the reserve fund. A summary of the expenses is shown on Table 4, followed by a brief description of each budget item on the following pages.

If you have any questions regarding the contents of this letter, please contact us.

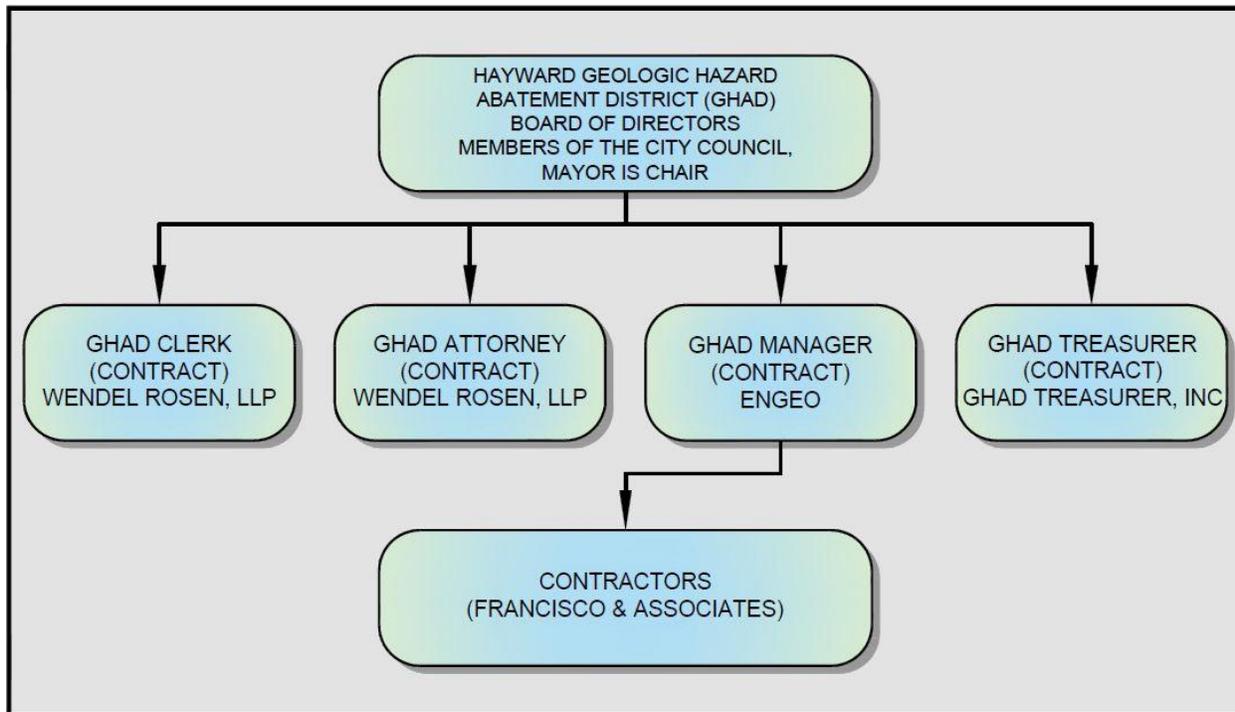
Sincerely,
Hayward Geologic Hazard Abatement District
ENGEO Incorporated, GHAD Manager
ENGEO Project No. 6671.002.019


Haley Trindle
ht/eh/cjn


Eric Harrell

**HAYWARD GEOLOGIC HAZARD ABATEMENT DISTRICT
 PROPOSED PROGRAM BUDGET
 FISCAL YEAR 2020/21**

The following proposed program budget summarizes the anticipated revenues and expenditures for FY 2020/21 for the Hayward Geologic Hazard Abatement District (GHAD), which includes The Reserve (La Vista) and Ersted Property developments. The structure of the Hayward GHAD is shown below.



The GHAD has accepted maintenance and monitoring responsibilities for the following parcels within the District as listed on Table 1. In addition, those parcels that are owned by the GHAD are identified. Maintenance, monitoring responsibilities, and ownership for the listed parcels were accepted by resolution on February 25, 2020.

TABLE 1: Accepted Parcels within the Hayward GHAD

ASSESSOR'S PARCEL NUMBER	DESCRIPTION (Tract 7620)	GHAD OWNERSHIP
83-477-4	Parcel C	Yes
83-480-1	Parcel D	Yes
83-478-1	Parcel E	No
83-478-2	Parcel F	No
83-478-3	Parcel G	No
83-478-4	Parcel H	No
83-478-5	Parcel I	No
83-479-1	Parcel J	No
83-479-2	Parcel K	No
83-479-3	Parcel L	No
83-479-4	Parcel M	No

ASSESSOR'S PARCEL NUMBER	DESCRIPTION (Tract 7620)	GHAD OWNERSHIP
83-480-2	Parcel N	Yes
83-478-6	Parcel O	Yes
83-477-6	Parcel Q	No
83-477-7	Parcel R	No
83-478-7	Parcel S	No
83-477-8	Parcel T	No
83-480-3	Parcel U	Yes
83-480-4	Parcel V	Yes
83-75-2-15	Unsurveyed Remainder	Yes
83-75-2-9	La Vista LP 2006-301610	Yes
83-75-2-11	La Vista LP 2007-408664	Yes
83-75-2-13	La Vista LP 2007-408664	Yes
83-125-1-18	La Vista LP 2007-408664	Yes
83-125-1-21	La Vista LP 2007-408664	Yes
83-477-1	Public Roads	No
Various	Residential Lots 1 through 179	No

Maintenance and monitoring responsibilities for the remaining properties within the Hayward GHAD, not listed above, are the responsibility of the individual property owners. The remaining parcels within the Reserve development have been offered to the GHAD, but have not yet been accepted by the GHAD due to "punchlist" items that remain to be completed. No parcels within the Ersted development are yet eligible for transfer. Within this budget, it is anticipated that during the 2020/21 fiscal year, additional parcels may be transferred to the Hayward GHAD and these expenses have been anticipated in the 2020/21 budget estimates.

The GHAD is funded through real property assessments. The initial assessment limits were approved by the Board of Directors. The assessment limits are adjusted annually on June 30 to reflect the percentage change in the San Francisco-Oakland-Hayward Consumers Price Index (CPI) for All Urban Consumers.

The annual assessment limits are shown on Table 2.

TABLE 2: Actual CPI Adjustments and Assessment Limit for Residential Properties

FISCAL YEAR	SAN FRANCISCO-OAKLAND-HAYWARD CPI (JUNE /JUNE)	THE RESERVE ANNUAL ASSESSMENT LIMIT AND LEVY ¹	ERSTED PROPERTY ANNUAL ASSESSMENT LIMIT AND LEVY ¹
June 2016		\$1,502.00	
2017/2018	3.482%	\$1,554.30	
2018/2019	3.908%	\$1,615.03	\$932.00
2019/2020	3.215%	\$1,666.96	\$961.96
2020/2021	2.5% ²	\$1,708.63 ²	\$986.01 ²

¹If assessment limit is an odd number, the annual levy is rounded down to nearest even cent.

²Estimate

For the FY 2019/20, all 179 residential parcels with The Reserve development were subject to the levy of a GHAD assessments. No parcels within Ersted development are yet subject to the levy of a GHAD assessment. Parcels are subject to the levy starting the first fiscal year following issuance of a building permit. The final assessment roll prepared for the 2019/20 fiscal year and

submitted to the Alameda County Assessor's Office identifies 179 properties subject to the levy of the GHAD assessment. The total levy amount for the 2019/20 FY was \$298,385.84.

Based on the San Francisco-Oakland-Hayward CPI data reported through February 2020 for budgeting purposes, we have estimated a FY 2019/20 annual inflation rate adjustment of 2.5 percent. We estimate that 179 residential units will be subject to assessment in FY 2020/21. Parcels are subject to the levy starting the first fiscal year following issuance of a building permit.

TABLE 3: Estimated Revenue

	FY 2020/21 ESTIMATE
Residential Units (The Reserve)	179
Assessments	\$305,845
Interest	\$6,000
Total Revenues	\$311,845

The budget is divided into four categories including Major Repair, Preventive Maintenance and Operations, Special Projects, and Administration and Accounting. As needed, the GHAD Manager, in its discretion, may reallocate funds within the budget. A description of each of the categories is provided below. In general, the budget amounts listed are based on the Engineer's Report approved by the Hayward GHAD Board of Directors in 2016. The budget amounts have been inflation adjusted to provide the estimates.

MAJOR REPAIR

Included within the major repair category are those repair or improvement projects that are intermittent and, by their nature, do not fit within a scheduled maintenance program. Minor slope repair and erosion control items are generally funded within the Preventive Maintenance and Operations category. For the purposes of this budget, we define major repairs as those estimated at over \$50,000.

There are currently no major repair projects anticipated in the FY 2020/21 budget within the GHAD-maintained areas of the Hayward GHAD. The reserve portion of the budget allows for funding toward these unpredictable events.

PREVENTIVE MAINTENANCE AND OPERATIONS

Preventive maintenance and operations include slope stabilization services, erosion protection, and professional services within the District. Professional services include site-monitoring events as specified in the GHAD Plan of Control. Slope stabilization and erosion protection responsibilities include the open space slopes and drainage swales. GHAD-maintained improvements generally include detention and water-quality basins, maintenance roads, concrete-lined drainage ditches, retaining walls, subsurface drainage facilities, storm drain facilities, trails, and debris benches.

SPECIAL PROJECTS

The Special Projects category allows the GHAD to budget for projects beneficial to the GHAD that do not fit into one of the other three categories. Although not proposed in the FY 2020/21 budget,

special projects can include items such as global positioning system (GPS)/geographic information system (GIS) development for GHAD-maintained improvements; website development and maintenance; and reserve studies to reevaluate the financial condition of the GHAD.

There are currently no special projects anticipated in the FY 2020/21 budget within the GHAD-maintained areas of the Hayward GHAD.

ADMINISTRATION AND ACCOUNTING

This category includes administrative expenses for tasks of the GHAD Manager, clerical and accounting staff related to the operation and administration of the GHAD. The budget amounts listed are based on the Engineers' Reports approved by the Hayward GHAD Board of Directors in 2016 for The Reserve (La Vista) development. The budget amounts have been inflation adjusted to provide the listed budget estimates.

TABLE 4: Summary of Proposed Fiscal Year 2020/21 Budget

BUDGET ITEM	BUDGET AMOUNT	PERCENT OF TOTAL REVENUE (FY 2020/21)
MAJOR REPAIRS		
Total	\$0	0%
PREVENTIVE MAINTENANCE AND OPERATIONS		
Professional Services		
Open Space Scheduled Monitoring Events	\$7,000	
Heavy Rainfall Monitoring Events	\$1,000	
Detention Basin Scheduled Monitoring Events	\$2,000	
Detention Basin Heavy Rainfall Monitoring Event	\$1,000	
Subtotal	\$11,000	
Maintenance and Operations		
Sediment Removal - Concrete Structures	\$14,000	
Water Quality/Detention Basin Facilities	\$10,000	
Trail and Fence Maintenance	\$3,000	
Slope, Erosion Repairs, and Minor Repairs	\$22,000	
Vegetation Control	\$9,000	
Conservation Easement Activities	\$10,000	
Subtotal	\$68,000	
Preventive Maintenance and Operations Total	\$79,000	25%
SPECIAL PROJECTS		
Total	\$0	0%
ADMINISTRATION – GHAD MANAGER		
Administration	\$18,000	
Annual Report and Budget Preparation	\$2,300	
Subtotal	\$20,300	7%
Professional Services - Nontechnical		
Assessment Roll and Levy Update Preparation	\$1,750	
GHAD Attorney	\$7,000	
GHAD Treasurer	\$3,200	
GHAD Clerk	\$1,500	

BUDGET ITEM	BUDGET AMOUNT	PERCENT OF TOTAL REVENUE (FY 2020/21)
Alameda County Assessor's Fees	\$2,600	
California Association of GHADs Membership	\$150	
Insurance	\$1,100	
Subtotal	\$19,600	6%
Administration and Accounting Total	\$37,600	
Proposed Expenditures Total	\$116,600	38%
ESTIMATED REVENUE		
Beginning Balance		
Balance (May 8, 2020)	\$559,904	
Estimated Expenses 2019/20		
Estimated Expenses through 6/30/2020	\$20,000	
ESTIMATED RESERVE ON JUNE 30, 2020	\$539,904	
Estimated 2020/21 Revenue		
Estimated FY 2020/21 Assessment	\$305,845	
Estimated FY 2020/21 Interest/Dividend	\$6,000	
Estimated 2020/21 Expenses		
Estimated Expenses through June 30, 2021	\$116,600	
ESTIMATED RESERVE ON JUNE 30, 2021	\$735,149	

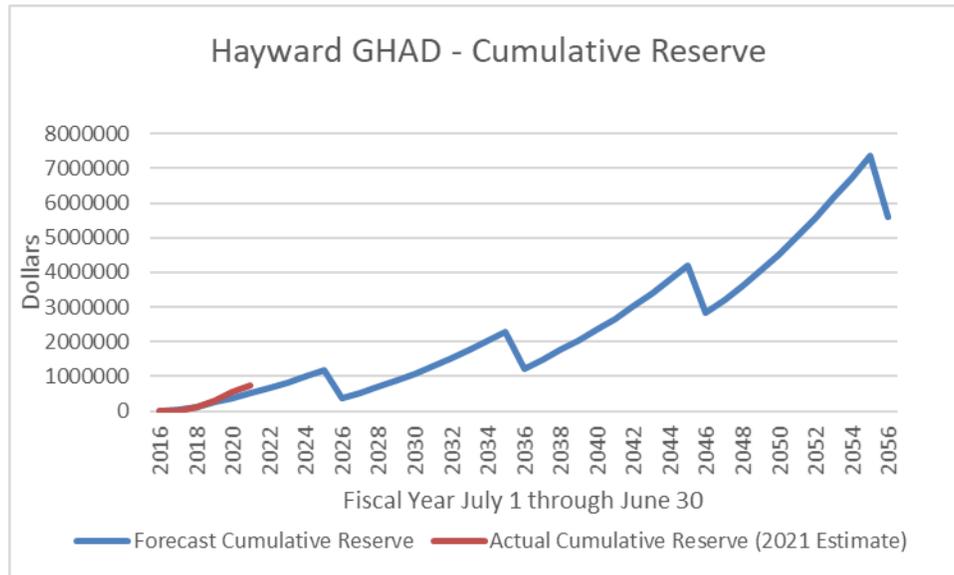
For FY 2020/21, the payment limit for the GHAD Manager, EN GEO, is set at \$44,900. The tasks included within the payment limit may include oversight of maintenance and repair projects, administration, and monitoring events as summarized in Table 4.

TABLE 4: Payment Limit

TASK	AMOUNT
Scheduled and Heavy Rainfall Monitoring Events	\$11,000
Slope Stabilization and Erosion Repairs ¹	\$4,400
Water Quality Detention Basin Maintenance ¹	\$2,000
Trail and Fence Maintenance ¹	\$600
Sediment Removal - Concrete Structures ¹	\$2,800
Vegetation Control ¹	\$1,800
Conservation Easement Activities ¹	\$2,000
Administration	\$18,000
Budget Preparation	\$2,300
Total	\$44,900

¹Dependent on maintenance and/or repair activities by the GHAD during FY 2020/21. The GHAD Manager, EN GEO, payment limit is 20% of the total budget item.

At the beginning of the 2020/21 fiscal year, the cumulative reserve is estimated at approximately \$540,000 and approximately \$735,000 the end of the 2020/21 fiscal year. As shown on the graph below, the forecast cumulative reserve is above the amount estimated in the 2005 Engineer's Reports and is estimated to reach approximately \$5,600,000 by 2056. The GHAD reserve is intended to fund unanticipated expenses that may occur.



MAJOR REPAIRS

There are currently no major repair projects anticipated in the FY 2020/21 budget within the GHAD-maintained areas of the Hayward GHAD. While no major repairs are ongoing at this time, by their nature, major repairs such as landslides are unpredictable and could occur during FY 2020/21. The reserve portion of the budget allows for the funding toward these unpredictable events.

PREVENTIVE MAINTENANCE AND OPERATIONS

Professional Services

Open Space Scheduled Monitoring Events

As provided in the Plan of Control, there are two scheduled monitoring events within the GHAD that will occur during each calendar year.

Estimated budget \$7,000

Open Space Heavy Rainfall Events

We have budgeted for one heavy rainfall monitoring event during the 2020/21 winter season. In the initial Engineer's Report, we anticipated that a heavy rainfall monitoring event would be needed on average once every two years.

Estimated budget \$1,000

Water Quality/Detention Basin Scheduled Monitoring Events

As provided in the Plan of Control, there are two scheduled monitoring events within the GHAD that will occur during each calendar year. The GHAD has not yet acquired detention basin monitoring or maintenance on Parcel A.

Estimated budget \$2,000

Water Quality/Detention Basin Heavy Rainfall Events

We have budgeted for one heavy rainfall monitoring event during the 2020/21 winter season. In the initial Engineer's Report, we anticipated that a heavy rainfall monitoring event would be needed on average, once every two years.

Estimated budget \$1,000

Maintenance and Operations

Sediment Removal - Concrete Structures

This budget item is to provide for the annual removal of vegetation, cleaning, sealing and minor repair of concrete-lined drainage ditches within The Reserve development.

Estimated budget \$14,000

Water Quality/Detention Basin Facilities

The budget item allows for ongoing maintenance activities as described in the operations and maintenance manual.

Estimated budget \$10,000

Trail and Fence Maintenance

This budget item includes gravel-surfaced road maintenance, trail maintenance, and fence repairs, which may occur during the 2020/21 fiscal year.

Estimated budget \$3,000

Slope Stabilization, Erosion, and Minor Repairs

This is for unanticipated minor repairs, including slope instability or erosion, which may occur during FY 2020/21.

Estimated budget \$22,000

Vegetation Control – Open Space

This budget item includes annual firebreak mowing and litter removal, which will occur during FY 2020/21.

Estimated budget \$9,000

Conservation Easement Activities

This budget item includes activities that may be needed in relation to the City of Hayward Conservation Easement or East Bay Regional Park District Conservation Easement in FY 2020/21.

Estimated budget \$10,000

SPECIAL PROJECTS

There are currently no special projects anticipated in the FY 2020/21 budget within the GHAD-maintained areas of the Hayward GHAD.

ADMINISTRATION AND ACCOUNTING

GHAD Manager

Administration

Administrative expenses include the GHAD Manager duties related to the operation and administration of the GHAD. The budget estimate for administrative services is derived from the original GHAD budget used to prepare the GHADs Engineer's Report.

Estimated budget \$18,000

Budget Preparation

This budget provides for the preparation of the annual report and budget.

Estimated budget \$2,300

Outside Professional Services – Nontechnical

Legal Counsel

This budget item allows the GHAD to fund legal counsel for the District. The Board appointed Wendel Rosen as the GHAD Attorney on September 13, 2016, with the approval of Resolution No. 16-002. The duties of the legal counsel may include but not be limited to, transfer documentation, preparation or review of contracts, grant deeds, right of entry, and board resolutions.

Estimated budget \$7,000

Treasurer

This budget item accounts for fees related to investment of the GHAD reserve funds and processing of accounts payable. The Board appointed the GHAD Treasurer on September 13, 2016, with the approval of Resolution No. 16-002.

Estimated cost \$3,200

Clerk

This budget item allows the GHAD to fund clerk services for the District. The Board appointed Wendel Rosen as the GHAD Clerk on September 13, 2016, with the approval of Resolution No. 16-002.

Estimated cost \$1,500

Assessment Roll and Levy Update

This budget item allows for preparation of the assessment roll for the District and the updated levy based on the Consumer Price Index adjustment.

Estimated budget \$1,750

[Alameda County Assessor's Fees](#)

This budget item accounts for fees from the Alameda County Assessor's Office.

Estimated cost \$2,600

[California Association of GHADs Membership](#)

The GHAD maintains membership in the California Association of GHADs.

Estimated cost \$150

[Insurance](#)

The GHAD maintains general liability insurance for open space areas within the District.

Estimated cost \$1,100



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: MIN 20-055

DATE: May 26, 2020

TO: Mayor and City Council

FROM: City Clerk

SUBJECT

Approve City Council Minutes of the Special City Council Meeting on May 5, 2020

RECOMMENDATION

That the City Council approves the Special City Council minutes of May 5, 2020.

SUMMARY

The City Council held a special meeting on May 5, 2020.

ATTACHMENTS

Attachment I Draft City Council Minutes of 5/5/2020



**SPECIAL MEETING OF THE CITY COUNCIL
Remote Participation
Tuesday, May 5, 2020, 7:00 p.m.**

The City Council meeting was called to order by Mayor Halliday at 7:00 p.m. This meeting was conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order No 29-20 dated March 17, 2020, and the Alameda County Health Officer Order No. 20-10 dated April 29, 2020, regarding the COVID-19 pandemic.

ROLL CALL

Present: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño
MAYOR Halliday
Absent: None

CLOSED SESSION

The City Council convened in closed session on May 4, 2020, regarding a conference with labor negotiators pursuant to Government Code 54957.6 for all labor groups. City Attorney Lawson reported all Council members were present and there was no reportable action.

The City Council convened in closed session on May 5, 2020, regarding three items: 1) public employment pursuant to Government Code 54957 regarding the City Attorney's performance evaluation; 2) conference with property negotiators pursuant to Government Code 54956.8 regarding Caltrans Parcel Group 6: Carlos Bee Boulevard and Overlook Avenue, APN: 455-0180-001-00; and 3) conference with property negotiators pursuant to Government Code 54956.8 regarding Caltrans Parcel Group 9: Apple and Oak Streets, APNs: 415-0160-001-00, 415-0160-002-00, 415-0160-003-00, 415-0160-004-00, 415-0160-005-00, 415-0160-006-00, 415-0160-007-00, 415-0160-008-00, 415-0160-009-00, 415-0160-010-00, 415-0170-002-00, 415-0170-003-00, 415-0170-004-00, 415-0170-005-00, 415-0170-006-00, 415-0170-007-00, 415-0170-008-00, 415-0170-009-00, 415-0170-010-00, 415-0170-011-00, 415-0170-012-00. Mayor Halliday reported Item 1 was not discussed and continued to next week. City Attorney Lawson reported that, pursuant to Government Code Section 54954.2(b)(2), the Council unanimously approved, with Council Member Zermeño moving and Mayor Halliday seconding, to add an item to the agenda to discuss one anticipated litigation case. City Attorney Lawson added there was no reportable action related to Items 2, 3 and the added item.

PRESENTATION

Mayor Halliday read a Proclamation declaring the month of May 2020 as Mental Health Matters Month in the City of Hayward to enhance public awareness of local mental health services.

PUBLIC COMMENTS

Public comment was limited to items on the agenda.

CONSENT

Consent Items 3 and 5 were removed from the Consent Calendar for separate vote.

1. Approve City Council Minutes of the Special City Council Meeting on March 17, 2020
MIN 20-045

It was moved by Council Member Lamnin, seconded by Council Member Mendall, and carried unanimously, to approve the minutes of the Special City Council meeting on March 17, 2020.

2. Approve City Council Minutes of the Special City Council Meeting on March 24, 2020
MIN 20-046

It was moved by Council Member Lamnin, seconded by Council Member Mendall, and carried unanimously, to approve the minutes of the Special City Council meeting on March 24, 2020.

3. Adopt a Resolution Awarding a Contract to Joe's Landscape and Concrete, in the Amount of \$103,215, for Vegetation Management of Specific City Owned and Maintained Properties **CONS 20-206**

Staff report submitted by Director of Maintenance Services Rullman, dated May 5, 2020, was filed.

Council Member Wahab requested the item be removed from the Consent Calendar.

Mayor Halliday opened public comments at 7:12 p. m.

Public speakers participated by calling the City Clerk's office at (510) 583-4400.

Dr. Marlina Selva, Friends of San Lorenzo Creek member, supported the Friends' recommendation that the proposed vegetation management site on Route 238 Bypass parcels do not include the creation of a 30-foot fire break down the creek's steep banks and areas along the creek bank.

Mr. Bruce King, Friends of San Lorenzo Creek representative, noted he had submitted a letter to Council and Fire staff had acknowledged the letter and updated staff's recommendation; and suggested staff create a vegetation management plan including a fire break in the open area, contact impacted homeowners and protect the riparian and woodland ecosystem.

Mayor Halliday closed public comments at 7:21 p.m.

Council Member Wahab supported Mr. King's suggestion and asked City staff to respond to concerns expressed by the Ohlone Audubon Society.



**SPECIAL MEETING OF THE CITY COUNCIL
Remote Participation
Tuesday, May 5, 2020, 7:00 p.m.**

Deputy Fire Chief Vollmer noted staff would work on a comprehensive vegetation management plan and would meet with Ohlone Audubon Society as soon as contact information was provided.

Council Member Mendall thanked Mr. King for expressing the concern and to City staff for making appropriate corrections.

It was moved by Council Member Mendall, seconded by Council Member Márquez, and carried by the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab,
Zermeño
MAYOR Halliday
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

Resolution 20-048, "Resolution Authorizing the City Manager to Issue a Contract to Joe's Landscape and Concrete for Vegetation Management Services for \$103,215"

4. Adopt a Resolution Awarding a Contract to The Garland Company for the Hayward Executive Airport – Executive Hangars 1 and 2 Roof Repair Project, Project No. 06826, in an Amount Not-to-Exceed \$450,000 **CONS 20-208**

Staff report submitted by Public Works Director Ameri, dated May 5, 2020, was filed.

It was moved by Council Member Lamnin, seconded by Council Member Mendall, and carried with the following roll call vote, to approve the resolution:

AYES: COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab,
Zermeño
MAYOR Halliday
NOES: NONE
ABSENT: NONE
ABSTAIN: NONE

Resolution 20-047, “Resolution Authorizing the City Manager to Negotiate and Execute a Contract with the Garland Company for the Hayward Executive Airport – Executive Hangars 1 and 2 Roof Repair Project, Project No. 06826, in an Amount Not-to-Exceed \$450,000”

5. Adopt a Resolution Authorizing the City Manager to Negotiate an Amendment and Extend the Exclusive Negotiating Rights Agreement with Eden Housing Inc. and Pacific Companies through June 30, 2021 **CONS 20-211**

Staff report submitted by Deputy City Manager Ott, dated May 5, 2020, was filed.

Council Member Wahab sought clarification from City staff about the agreement with Eden Housing Inc. and Pacific Companies; the proposal for Parcel Group 3; the number of residential units for Parcel Group 4; and teacher housing.

There were no public comments on the item.

It was moved by Council Member Márquez, seconded by Council Member Lamnin, and carried with the following roll call vote, to approve the following:

AYES:	COUNCIL MEMBERS Lamnin, Márquez, Mendall, Salinas, Wahab, Zermeño MAYOR Halliday
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

Resolution 20-049 “Resolution of the City Council of the City of Hayward Authorizing the City Manager to Negotiate and Execute an Extension of the Exclusive Negotiating Rights Agreement Between the City of Hayward and Eden Housing/Pacific Companies for the Acquisition and Development of Former Route 238 Parcel Groups 3 and 4”

WORK SESSION

6. Hayward Shoreline Master Plan: Review and Discuss Preliminary Design Alternatives **WS 20-017**

Staff report submitted by Development Services Director Simpson and Public Works Director Ameri, dated May 5, 2020, was filed.



**SPECIAL MEETING OF THE CITY COUNCIL
Remote Participation
Tuesday, May 5, 2020, 7:00 p.m.**

Senior Planner Golubics announced the staff report and acknowledged the work done by the three Hayward Area Shoreline Planning Agency (HASPA) agencies and SCAPE (landscape architecture firm) in developing three preliminary design alternatives for the Hayward Shoreline. Mr. Golubics recognized Council Member Mendall, Chair on the HASPA Board of Trustees; Dennis Watsby, HASPA Board Trustee from East Bay Regional Park District (EBRPD); and Minane Jameson, HASPA Board Trustee from Hayward Area Recreation and Park District (HARD).

SCAPE Landscape Architecture Consultant Gena Wirth presented an overview of the Hayward Shoreline Master Plan including the project timeline, Master Plan assumptions, three design alternatives (closer to the bay, down the middle and further inland), and preliminary cost estimates.

There being no public comment, Mayor Halliday opened and closed public comments at 8:02 p.m.

Discussion ensued among City Council members, City staff, SCAPE Consultant Wirth, SCAPE Project Manager Voron, and Mary Kimball with Arcadis regarding: other bay area projects (Palo Alto, Foster City) and cost estimates; project timeline; Alameda County Mosquito Abatement District's (ACMAD) feedback; state and federal funding sources and Measure AA funds; potential partnerships with other neighboring cities and entities such as Army Corp of Engineers, Oro Loma District and Alameda Flood Control District to support the Master Plan through funding of different phases; Bachman water quality impact to marsh health and maintaining the natural wildlife habitat when sea level rises; the three preliminary design alternatives; Russell City Energy Center (RCEC); and plans for the Interpretive Center in three options: Option 1 (remains in place and is protected but public access could be lost), Option 2 (remains in place but eventually upgrade to a more modern design); and Option 3 (relocate to a higher elevation and engage with the shoreline).

The SCAPE team noted all options included features of gravel beaches for shoreline protection to meet the core goal of the Master Plan to protect the infrastructure, and noted that a community web platform to provide project updates would be reviewed by HASPA prior to release to the public.

City Council members thanked City staff, HASPA staff and representatives, and the SCAPE team for their professionalism, extensive public outreach, and stakeholder engagement. Council Member Mendall was recognized for his contributions to the Master Plan.

Council Member Mendall noted he was considering Option 2 (Down the Middle), and there were some components of Option 3 (Further Inland) that he would like to see incorporated such as the moving back of the bay trail, exploration of diked ponds and used as more natural stormwater storage.

Council Member Salinas favored the option that offers the most protections for the City and acknowledged that partnerships and funding sources can be pursued by having a Master Plan.

Council Member Márquez supported the ACMAD's position (highlighting road and access points to different types of habitats, which can be found in Option 1), noted the need to be conscientious of the impact of mosquitos, asked that HASPA members be engaged throughout the project, and suggested a news release to inform the public.

Council Member Lamnin favored a hybrid approach and liked the idea of Option 2 and the benefits from horizontal levees and having more opportunities for the natural integration of water. Ms. Lamnin noted her priorities were finding the right balance of not taking away a lot of marsh land, protecting the natural habitat, and building environments that could cause major problems if not protected.

Council Member Zermeño favored Option 2 and he suggested a gravel beach as a new recreation opportunity.

Council Member Wahab noted there could be a blending of the three options to prioritize the protections of wildlife habitat, water quality, and ensure the cleanup and protection of the ocean.

Mayor Halliday favored Option 2 as the moderate middle ground that addresses a lot of issues, appreciated a possibility for Council to review different combinations from the three options and noted her preference was to maintain essential infrastructure and recreational resources.

It was noted that a draft plan, containing stakeholders' approval, consideration of comments, and concerns addressed, should be available at the end of the year for review by the City Council.

INFORMATION ITEM

7. Informational Report on the Hayward Youth Commission Annual Recruitment and Appointment/Reappointment Process RPT 20-051

Staff report submitted by City Clerk Lend, dated May 5, 2020, was filed.

The item served to inform the public that due to the COVID-19 pandemic and schools closed, staff was recommending suspending the 2020 Hayward Youth Commission recruitment and extending terms of current members through June 2021. There were no concerns expressed by the Council moving forward with staff's recommendation.



**SPECIAL MEETING OF THE CITY COUNCIL
Remote Participation
Tuesday, May 5, 2020, 7:00 p.m.**

CITY MANAGER'S COMMENTS

City Manager McAdoo spoke about the May 4, 2020 virtual joint HUSD and City of Hayward Town Hall meeting to discuss how to support students and families, and noted construction projects had resumed on May 4, 2020, based on the revised shelter-in-place order by the Alameda County Health Officer.

COUNCIL REPORTS AND ANNOUNCEMENTS

City staff continued to be acknowledged for their work in response to COVID-19, the programs that have been in put in place to address the need in the community and for providing the City's website updated with COVID-19 related information.

Council Member Lamnin thanked Council Member Mendall for his service on HASPA and East Bay Dischargers Authority (EBDA) and Council Member Márquez for her service with the Alameda County Mosquito Abatement District. Council Member Lamnin acknowledged Municipal Clerk's Week, Public Service Recognition Week, Teacher's Week, and thanked everyone for their service.

Council Member Márquez thanked Fire Chief Contreras, Deputy Fire Chief Vollmer, volunteers, and staff for their response to the call for closing the gap of getting enough masks to day laborers.

Council Member Wahab wished everyone a Happy Cinco De Mayo and noted the month of May was also Asian Pacific American Heritage Month, Jewish American Heritage Month, and Older Americans Month.

Mayor Halliday thanked staff, volunteers, and the Alameda County Food Bank for partnering with the City to distribute food to the community. Mayor Halliday stressed the importance of following the advice of the Alameda County Health Officer in keeping the COVID-19 curve relatively flat and the rate of hospitalizations at manageable level.

ADJOURNMENT

Mayor Halliday adjourned the meeting at 9:14 p.m., in memory of Ms. Marilyn Gise. Ms. Gise was a science teacher at Mt. Eden High School for over 40 years; served on the board of Scholarships Incorporated in Hayward; was an advocate for women and a member of the American Association of University of Women since 1994; and saw the creation of the Hayward Shoreline Interpretive Center Design Committee and was credited with sketching the first conceptual plan for the building in 1975.

Mayor Halliday asked City staff to work with the Gise family and find a suitable place to plant a tree in her memory.

APPROVED

Barbara Halliday
Mayor, City of Hayward

ATTEST:

Miriam Lens
City Clerk, City of Hayward



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 20-226

DATE: May 26, 2020

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT

Adopt a Resolution Approving the Project List for FY21 Road Repair and Accountability Act (RRAA) Funding for the FY21 Pavement Improvement Project

RECOMMENDATION

That Council adopts a resolution (Attachment II) approving the project list for RRAA FY21 funding for the FY21 Pavement Improvement Project.

SUMMARY

A yearly application must be submitted to the California Transportation Commission (CTC) to continue receiving RRAA funding, which must include a resolution approving a project list of street segments or defined regions of the City for the estimated revenue. The RRAA revenue estimate for FY21 is \$2,750,000 and the project list includes the City neighborhoods within the limits of Mission Boulevard, Whipple Road, Industrial Parkway Southwest, & Industrial Parkway West.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	Project Limits



DATE: May 26, 2020

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Approving the Project List for FY21 Road Repair and Accountability Act (RRAA) Funding for the FY21 Pavement Improvement Project

RECOMMENDATION

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BACKGROUND

On April 28, 2017, the Governor signed Senate Bill 1 (SB1), the RRAA of 2017, to address basic road maintenance, rehabilitation, and critical safety needs through an increase in per gallon fuel excise taxes and vehicle registration fees.

To receive each year's SB1 apportionments, cities must apply to the CTC for the funds by submitting a tentative project list approved by resolution to the CTC. The project list must contain either a list of street segments or defined regions of the City undergoing rehabilitation, an estimated completion date for the project, and the estimated useful life of the paving methods utilized.

DISCUSSION

This project is part of the larger FY21 Pavement Improvement Project. This project is scheduled to finalize a street list by December 2020, call for bids in Spring 2021, start construction in Summer 2021, and complete construction in fall of 2021.

The RRAA estimated revenue of \$2,750,000 will be used to treat the City neighborhoods within the limits of Mission Boulevard, Whipple Road, Industrial Parkway Southwest and Industrial Parkway West. The preventative maintenance treatment estimated useful life is 5-10 years and pavement rehabilitation treatment estimated useful life is 10 to 15 years.

ECONOMIC IMPACT

This project is fully funded by the City's CIP through RRAA.

FISCAL IMPACT

The estimated revenue from RRAA for FY21 is \$2,750,000. This amount will be budgeted in the Recommended FY21-F30 CIP that will go to Council for adoption in Summer 2020.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Improve Infrastructure. Specifically, this item relates to the implementation of the following project(s):

Project 5, Part 5.a: Maintain Pavement Condition Index (PCI) at 70.

SUSTAINABILITY FEATURES

The project requires the contractor to recycle all construction and demolition debris as a result of the project.

This project is consistent with City's Complete Streets Policy and improves travel for all users including:

- Improved pavement for motorists
- Additional bike lanes and sharrows for bicyclists
- More visible pavement markings for pedestrians, including near school zones
- New or upgraded curb ramps to meet the recently revised Caltrans standards for pedestrians

The project satisfies the following General Plan policies:

- PFS-7.10 Recycled Products or Processes for Capital Projects
- HQL-2.5 Safe Routes to School
- HQL-2.6 Education on Sharing the Road
- M-1.7 Eliminate Gaps (in pedestrian networks)
- M-3.1 Serving All Users
- M-5.1 Pedestrian Needs
- M-5.6 Safe Pedestrian Crossings
- M-6.2 Encourage Bicycle Use

PUBLIC CONTACT

There has been no public contact related to this project to date.

NEXT STEPS

If Council approves this recommendation, staff will submit the defined regions in the City and resolution to the CTC.

June 2020	Submit RRAA funding application to CTC
December 2020	Finalize project list of streets
Spring 2021	Call for bids
Summer 2021	Begin construction
Fall 2021	Complete construction

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Director of Public Works

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-_____

Introduced by Council Member _____

RESOLUTION APPROVING PROJECT LIST FOR FY21 ROAD REPAIR AND ACCOUNTABILITY ACT (RRAA) FUNDING FOR THE FY21 PAVEMENT IMPROVEMENT PROJECT

WHEREAS, Senate Bill 1 (SB1), the Road Repair and Accountability Act of 2017 (Chapter 5, Statutes of 2017) was passed by the Legislature and signed into law by the Governor in April 2017 in order to address the significant multi-modal transportation funding shortfalls statewide; and

WHEREAS, SB1 includes accountability and transparency provisions that will ensure the residents of Hayward are aware of the projects proposed for funding in our community and which projects have been completed each fiscal year; and

WHEREAS, the City must approve a list of all projects or defined regions of the City proposed to receive funding from the Road Maintenance and Rehabilitation Account (RMRA), created by SB1, which must include a description and the location of each proposed project, a proposed schedule for the project's completion, and the estimated useful life of the improvement; and

WHEREAS, the City will receive an estimated \$2,750,000 in RMRA funding in Fiscal Year 2021 from SB1; and

WHEREAS, this is the fourth year in which the City of Hayward is receiving SB 1 funding and will enable the City of Hayward to continue essential road maintenance and rehabilitation projects, safety improvements, repairing and replacing aging bridges, and increasing access and mobility options for the traveling public that would not have otherwise been possible without SB1; and

WHEREAS, the City has undergone a robust public process to ensure public input into our community's transportation priorities; and

WHEREAS, the City will use a Pavement Management System to develop the SB 1 project list to ensure revenues are being used on the most high-priority and cost-effective projects that also meet the community's priorities for transportation investment; and

Whereas, the funding from SB1 will help the City maintain and rehabilitate street sections in the defined region of the City listed below in Fiscal Year 2021 and dozens of similar projects into the future; and

WHEREAS, the 2019 California Statewide Local Streets and Roads Needs Assessment found that the City’s streets and roads are in “good” condition and this revenue will help us increase the overall quality of our road system and over the next decade will help maintain our streets and roads in “good” condition; and

THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that:

1. The foregoing recitals are true and correct.
2. The fiscal year 2020-21 list of projects planned to be funded with Road Maintenance and Rehabilitation Account revenues include:
 - Hayward neighborhoods within the limits of Mission Boulevard, Whipple Road, Industrial Parkway Southwest, & Industrial Parkway West.
 - Preventative maintenance treatment estimated useful life is 5-10 years.
 - Pavement rehabilitation treatment estimated useful life is 10-15 years.
 - Begin construction: Summer 2021
 - End construction: Fall 2021

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2020

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

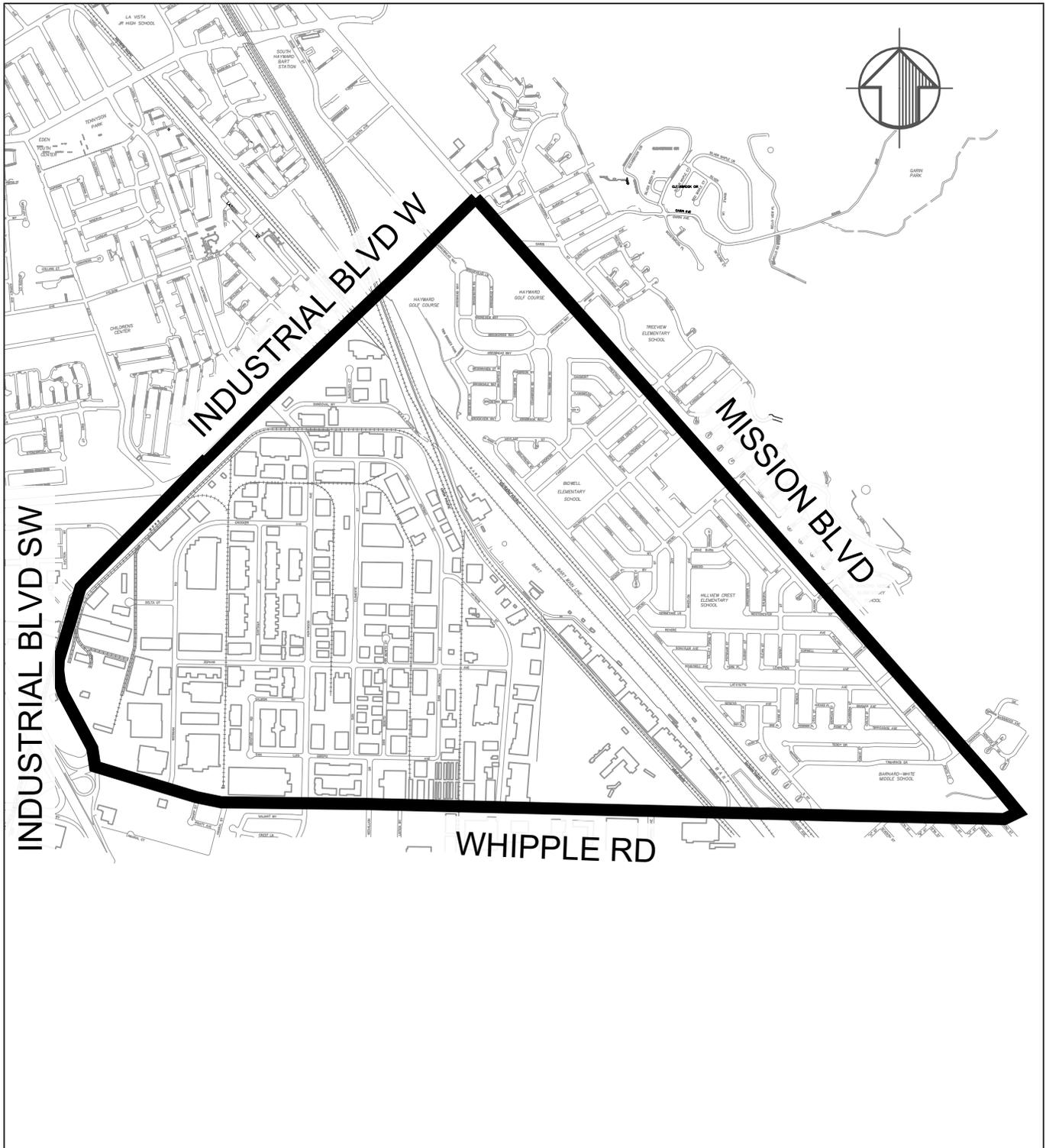
ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



Project Limits for FY21 Road Repair and
Accountability Act (RRAA) Funding for the FY21
Pavement Improvement Project



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 20-242

DATE: May 26, 2020

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Adopt a Resolution Approving a Financing Model that Supports the Development of Middle-Income Affordable Housing and Authorize the City Manager to Execute Purchase Option Agreements with CalCHA

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing participation in a financing model to fund the acquisition and/or development of affordable housing for middle income households that will require the City to:

- 1) Become a member of the California Community Housing Agency (CalCHA);
- 2) Support CalCHA's issuance of tax-exempt bonds for the production, preservation, and protection of essential middle-income rental housing; and
- 3) Authorize the City Manager to execute purchase option agreements with CalCHA to acquire (or assign to a non-profit affordable housing provider) the middle-income housing as a public benefit.

SUMMARY

Catalyst Housing (Catalyst) has developed a financing model to create affordable housing for the essential middle-income workforce and proposes using Essential Housing Revenue Bonds issued by CalCHA to finance the acquisition or development of essential middle-income housing. This housing will be deed restricted for low-income and moderate-income households in the City of Hayward. To satisfy the public purposes for which the bonds will be authorized to be issued, the owner, CalCHA, commits, through the execution of a regulatory agreement, to support, preserve, and provide low-income, median-income, and moderate-income rental housing. Additionally, as a term of the regulatory agreement, Catalyst will not displace existing tenants that are over-income for the program. CalCHA will also satisfy the public purposes of the bonds by granting all surplus project revenues to the City as a term of the Purchase Option Agreement.

Staff recommends approval of a resolution that limits the City Manager's authority, requires verification of displacement prevention provisions in the regulatory agreement, excludes FPI from participating in the project, and evaluates the option of transferring ownership to tenants. The resolution will authorize the City to:

- Become a member of CalCHA;
- Support and approve CalCHA's issuance of tax-exempt bonds for the acquisition of existing rental properties or development of new units as a means towards the production, preservation and protection of essential middle-income rental housing within the City limits; and
- Enter into a Purchase Option Agreement with CalCHA.

Considering current economic condition related to the COVID-19 pandemic, staff is anticipating even greater need for long-term housing stability for existing low-income and middle-income residents.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment II	Joint Powers Agreement



DATE: May 26, 2020

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Adopt a Resolution Approving a Financing Model that Supports the Development of Middle-Income Affordable Housing and Authorize the City Manager to Execute Purchase Option Agreements with CalCHA

RECOMMENDATION

That Council adopts a resolution (Attachment II) authorizing participation in a financing model to fund the acquisition and/or development of affordable housing for middle income households that will require the City to:

- 1) Become a member of the California Community Housing Agency (CalCHA);
- 2) Support CalCHA's issuance of tax-exempt bonds for the production, preservation, and protection of essential middle-income rental housing; and
- 3) Authorize the City Manager to execute purchase option agreements with CalCHA to acquire (or assign to a non-profit affordable housing provider) the middle-income housing as a public benefit.

SUMMARY

Catalyst Housing (Catalyst) has developed a financing model to create affordable housing for the essential middle-income workforce and proposes using Essential Housing Revenue Bonds issued by CalCHA to finance the acquisition or development of essential middle-income housing. This housing will be deed restricted for low-income and moderate-income households in the City of Hayward. To satisfy the public purposes for which the bonds will be authorized to be issued, the owner, CalCHA, commits, through the execution of a regulatory agreement, to support, preserve, and provide low-income, median-income, and moderate-income rental housing. Additionally, as a term of the regulatory agreement, Catalyst will not displace existing tenants that are over-income for the program. CalCHA will also satisfy the public purposes of the bonds by granting all surplus project revenues to the City as a term of the Purchase Option Agreement.

Staff recommends approval of a resolution that limits the City Manager's authority, requires verification of displacement prevention provisions in the regulatory agreement, excludes FPI from participating in the project, and evaluates the option of transferring ownership to tenants. The resolution will authorize the City to:

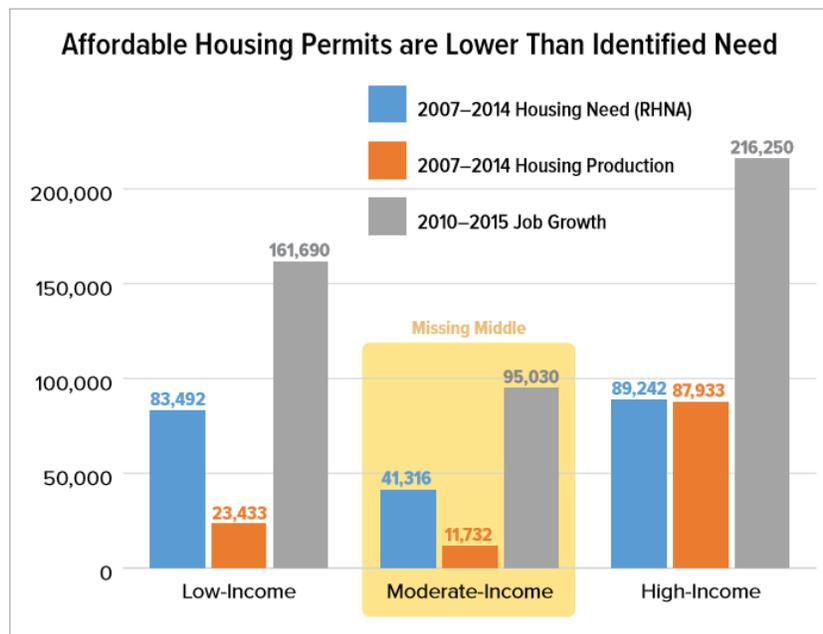
- Become a member of CalCHA;
- Support and approve CalCHA’s issuance of tax-exempt bonds for the acquisition of existing rental properties or development of new units as a means towards the production, preservation and protection of essential middle-income rental housing within the City limits; and
- Enter into a Purchase Option Agreement with CalCHA.

Considering current economic condition related to the COVID-19 pandemic, staff is anticipating even greater need for long-term housing stability for existing low-income and middle-income residents.

BACKGROUND

Hayward, like other cities in the Bay Area, is experiencing rising housing prices, severe housing instability for its most vulnerable populations, displacement of existing residents, and increasing homelessness. The increase in Hayward’s and the Bay Area’s population, absent a corresponding increase in housing units, has caused rents and prices to rise as supply has failed to meet demand. **Figure 1** illustrates the disparity between job growth in the region and housing production, which has increased demand for housing throughout the Bay Area and the low housing production rates for moderate-income households¹.

Figure 1. Regional Housing Production Compared to Job Growth.



Source: Casa Compact¹

¹ [Casa Compact](#)

The City has been actively pursuing policies and programs to help alleviate the issues facing the Hayward community due to the housing crisis. Over the past three years, the City Council has subsidized the development of 259 units of affordable housing, adopted a new Residential Rent Stabilization and Tenant Protection Ordinance, updated the Affordable Housing Ordinance, and approved numerous residential developments that include on-site affordable units or are exclusively affordable.

On February 25, 2020², Council held a work session to discuss the proposed financing model that supports the development and/or preservation of middle-income housing. Council was generally supportive of the items, but identified topics for further review including:

- Add limitations to the City Manager’s authority to ensure periodic review of the program by Council.
- Ensure that there is a mechanism to prevent displacement of the existing tenants if the program is used to acquire occupied rental housing.
- Ensure that FPI Property Management will not be responsible for managing properties acquired utilizing the financing.
- Ensure that, when the City exercises its option to purchase, that it evaluates the possibility of transferring ownership to existing residents.

On March 3, 2020, Council approved a workplan to incentivize housing production in the City of Hayward, which included a proposal to pilot a moderate-income affordable housing financing model. This model would utilize tax-exempt bonds to finance the development and/or acquisition of essential middle income housing and would require that the City join the newly formed CalCHA, support CalCHA's issuance of tax-exempt bonds for the production, preservation and protection of essential middle-income housing, and authorize the City Manager to execute purchase option agreements with CalCHA for each housing project.

On March 17, 2020, Alameda County issued a legal order directing residents to shelter at home for three weeks. The order limits activity, travel, and business functions to only the most essential needs. The Shelter-in-Place Order has caused and will continue to cause a decrease in income for many Hayward businesses and residents, which will increase the risk of loss of jobs, displacement, and homelessness, making the provision and retention of low and middle income housing units even more imperative.

The purpose of this staff report is to discuss items posed by Council for further review and seek authorization to participate in the financing model.

Housing Element Compliance and Progress Reports.

Local jurisdictions report their progress meeting their RHNA goals. **Table 1** (below) reflects the progress made towards meeting Hayward’s RHNA goal as of the last report year (2019),

² February 25, 2020 Staff Report and Attachments:
<https://hayward.legistar.com/LegislationDetail.aspx?ID=4340247&GUID=D32E99E0-08C8-4913-A32E-CB20520875F6&Options=&Search=>

estimated progress based on number of units entitled, and progress based on projects seeking approval, for the period between 2015-2023. **Table 2** provides the income limits associated with each income category for Alameda County. Permits to construct the units must be issued in order to count toward the City’s RHNA goals.

Table 1. 2015 -2023 RHNA Goal Progress in the City of Hayward

Income Category	Unit Goal	Reported 2019		Approved		Pending Approval		Estimated Compliance		Estimated Deficiency	
		Units	% of goal	Units	% of goal	Units	% of goal	Units	% of goal	Units	% of goal
Very low	851	40	5%	339	40%	2	0.2%	381	45%	470	55%
Low	480	39	8%	228	48%	0	0.0%	267	56%	213	44%
Moderate	608	27	4%	61	10%	3	0.5%	91	15%	517	85%
Above Moderate	1981	1902	96%	1,588	80%	129	7%	3,619	183%	0	N/A

Table 2. Income limits by Income Category and Household Size for Alameda County as Established by California Department of Housing and Community Development

Income Category	Household Size							
	1	2	3	4	5	6	7	8
Extremely Low 30% AMI*	\$26,050	\$29,750	\$33,450	\$37,150	\$40,150	\$43,100	\$46,100	\$49,050
Very low 50% AMI*	\$43,400	\$49,600	\$55,800	\$61,950	\$66,950	\$71,900	\$76,850	\$81,800
Low 80% AMI*	\$69,000	\$78,850	\$88,700	\$98,550	\$106,450	\$114,350	\$122,250	\$130,100
Median 100% AMI	\$78,200	\$89,350	\$100,550	\$111,700	\$120,650	\$129,550	\$138,500	\$147,450
Moderate 120% AMI	\$93,850	\$107,250	\$120,650	\$134,050	\$144,750	\$155,500	\$166,200	\$176,950

* Percent area median income (AMI) is used to identify income and rent levels; however, the method for calculating income limits involves assessment of multiple data points and is not necessarily a percent of the median income. For more information see <https://hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits/docs/Income-Limits-2019.pdf>

Hayward’s progress towards meeting the current RHNA goals identifies the need to incentivize housing for very low-, low-, and moderate-income households. The City has the lowest compliance rate for moderate income households. Over the last Housing Element cycle, most cities did not meet their RHNA goals. In order to meet the RHNA goals, the City will have to approve a mix of 100% affordable housing properties and large mixed-income properties. Small mixed-income properties will not provide enough units to meet the goal. Additionally, the City needs to explore new financing mechanisms that can be used to fund moderate income housing to incentivize housing for the missing middle.

California Community Housing Authority (CalCHA)

In January 2019, the County of Kings and the Housing Authority of Kings County formed the CalCHA under the Joint Exercise of Powers Act. The purpose of CalCHA is to issue tax exempt bonds to finance affordable housing developments. Specifically, CalCHA has the authority to acquire, construct, improve, operate, and dispose of real property. A copy of the original Joint Exercise of Powers Agreement can be found in Attachment III. To date, the cities of Burlingame, Fairfield, Larkspur, Menlo Park, Mountain View, Napa, and Santa Rosa, and the County of Marin, have joined as members of CalCHA.

DISCUSSION

The purpose of this staff report is to address comments from the City Council from the February 25, 2020³ work session about the proposed financing model and to seek authorization to participate in the financing model to support the development of middle-income housing. A brief summary of the proposed financing model follows. More information can be found in the February 25, 2020 staff report.

Summary of Proposed Financing Model

The proposed financing model will use Essential Housing Revenue Bonds to fund the development of rental housing or acquisition of existing housing. The use of these bond funds reduces the projects financing costs and eliminates property tax burden. This enables the owner to charge lower rents and target middle income households. However, to utilize these bond funds, the owner must provide a public benefit.

Public Benefit. Public benefit is achieved through the execution of a regulatory agreement that restricts the use of the property, and by granting all surplus project revenues to the City. The regulatory agreement that restricts use of the property will

- Restricts the occupancy to low-income, median-income, and moderate-income households,
- Limits rent increases to the lesser of the applicable rent limits or 4% of tenants rent, and
- Prevents displacement of existing residents that do not meet the income eligibility requirements.

³ February 25, 2020 Staff Report and Attachments:

<https://hayward.legistar.com/LegislationDetail.aspx?ID=4340247&GUID=D32E99E0-08C8-4913-A32E-CB20520875F6&Options=&Search=>

City's Role. The City's participation in the project is required to create a public benefit. In order for Catalyst to use the proposed financing model in the City of Hayward, the City would need to:

- Become a member of CalCHA;
- Approve CalCHA's issuance of tax-exempt bonds for the acquisition of existing rental properties or development of new housing as a means towards the preservation and protection of essential middle-income rental housing within City limits;
- Enter into a Purchase Option Agreement with CalCHA; and
- Accept any surplus cash or sales proceeds generated by the property to ensure its use as a public benefit.

Terms of the Purchase Option Agreement. To formalize the City's participation in the project and ensure that these public funds will be used for public benefit, the City will need to enter into a Purchase Option Agreement for each property. The terms of the Purchase Option Agreement include:

- **Purchase Option:** Grants the City the right to purchase the property 15 years after the acquisition of a property or at any time thereafter for the remaining term of the 30-year bond. The City can transfer the option to an affordable housing provider with approval from the owner. Entering into this agreement does not obligate the City to purchase the property at any time.
- **Option Price:** The future acquisition price shall be the sum of the amount sufficient to pay all project debt, encumbrances, amounts due to other parties to the transaction, and transaction costs. The price can be reduced by assuming existing project debt or applying project revenue.
- **Surplus Cash:** Any surplus cash will be held by the trustee and then distributed to the City upon acquisition/transfer of ownership.
- **Terms of Conveyance:** City to purchase the property in as is condition with all faults.

Under the CalCHA arrangement, the City is not a direct party to the real estate transaction nor financial transaction. The bonds to be issued by the CalCHA for the project will be the sole responsibility of CalCHA, and the City will have no financial, legal, moral obligation, liability, or responsibility for the project or the repayment of the bonds. The City will have no responsibility for managing or maintaining the property unless it chooses to exercise its options and acquire the property.

Comments from City Council

The Council was generally supportive of the financing model but identified topics for further review. The items identified by Council are listed below and staff's response is provided in italics.

- **City Manager's Authority.** Add limitations to the City Manager's authority to ensure periodic review of the program by the Council.

Staff has added language to the authorizing resolution that limits the City Manager's authority to enter into Purchase Option Agreements for up to four properties totaling no more than 1,000 units for essential middle-income housing during the next five years and excludes projects that received their certificate of occupancy after 2019. Additionally, the City Manager is to evaluate the location of the property to promote equitable access to affordable housing and community amenities. In the event that the financing model is successful, staff can request additional authority based on actual performance of the model.

- **Anti-displacement.** Ensure that there is a mechanism to prevent displacement of the existing tenants if the program is used to acquire occupied rental housing.

Catalyst provided sample recorded regulatory agreements that include language that states that at the time of admission to the project, no tenant shall be denied continued occupancy of a unit in the project because their income exceeds the qualifying limit. The authorizing resolution has been revised to require that prior to entering into a Purchase Option Agreement, the City Manager shall ensure that the corresponding regulatory agreement includes such language that enables existing residents to remain in the property even if their income exceeds the qualifying income limits.

- **Exclusion of FPI Property Management.** Ensure that FPI property management will not be responsible for managing any properties acquired utilizing the proposed financing model.

The authorizing resolution has been revised to require that prior to entering into a Purchase Option Agreement, the City Manager shall ensure that the corresponding regulatory agreement prohibits hiring FPI Property Management from managing the property.

- **Ownership Opportunities for Existing Residents.** Evaluate the possibility of transferring ownership to existing residents when the City exercises its option to purchase a property financed with this model.

The authorizing resolution has been revised to state that prior to exercising the option under the Purchase Option Agreement, Council will consider options to acquire the property, assign the City's option including transfer of ownership to the tenants, or to decline the option to purchase and determine use of any surplus revenues.

FISCAL IMPACT

While the project will stabilize much needed middle-income housing and has the potential for generating revenue from operating revenue or sales proceeds, the City will lose property tax revenue received from any existing rental properties acquired using this model. While the City does not wish to reduce its property tax base, it is the Council's goal to create housing units in the Hayward community. Staff feels that the benefit of being able to offer additional low- and moderate-income housing during the regional housing shortage and beyond is of greater value to the City. While there is no near-term fiscal impact for joining CalCHA or executing a

future Purchase Option Agreement, future fiscal impact may arise out of executing a purchase agreement, which may be mitigated via the excess revenue fund. During the 15-year option period, the City would have to evaluate its capacity to acquire the property or explore the option of assigning its option to a nonprofit housing provider or transferring ownership to the tenants. The agreement does not create an obligation on the part of the City to purchase or acquire the property, in the event the City chooses not to purchase the property.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Preserve, Protect, & Produce Housing. Specifically, this item relates to the implementation of the following project(s):

Project 4, Part 4.a: Explore moderate-income financing model.

NEXT STEPS

If Council adopts the resolution (Attachment II), Catalyst will begin to identify potential sites in the City to acquire. Once sites have been identified, staff will work with Catalyst to negotiate the Purchase Option Agreements for approval by the City Attorney's office. Staff will also verify that the corresponding regulatory agreements include all required language, and the City Manager will execute the Purchase Option Agreement consistent with the requirements established in the resolution.

Prepared by: Christina Morales, Housing Division Manager

Recommended by: Jennifer Ott, Deputy City Manager

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-_____

Introduced by Council Member _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD AUTHORIZING THE CITY TO BECOME A MEMBER OF THE CALIFORNIA COMMUNITY HOUSING AGENCY (“CALCHA”); SUPPORTING CALCHA’S ISSUANCE OF TAX-EXEMPT BONDS FOR THE PRODUCTION, PRESERVATION AND PROTECTION OF ESSENTIAL MIDDLE-INCOME RENTAL HOUSING; AND AUTHORIZING THE CITY MANAGER TO ENTER INTO PURCHASE OPTION AGREEMENTS WITH CALCHA FOR ESSENTIAL MIDDLE-INCOME RENTAL HOUSING CREATED WITHIN CITY LIMITS

WHEREAS, one of the primary goals of the City of Hayward (the “City”) is to meet the growing housing needs of its residents by actively supporting the production, preservation and protection of market-rate and affordable rental housing for all; and

WHEREAS, no existing federal, state or local subsidies, programs or motivations currently exist to meaningfully address the growing shortfall of protected middle-income rental housing; and

WHEREAS, CalCHA is a Joint Powers Authority created specifically to produce, preserve and protect quality affordable rental housing made available to California’s essential middle-income workforce; and

WHEREAS, CalCHA intends to develop rental housing or acquire existing rental properties within City limits and restrict future occupancy to middle-income households earning no more than 120% of area median income; and

WHEREAS, CalCHA will avoid the displacement of existing residents, implement regulatory agreements restricting the incomes and rents of future residents, and impose caps on the annual rent increases of qualified middle-income households; and

WHEREAS, CalCHA will finance its acquisitions through the issuance of tax-exempt bonds, and in order for CalCHA to issue tax-exempt bonds in Hayward, the City must be an Additional Member of CalCHA; and

WHEREAS, the City proposes to become an Additional Member of CalCHA pursuant to Section 12 of the Joint Exercise of Powers Agreement Relating to the California Community Housing Agency; and

WHEREAS, subsequent to becoming a member of CalCHA, any existing rental housing within City limits which CalCHA intends to acquire and finance with tax-exempt bonds must receive support and approval from the City; and

WHEREAS the City proposes to support and approve CalCHA's issuance of tax-exempt bonds for the acquisition of existing rental properties as a means towards the preservation and protection of essential middle-income rental housing within City limits; and

WHEREAS, CalCHA's issuance of tax-exempt bonds will provide public benefit through the production, preservation and protection of below-market-rate rental housing, as well as the granting of all surplus project revenues to the City; and

WHEREAS, pursuant to one or more purchase option agreements (the "Purchase Option Agreements"), between CalCHA and the City, CalCHA will grant the City the option, but never the obligation, to purchase each essential middle-income rental housing property commencing on the date fifteen (15) years after CalCHA's acquisition of such property; and

WHEREAS, the City Manager will evaluate the location of the properties to promote equitable access to affordable housing and community amenities; and

WHEREAS, the Purchase Option Agreements will additionally provide the City with any surplus project revenues from each essential middle-income rental housing property at the time the City exercises its option or declines to purchase the property; and

WHEREAS, the City will maintain the option to exercise such Purchase Option Agreements for a period of fourteen (14) years following the commencement dates of the Purchase Option Agreements for each essential middle-income rental housing property; and

WHEREAS, prior to exercising the option under Purchase Option Agreements, Council will consider options to acquire the property, assign the City's option including transfer of ownership to tenants, or decline the option to purchase and determine use of any surplus revenues; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward hereby authorizes the City to become a member of CalCHA and authorizes the City Manager to execute the Joint Exercise of Powers Agreement Relating to the California Community Housing Agency, subject to approval as to form by the City Attorney.

BE IT FURTHER RESOLVED that the City Council of the City of Hayward hereby supports and approves CalCHA’s issuance of tax-exempt bonds as a means towards the production, preservation and protection of essential middle-income rental housing within City limits.

BE IT FURTHER RESOLVED that the City Council of the City of Hayward hereby authorizes the City Manager to enter into Purchase Option Agreements , consistent with this resolution and its basic purpose, with CalCHA over the next five (5) years for no more than four (4) properties totaling no more than 1,000 units for essential middle-income housing created within City limits, excluding projects that received their certificate of occupancy after 2019, subject to approval as to form by the City Attorney.

BE IT FURTHER RESOLVED that prior to entering into a Purchase Option Agreement, the City Manager will ensure that the Regulatory Agreement for each property contains language allowing over-income tenants to remain housed at the property and prohibits FPI Property Management from managing the property.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2020

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

**JOINT EXERCISE OF POWERS AGREEMENT
RELATING TO THE CALIFORNIA COMMUNITY HOUSING AGENCY**

THIS AGREEMENT, dated as of January 29, 2019, among the parties executing this Agreement (all such parties, except those which have withdrawn as provided herein, are referred to as the "Members" and those parties initially executing this Agreement are referred to as the "Charter Members"):

WITNESSETH

WHEREAS, pursuant to Title 1, Division 7, Chapter 5 of the California Government Code (in effect as of the date hereof and as the same may from time to time be amended or supplemented, the "Joint Exercise of Powers Act"), two or more public agencies may by agreement jointly exercise any power common to the contracting parties; and

WHEREAS, each of the Members is a "public agency" as that term is defined in Section 6500 of the Joint Exercise of Powers Act; and

WHEREAS, each of the Members is empowered by law to promote economic, cultural and community development, including, without limitation, the promotion of opportunities for the creation or retention of employment, the stimulation of economic activity, the increase of the tax base, and the promotion of opportunities for education, cultural improvement and public health, safety and general welfare; and

WHEREAS, each of the Members may accomplish the purposes and objectives described in the preceding preamble by various means; and

WHEREAS, each Member is also empowered by law to acquire, construct, improve, operate and dispose of real property for a public purpose; and

WHEREAS, the Joint Exercise of Powers Act authorizes the Members to create a joint exercise of powers entity with the authority to exercise any powers common to the Members, including but not limited to acquiring, constructing, improving, operating and disposing of real property for a public purpose, all as specified in this Agreement, and to exercise the additional powers granted to it in the Joint Exercise of Powers Act and any other applicable provisions of the laws of the State of California; and

WHEREAS, a public entity established pursuant to the Joint Exercise of Powers Act is empowered to issue or execute non-recourse debt, which may include bonds, notes, commercial paper or any other evidences of indebtedness, leases, installment sale or other financing agreements or certificates of participation therein (herein "Obligations"), and to otherwise undertake financing programs under the Joint Exercise of Powers Act or other applicable provisions of the laws of the State of California to accomplish its public purposes; and

WHEREAS, the Members have determined to specifically authorize a public entity authorized pursuant to the Joint Exercise of Powers Act to issue non-recourse Obligations pursuant to the Joint Exercise of Powers Act or other applicable provisions of the laws of the State of California; and

WHEREAS, it is the desire of the Members to use a public entity established pursuant to the Joint Exercise of Powers Act to undertake the financing and/or refinancing of projects that provide, preserve and support affordable local housing for low-income, moderate-income and middle-income families and individuals within the jurisdictions of the Members, including, but not limited to, capital or working capital projects, purchase or acquisition of property, receivables, commodities, bonds, other revenue streams or assets of any kind, liability or other insurance, or retirement programs, or facilitating Members use of existing or new financial instruments and mechanisms in the furtherance of this purpose; and

WHEREAS, by this Agreement, each Member desires to create and establish the "California Community Housing Agency" for the purposes set forth herein and to exercise the powers provided herein;

NOW, THEREFORE, the Members, for and in consideration of the mutual promises and agreements herein contained, do agree as follows:

Section 1. Purpose.

This Agreement is made pursuant to the provisions of the Joint Exercise of Powers Act. The purpose of this Agreement is to establish a public entity for the joint exercise of powers common to the Members and for the exercise of additional powers given to a joint powers entity under the Joint Powers Act or any other applicable law, including, but not limited to, the issuance of non-recourse Obligations for any purpose or activity permitted under the Joint Exercise of Powers Act or any other law; provided, however that such purpose shall be solely for the acquisition, construction, rehabilitation, ownership, operation, maintenance, administration and/or financing of multifamily housing for low-income, moderate-income and middle-income families and individuals (the "Purpose"). Such Purpose will be accomplished and said power exercised in the manner hereinafter set forth.

Section 2. Term.

This Agreement shall become effective in accordance with Section 17 as of the date hereof and shall continue in full force and effect until such time as it is terminated in writing by all the Members; provided, however, that this Agreement shall not terminate or be terminated until all Obligations issued or caused to be issued by the Agency (defined below) shall no longer be outstanding under the terms of the indenture, trust agreement, resolution or other instrument pursuant to which such Obligations are issued.

Section 3. Agency.

A. CREATION AND POWERS OF AGENCY.

Pursuant to the Joint Exercise of Powers Act, there is hereby created a public entity to be known as the "California Community Housing Agency" (the "Agency"), and said Agency shall be a public entity separate and apart from the Members. Its debts, liabilities and obligations do not constitute debts, liabilities or obligations of any Members, and the Obligations of the Agency shall only be non-recourse obligations.

B. BOARD.

The Agency shall be administered by the Board of Directors (the "Board," or the "Directors" and each a "Director") whose members shall be, at all times, members of the Board of Supervisors (the "Board of Supervisors") of Kings County, California, with each such Director serving in his or her individual capacity as Director of the Board. The term of office as a member of the Board shall terminate when such member shall cease to be a member of the Board of Supervisors and the successor to such member of the Board of Supervisors shall become a member of the Board.

Notwithstanding the preceding paragraph, the Board may by resolution or bylaws provide for changes in the qualifications, composition and number of Directors, the appointment of Directors, successors, their respective terms of office and any other provisions relating to the qualification and office of the Directors, including provision for alternative Directors (in which case all references in this Agreement to any Director shall be deemed to refer to and include the applicable alternate Director, if any, when so acting in place of a regularly appointed Director).

The Board shall be the administering agency of this Agreement and, as such, shall be vested with the powers set forth herein, and shall administer this Agreement in accordance with the purposes and functions provided herein.

Directors shall not receive any compensation for serving as such, but shall be entitled to reimbursement for any expenses actually incurred in connection with serving as a Director, if the Board shall determine that such expenses shall be reimbursed and there are unencumbered funds available for such purpose.

C. OFFICERS; DUTIES; OFFICIAL BONDS.

The officers of the Agency shall be the Chair, Vice-Chair, Secretary and Treasurer (defined below). The Board, in its capacity as administering agent of this Agreement, shall elect a Chair, a Vice-Chair, and a Secretary of the Agency from among Directors to serve until such officer is re-elected or a successor to such office is elected by the Board. The Board shall appoint one or more of its officers or employees to serve as treasurer, auditor, and controller of the Agency (the "Treasurer") pursuant to Section 6505.6 of the Joint Exercise of Powers Act to serve until such officer is re-elected or a successor to such office is elected by the Board.

Subject to the applicable provisions of any resolution, indenture, trust agreement or other instrument or proceeding authorizing or securing Obligations (each such resolution, indenture, trust agreement, instrument and proceeding being herein referred to as an "Indenture") providing for a trustee or other fiscal agent, and except as may otherwise be specified by resolution of the Board, the Treasurer is designated as the depository of the Agency to have custody of all money of the Agency, from whatever source derived and shall have the powers, duties and responsibilities specified in Sections 6505, 6505.5 and 6509.5 of the Joint Exercise of Powers Act.

The Treasurer of the Agency is designated as the public officer or person who has charge of, handles, or has access to any property of the Agency, and such officer shall file an official bond with the Secretary of the Agency in the amount specified by resolution of the Board but in no event less than \$1,000.

The Board shall have the power to appoint such other officers and employees as it may deem necessary and to retain independent counsel, consultants and accountants.

The Board shall have the power, by resolution, to the extent permitted by the Joint Exercise of Power Act or any other applicable law, to delegate any of its functions to one or more of the Directors or officers, employees or agents of the Agency and to cause any of said Directors, officers, employees or agents to take any actions and execute any documents or instruments for and in the name and on behalf of the Board or the Agency.

D. MEETINGS OF THE BOARD.

(1) Ralph M. Brown Act.

All meetings of the Board, including, without limitation, regular, adjourned regular, special, and adjourned special meetings shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act (commencing with Section 54950 of the Government Code of the State of California), or any successor legislation hereinafter enacted (the "Brown Act").

(2) Regular Meetings.

The Board shall provide for its regular meetings; provided, however, it shall hold at least one regular meeting each year. The date, hour and place of the holding of the regular meetings shall be fixed by resolution of the Board. To the extent permitted by the Brown Act, such meetings may be held by telephone conference.

(3) Special Meetings.

Special meetings of the Board may be called in accordance with the provisions of Section 54956 of the Government Code of the State of

California. To the extent permitted by the Brown Act, such meetings may be held by telephone conference.

(4) Minutes.

The Secretary of the Agency shall cause to be kept minutes of the regular, adjourned regular, special, and adjourned special meetings of the Board and shall, as soon as possible after each meeting, cause a copy of the minutes to be forwarded to each Director.

(5) Quorum.

A majority of the Board shall constitute a quorum for the transaction of business. No action may be taken by the Board except upon the affirmative vote of a majority of the Directors present at the meeting, except that less than a quorum may adjourn a meeting to another time and place.

E. RULES AND REGULATIONS.

The Agency may adopt, from time to time, by resolution of the Board such bylaws, policies or rules and regulations for the conduct of its meetings and affairs as may be required.

Section 4. Powers.

The Agency shall have the power, in its own name, to exercise the common powers of the Members and to exercise all additional powers given to a joint powers entity under any of the laws of the State of California, including, but not limited to, the Joint Exercise of Powers Act, for the Purpose authorized under this Agreement. Such powers shall include the common powers specified in this Agreement and may be exercised in the manner and according to the method provided in this Agreement. The Agency is hereby authorized to do all acts necessary for the exercise of such power, including, but not limited to, any of all of the following: to make and enter into contracts; to employ agents and employees; to acquire, construct, improve, own, maintain and operate, or provide for maintenance and operation, and sell, lease, pledge, assign, mortgage or otherwise dispose, of any property, improvements, commodities, leases, contracts, receivables, bonds or other revenue streams or assets of any kind relating to the Purpose; to exercise the power of condemnation; to incur debts, liabilities or obligations; to receive gifts, contributions and donations of property, funds, services, and other forms of assistance from person, firms, corporations and any governmental entity; to sue and be sued in its own name; to establish and collect fees; to form public benefit nonprofit corporations or other affiliate entities to accomplish any of its Purposes; to make grants, loans or provide other financial assistance to governmental, nonprofit and for profit organizations to accomplish any of its Purposes; and generally to do any and all things necessary or convenient to accomplish its Purposes. The boundaries of the Agency shall encompass the boundaries of all the Members and the powers of the Agency may be exercised anywhere within those boundaries or to the extent permitted by the laws of the State of California, including, but not limited to the Joint Exercise of Powers Act,

outside of those boundaries, which may be outside of the State of California, provided that the power of condemnation may only be exercised within the jurisdictional boundaries of the Charter Members.

Without limiting the generality of the foregoing, the Agency may issue or cause to be issued Obligations, and pledge any property, contracts or revenues as security to the extent permitted under the Joint Exercise of Powers Act, or any other applicable provision of law.

The manner in which the Agency shall exercise its powers and perform its duties is and shall be subject to the restrictions upon the manner in which a California county could exercise such powers and perform such duties. The manner in which the Agency shall exercise its powers and perform its duties shall not be subject to any restrictions applicable to the manner in which any other public agency could exercise such powers or perform such duties, whether such agency is a party to this Agreement or not.

Section 5. Fiscal Year.

For the purposes of this Agreement, the term “Fiscal Year” shall mean the fiscal year as established from time to time by resolution of the Board, being, at the date of this Agreement, the period from July 1 to and including the following June 30, except for the first Fiscal Year which shall be the period from the date of this Agreement to June 30, 2019.

Section 6. Disposition of Assets.

At the end of the term hereof or upon the earlier termination of this Agreement as set forth in Section 2, after payment of all expenses and liabilities of the Agency, all property of the Agency both real and personal shall automatically vest in the Members in the manner and amount determined by the Board in its sole discretion and shall thereafter remain the sole property of the Members; provided, however, that any surplus money on hand shall be returned in proportion to the contributions made by the Members.

Section 7. Obligations.

From time to time the Agency shall issue Obligations, in one or more series, for the purpose of exercising its powers and raising the funds necessary to carry out its Purposes under this Agreement, including but not limited to acquiring, constructing, improving, operating and disposing of real property for a public purposes.

The services of bond counsel, financing consultants and other consultants and advisors working on the projects and/or their financing or refinancing or on post-issuance compliance or administration may be used by the Agency. The expenses of the Board shall be paid from the proceeds of the Obligations, payments made by Obligation obligors or other third parties, or any other unencumbered funds of the Agency available for such purpose.

Section 8. Obligations Only Limited and Special Obligations of Agency.

The Obligations, together with the interest and premium, if any, thereon, shall not be deemed to constitute a debt of any Member or pledge of the faith and credit of the Members or the Agency. The Obligations shall be only special non-recourse obligations of the Agency, and the Agency shall under no circumstances be obligated to pay the Obligations except from revenues and other funds pledged therefor. Neither the Members nor the Agency shall be obligated to pay the principal of, premium, if any, or interest on the Obligations, or other costs incidental thereto, except the Agency from the revenues and funds pledged and available therefor, and neither the faith and credit nor the taxing power of the Members nor the faith and credit of the Agency shall be pledged to the payment of the principal of, premium, if any, or interest on the Obligations nor shall the Members or the Agency in any manner be obligated to make any appropriation for such payment.

No covenant or agreement contained in any Obligation or related document shall be deemed to be a covenant or agreement of any Director, or any officer, employee or agent of the Agency in his or her individual capacity, and neither the Board of the Agency nor any Director or officer thereof executing the Obligations shall be liable personally on any Obligation or be subject to any personal liability or accountability by reason of the issuance of any Obligations.

Section 9. Accounts and Reports.

All funds of the Agency shall be strictly accounted for. The Agency shall establish and maintain such funds and accounts as may be required by good accounting practice and by any provision of any Indenture (to the extent such duties are not assigned to a trustee of Obligations). The books and records of the Agency shall be open to inspection at all reasonable times by each Member.

The Treasurer of the Agency shall cause an independent audit to be made of the books of accounts and financial records of the Agency by a certified public accountant or public accountant in compliance with the provisions of Section 6505 of the Joint Exercise of Powers Act. In each case the minimum requirements of the audit shall be those prescribed by the State Controller for special districts under Section 26909 of the Government Code of the State of California and shall conform to generally accepted auditing standards. When such an audit of accounts and records is made by a certified public accountant or public accountant, a report thereof shall be filed as a public record with each Member and also with the county auditor of each county in which a Member is located; provided, however, that to the extent permitted by law, the Agency may, instead of filing such report with each Member and such county auditor, elect to post such report as a public record electronically on a website designated by the Agency. Such report if made shall be filed within 12 months of the end of the Fiscal Year or Years under examination.

The Treasurer is hereby directed to report in writing on the first day of July, October, January, and April of each year to the Board and the Charter Members which report shall describe the amount of money held by the Treasurer for the Agency, the amount of receipts since the last such report, and the amount paid out since the last such report (which may exclude

amounts held by a trustee or other fiduciary in connection with any Obligations to the extent that such trustee or other fiduciary provided regular reports covering such amounts.)

Any costs of the audit, including contracts with, or employment of, certified public accountants or public accountants in making an audit pursuant to this Section, shall be borne by the Agency and shall be a charge against any unencumbered funds of the Agency available for that purpose.

In any Fiscal Year the Board may, by resolution adopted by unanimous vote, replace the annual special audit with an audit covering a two-year period.

Section 10. Funds.

Subject to the applicable provisions of any Indenture, which may provide for a trustee or other fiduciary to receive, have custody of and disburse Agency funds, the Treasurer of the Agency shall receive, have the custody of and disburse Agency funds pursuant to the accounting procedures developed under Sections 3.C and 9, and shall make the disbursements required by this Agreement or otherwise necessary to carry out any of the provisions of purposes of this Agreement.

Section 11. Notices.

Notices and other communications hereunder to the Members shall be sufficient if delivered to the clerk of the governing body of each Member; provided that, to the extent permitted by law, the Agency may provide notices and other communications and postings electronically (including, without limitation, through email or by posting to a website).

Section 12. Additional Members/Withdrawal of Members.

Qualifying public agencies may be added as parties to this Agreement and become Charter Members upon: (1) the filing by such public agency with the Agency of an executed counterpart of this Agreement, together with a copy of the resolution of the governing body of such public agency approving this Agreement and the execution and delivery hereof; and (2) adoption of a resolution of the Board approving the addition of such public agency as a Charter Member. Upon satisfaction of such conditions, the Board shall file such executed counterpart of this Agreement as an amendment hereto, effective upon such filing.

Qualifying public agencies may also be added as Non-Charter Members (“Additional Members”) of the Agency upon: (1) the filing by such public agency with the Agency of a resolution of the governing body of such public agency requesting to be added as an Additional Member of the Agency, and (2) adoption of a resolution of the Board approving the addition of such public agency as an Additional Member. An Additional Member may limit in the aforementioned resolution the scope of its Additional Membership to what is necessary or appropriate to facilitate the financing or refinancing of one or more specified projects or programs.

A Member may withdraw from this Agreement upon written notice to the Board; provided, however, that at least one Member shall be a Charter Member and no such withdrawal shall result in the dissolution of the Agency so long as any Obligations remain outstanding. Any such withdrawal shall be effective only upon receipt of the notice of withdrawal by the Board, which shall acknowledge receipt of such notice of withdrawal in writing and shall file such notice as an amendment to this Agreement effective upon such filing.

Section 13. Indemnification.

To the full extent permitted by law, the Board may authorize indemnification by the Agency of any person who is or was a Director or an officer, employee or other agent of the Agency, and who was or is a party or is threatened to be made a party to a proceeding by reason of the fact that such person is or was such a Director or an officer, employee or other agent of the Agency, against expenses, including attorneys fees, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, if such person acted in good faith in a manner such person reasonably believed to be in the best interests of the Agency and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful and, in the case of an action by or in the right of the Agency, acted with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. The Board may purchase a policy or policies of insurance in furtherance of any indemnification obligation created or otherwise in protection of Directors, officers, employees or other agents.

Section 14. Contributions and Advances.

Contributions or advances of public funds and of the use of personnel, equipment or property may be made to the Agency by the Members for any of the Purposes of this Agreement. Payment of public funds may be made to defray the cost of any such contribution or advance. Any such advance may be made subject to repayment, and in such case shall be repaid, in the manner agreed upon by the Agency and the Member making such advance at the time of such advance. It is mutually understood and agreed to that no Member has any obligation to make advances or contributions to the Agency to provide for the costs and expenses of administration of the Agency, even though any Member may do so. The Members understand and agree that a portion of the funds of the Agency that otherwise may be allocated or distributed to the Members may instead be used to make grants, loans or provide other financial assistance to governmental units and to nonprofit organizations to accomplish any of the governmental unit's or nonprofit organization's purposes.

Section 15. Immunities.

All of the privileges and immunities from liabilities, exemptions from laws, ordinances and rules, and other benefits which apply to the activity of officers, agents or employees of Members when performing their respective functions within the territorial limits of their respective public agencies, shall apply to the same degree and extent to the Directors, officers, employees, agents or other representatives of the Agency while engaged in the performance of any of their functions or duties under the provisions of this Agreement.

Section 16. Amendments.

Except as provided in Sections 3B and 12 above, or to cure any error, omission or ambiguity in this Agreement, this Agreement shall not be amended, modified, or altered except with (i) written consent of all holders of any outstanding bonds of the Agency, (ii) written consent of each of Charter Member, and (iii) negative consent of each Additional Member. To obtain the negative consent of each such Additional Member, the following negative consent procedure shall be followed: (a) the Agency shall provide each such Additional Member with a notice at least sixty (60) days prior to the date such proposed amendment is to become effective explaining the nature of such proposed amendment and this negative consent procedure; (b) the Agency shall provide each such Additional Member who did not respond a reminder notice with a notice at least thirty (30) days prior to the date such proposed amendment is to become effective; and (c) if no such Additional Member objects to the proposed amendment in writing within sixty (60) days after the initial notice, the proposed amendment shall become effective with respect to all Members.

Section 17. Effectiveness.

This Agreement shall become effective and be in full force and effect and a legal, valid and binding obligation of each of the Members on the date that the Board shall have received from two of the Charter Members an executed counterpart of this Agreement, together with a certified copy of a resolution of the governing body of each such Charter Member approving this Agreement and the execution and delivery hereof.

Section 18. Partial Invalidity.

If any one or more of the terms, provisions, promises, covenants or conditions of this Agreement shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Agreement shall not be affected thereby, and shall be valid and enforceable to the fullest extent permitted by law.

Section 19. Successors.

This Agreement shall be binding upon and shall inure to the benefit of the successors of the parties hereto. Except to the extent expressly provided herein, no Member may assign any right or obligation hereunder without the consent of the other Members.

Section 20. Miscellaneous.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The section headings herein are for convenience only and are not to be construed as modifying or governing the language in the section referred to.

Wherever in this Agreement any consent or approval is required, the same shall not be unreasonably withheld.

This Agreement shall be governed under the laws of the State of California.

This Agreement is the complete and exclusive statement of the agreement among the Members, which supercedes and merges all prior proposals, understandings, and other agreements, whether oral, written, or implied in conduct, between and among the Members relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and attested by their duly authorized representatives as of the day and year first above written.

Charter Member:

KINGS COUNTY

By Joe Neves
Name: Joe Neves
Title: Chairman JAN 29 2019

ATTEST:

By Melanie Curtis
Name: Melanie Curtis
Title: Deputy Clerk to the Board of Supervisors

Charter Member:

HOUSING AUTHORITY OF THE
COUNTY OF KINGS

By Joe Neves
Name: Joe Neves
Title: Chairman

ATTEST:

By Jennifer Malin
Name: Jennifer Malin
Title: Deputy Clerk to the Board of Supervisors



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 20-247

DATE: May 26, 2020

TO: Mayor and City Council

FROM: Library Director

SUBJECT

Adopt a Resolution Authorizing the City Manager to Accept and Appropriate \$11,500 from the Chabot-Las Positas Community College District for Hayward Library Education Services Homework Support Center

RECOMMENDATION

That Council approves a resolution (Attachment II) authorizing the City Manager to accept and appropriate \$11,500 from the Chabot-Las Positas Community College District for the City's Library Education Services Homework Support Centers.

SUMMARY

The City provides education support to Hayward youth and to adult learners through its Library Department. Over the past several years, the City has received funds to supplement the City's General Fund costs for these programs. Chabot-Las Positas Community College District provides \$11,500 to support the Homework Support Centers managed by Education Services. With Council approval, staff will appropriate the funding into the Library Department's Education Services budget and provide services per the terms and conditions of the contractual agreement with the College (Attachments III).

ATTACHMENTS

Attachment I: Staff Report
Attachment II: Resolution
Attachment III: Chabot Contract



DATE: May 26, 2020

TO: Mayor and City Council

FROM: Library Director

SUBJECT: Adopt a Resolution Authorizing the City Manager to Accept and Appropriate \$11,500 from the Chabot-Las Positas Community College District for Hayward Library Education Services Homework Support Center

RECOMMENDATION

That Council approves a resolution (Attachment II) authorizing the City Manager to accept and appropriate \$11,500 from the Chabot-Las Positas Community College District for the City’s Library Education Services Homework Support Centers.

SUMMARY

The City provides education support to Hayward youth and to adult learners through its Library Department. Over the past several years, the City has received funds to supplement the City’s General Fund costs for these programs. Chabot-Las Positas Community College District provides \$11,500 to support the Homework Support Centers managed by Education Services. With Council approval, staff will appropriate the funding into the Library Department’s Education Services budget and provide services per the terms and conditions of the contractual agreement with the College (Attachments III).

BACKGROUND AND DISCUSSION

The Library provides Homework Support Centers at both libraries and at participating Hayward schools through a partnership with the Hayward Unified School District (HUSD). Each Center features laptop computers, homework and project supplies, on-site trained tutors, and access to the Library’s free real-time tutoring program, Tutor.com. Staff is requesting Council’s authorization to accept \$11,500 from Chabot-Las Positas Community College District to support these Centers.

STRATEGIC ROADMAP

This agenda item is a routine operational item and supports the Quality of Life priority outlined in the Council’s Strategic Roadmap.

FISCAL IMPACT

There is no fiscal impact to the General Fund.

PUBLIC CONTACT

The agenda for this item was posted in compliance with the California Brown Act.

NEXT STEPS

Upon approval of the attached resolution, staff will appropriate the funding into the Library Department's Education Services budget and provide services per the terms and conditions of the contractual agreement with Chabot College.

Prepared by: Brad Olson, Management Analyst II

Recommended by: Jayanti Addleman, Library Director

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-___

Introduced by Council Member _____

RESOLUTION AUTHORIZING THE CITY MANAGER TO ACCEPT AND APPROPRIATE \$11,500 FROM THE CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT IN FY 2020 FOR EDUCATION SERVICES HOMEWORK SUPPORT CENTER

WHEREAS, The City recognizes the value of education and thus provides education support to Hayward youth and to adult learners through its Library Department; and

WHEREAS, The Library provides Homework Support Centers at both libraries, at participating Hayward schools through a partnership with Hayward Unified School District (HUSD) and Chabot Community College, and through online resources; and

WHEREAS, the Chabot-Las Positas Community College District (District) have provided funding in past years to provide stipends to college tutors;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hayward authorizes the City Manager to accept and appropriate \$11,500 from the District in FY 2020 for education services programs.

IN COUNCIL, HAYWARD, CALIFORNIA May 26, 2020.

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

CHABOT-LAS POSITAS COMMUNITY COLLEGE DISTRICT

March 15, 2016

Agenda Item: 4.5

Subject: Approval of Memorandum of Understanding (MOU) Renewal - Affiliate Scholar Program with California State University East Bay (CSUEB), Chabot College

Background: California’s economy depends upon having a good supply of mathematics and science graduates for the State’s science and technology jobs. In order to increase future student interest and engagement in science, technology, engineering and math (STEM) fields, it is critical that we as an educational institution help to prepare and foster future teachers in science and math to foster the pipeline. Therefore, Chabot College would like to collaborate with CSUEB to identify and provide students who are interested in teaching, specifically math and science, an opportunity to participate in a pre-teaching cohort that provides pre-professional development and financial support for field experience opportunities in local K-12 classrooms.

The Board of Trustees has previously approved Memorandums of Understanding for the Affiliate Scholar Program with CSUEB on April 21, 2015 under item 4.3, February 17, 2015 under item 4.2, September 17, 2013 under item 4.4, and November 15, 2011 under item 4.4.

The proposed Memorandum of Understanding (MOU) Renewal is to extend the period an additional year from April 22, 2015 through August 30, 2019 to July 1, 2015 through August 30, 2020, and increase the annual amount hereafter from \$8,000 to \$12,000, effective July 1, 2015.

Recommended Action: That the Board of Trustees approves the proposed Memorandum of Understanding (MOU) Renewal for the Affiliate Scholar Program with California State University East Bay (CSUEB), Chabot College in the amount of \$12,000 per year for the 2015-2020 academic years. It is further recommended that the Board authorize the Vice Chancellor, Business Services, to execute the MOU on behalf of the District.

Approved: Jannett N. Jackson/Date

_____ APPROVED

_____ DISAPPROVED

_____ TABLED

**Letter of Partnership
Between
Chabot College
and
California State University East Bay
Math and Science Teacher Initiative**

Introduction:

California's economy depends upon having a good supply of mathematics and science graduates for the State's science and technology jobs. This supply requires high quality mathematics and science instruction in the elementary and secondary schools, which in turn, requires well prepared teachers in these critical subjects. Currently, the State of California is facing a critical shortage of qualified mathematics and science teachers. California State University East Bay (CSUEB) is helping to meet this need by training a significant number of the students in the state who earn a mathematics/science teaching credential. In order to increase even further the number of students pursuing a math or science credential the campus has an extensive outreach effort aimed at lower division and upper division science, mathematics and engineering majors

Approximately 70% of CSUEB's students transfer from local community colleges. The campus is committed to extending its outreach efforts to these students while they pursue their lower division education. In particular, an effective introduction to teaching is often through guided tutoring or other teaching experiences and other teaching career exploration activities. Since many of these students come from low income families, they need financial support for their participation in these experiences and activities. Consequently, the Math and Science Teacher Initiative (MSTI) of the California State University system, has created the Affiliate Scholars partnership program for community colleges, through which Teacher Recruitment Project funds may be used to provide payments to selected community college students (called Affiliate Scholars), for tutoring and other teaching career exploration activities. This Letter of Partnership sets forth the conditions of the Partnership, including the responsibilities for CSUEB and the Affiliate College.

Term of the Partnership:

This Letter of Partnership between Chabot College and CSU East Bay will establish an Affiliate Program for the period from **July 1, 2015 to August 30, 2020**. This agreement may be extended and/or modified by mutual agreement by the signing of a new Letter of Partnership. This agreement may also be terminated by either of the partners upon notice of 30 days.

Mutual Responsibilities:

CSUEB and Chabot College agree that they will together:

- 1) Developing requirements for tutor training and/or educational course enrollments at Chabot College or co-enrollments at CSUEB or other institution
- 2) Developing criteria for selecting Affiliate Scholars
- 3) Developing a process for recruiting and selecting Affiliate Scholars
- 4) Developing placements for Affiliate Scholars with exemplary teachers in local school districts
- 5) Developing payment processes for Affiliate Scholars
- 6) Developing "math/science teaching as a career" presentations (in person and mediated) and other teaching career exploration activities
- 7) Developing articulated financial aid advisor/advising process for Affiliate Scholars
- 8) Conducting fundraising/grant writing, as appropriate, to provide additional funds for the Affiliate Scholars Program

California State University, East Bay Commits To:

- 1) Providing a Liaison to assist in development of the Affiliate Program and in advising of Affiliate Scholars;
- 2) Providing clear directions and support for transfer for all Affiliate Scholars
- 3) Providing up to a total of \$12,000 per year; to be paid as follows:
 - ✚ \$11,500 (per year) for Affiliate Scholars for teacher assisting, tutoring and attending of mandatory meetings;
 - ✚ \$500 (per year) to Chabot College staff to administer the program.
- 5) Publicizing the Affiliate Program at Chabot College on websites and through other venues;
- 6) Developing a series of teaching career development and social programs at CSUEB to be attended by all Affiliate Scholars.

Chabot College Commits To:

- 1) Providing an administrator/faculty/staff person as Director of the Affiliate Scholars program;
- 2) Providing opportunities for students to demonstrate interest and success in teaching through on-campus tutoring beginning in their first year of studies as a preliminary screening for potential Affiliate Scholars;
- 3) Exploring the establishment or continuance of appropriate education coursework at the College for potential pre-education students;
- 4) Providing access to student records (as per current law) to aid in identifying potential Affiliate Scholars;
- 5) Publicizing the Affiliate Program on College websites and through other venues.

Reciprocal General Indemnity

Each entity agrees to indemnify, defend and save harmless the other, its officers, agents and employees from any and all claims and losses accruing or resulting to any other person, firm or corporation furnishing or supplying work, service, materials or supplies in connection with the performance of this Contract, and from any and all claims and losses accruing or resulting to any person, firm or corporation which may be injured or damaged in the performance of this Contract.

CSUEB Contact Information:

California State University East Bay
Procurement Office, SA 2750 | 25800 Carlos Bee Boulevard | Hayward, CA 94541-3021
Attn: Deborah Haynes | 510-885-3842 | deborah.haynes@csueastbay.edu

California State University East Bay
School of Science, 25800 Carlos Bee Boulevard | Hayward, CA 94541-3021
Attn: Claudia Quezada | 510-885-3996 | claudia.quezada@csueastbay.edu

Chabot College Contact Information:

Chabot-Las Positas Community College District, 7600 Dublin Blvd., 3rd Floor,
Dublin, CA 94568 | Attn: Lorenzo Legaspi, Vice Chancellor of Business Services
(925) 485-5203 | LLegaspi@clpccd.org

Chabot College – 25555 Hesperian Blvd, Hayward, CA 94545
Attn: Donna Gibson, Chemistry Instructor Science & Math | 510-723-6895 |
dgibson@chabotcollege.edu

IN WITNESS WHEREOF, this Agreement has been executed by and on behalf of the parties

Lorenzo Legaspi, Vice Chancellor of Business Services
Chabot-Las Positas Community College District

Date

Deborah Haynes, Buyer III
CSUEB - Procurement Office, SA 2750

Date



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: CONS 20-270

DATE: May 26, 2020

TO: Mayor and City Council

FROM: Assistant City Manager/Interim Director of Human Resources

SUBJECT

Adopt a Resolution Approving a Side Letter of Agreement between the City of Hayward and the Hayward Police Management Unit for Implementation of an Eighty Hour Furlough in Fiscal Year 2021 and Authorizing the City Manager to Execute the Agreement

RECOMMENDATION

That Council adopts a Resolution (Attachment II) approving a Side Letter of Agreement between the City of Hayward and the Hayward Police Management Unit (HPMU) for implementation of an eighty hour furlough in fiscal year 2021 and authorizing the City Manager to execute the agreement.

SUMMARY

The City of Hayward is suffering a sudden drop in revenues as a result of State and County Shelter in Place Orders due to the COVID-19 pandemic. As a result, the City has taken a number of cost-saving measures to limit the impact this crisis has on its employees and residents, such as reducing expenditures, laying off temporary staff, and seeking concessions from its bargaining groups. The City has met and conferred in good faith with HPMU, and members of HPMU have agreed to meet an eighty (80) hour unpaid furlough obligation in fiscal year 2021.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Resolution
Attachment III	HPMU Side Letter



DATE: May 26, 2020

TO: Mayor and City Council

FROM: Assistant City Manager/Interim Director of Human Resources

SUBJECT: Adopt a Resolution Approving a Side Letter of Agreement between the City of Hayward and the Hayward Police Management Unit for Implementation of an Eighty Hour Furlough in Fiscal Year 2021 and Authorizing the City Manager to Execute the Agreement

RECOMMENDATION

That Council adopts a Resolution (Attachment II) approving a Side Letter of Agreement between the City of Hayward and the Hayward Police Management Unit (HPMU) for implementation of an eighty hour furlough in fiscal year 2021 and authorizing the City Manager to execute the agreement.

SUMMARY

The City of Hayward is suffering a sudden drop in revenues as a result of State and County Shelter in Place Orders due to the COVID-19 pandemic. As a result, the City has taken a number of cost-saving measures to limit the impact this crisis has on its employees and residents, such as reducing expenditures, laying off temporary staff, and seeking concessions from its bargaining groups. The City has met and conferred in good faith with HPMU, and members of HPMU have agreed to meet an eighty (80) hour unpaid furlough obligation in fiscal year 2021.

BACKGROUND

In response to the COVID-19 pandemic and the rapid spread of the disease, on March 16, 2020, the Health Officer of the County of Alameda, along with the Health Officers of Contra Costa, Marin, Santa Clara, San Mateo, and Santa Cruz counties, issued an Order for the public to shelter-in-place of residence, limiting the public's ability to leave their homes except to perform essential work and obtain essential services. The County has extended this order, which is currently in effect through May 31, 2020. On March 19, 2020, Governor Newsom also issued a state-wide Order to shelter-in-place of residence, followed by state guidance on a phased reopening of businesses if certain quantifiable indicators are met to demonstrate progress in the battle to quell the spread of the virus.

As a result of these Shelter in Place Orders and the closure of all but non-essential businesses and services, City revenues have been severely impacted. Based on updated revenue projections, by the close of Fiscal Year 2020, the revenue decline resulting from COVID-19 is projected to require the use of approximately \$17 million of the City's \$36 million General Fund operating reserve (or savings account).

As a result, the City has implemented a number of cost saving measures. First, a vast majority of temporary staff were released from their positions. Second, City-wide non-emergency expenses have been limited to \$250,000 per month (previously averaged around \$750,000 per month) for the entire organization, with the Director of Finance and the City Manager closely reviewing all City expenditures. Third, the City Manager and Executive team have agreed to forego the value of their cost-of-living (COLA) increases scheduled for July 1, 2020, either by forgoing the COLA itself or agreeing to an 80-hour furlough obligation in Fiscal Year 2021. Bargaining groups were asked to forego the value of their cost-of-living (COLA) increases scheduled for July 1, 2020, either by forgoing the COLA itself or agreeing to an 80-hour furlough obligation in Fiscal Year 2021. The City Manager, Finance Director, interim HR Director, and the City negotiating team have been negotiating with all bargaining groups to try to effectuate cost savings that can be implemented as part of the FY2021 budget. Cost savings contributed by bargaining groups are critical to the City's fiscal health as labor costs make up approximately 85% of the General Fund budget and these labor cost savings help avoid layoffs and reductions in services to the community. Currently, the City has not laid off any permanent City employees and has paid full salary and benefits to all employees during the shelter-in-place order time period.

The International Association of Fire Fighters Local 1909 and the Hayward Fire Officers Association were among the first of the employee groups to forego a previously agreed upon salary survey adjustment (capped at 2%) scheduled to take effect July 1, 2020. Similarly, the City Manager volunteered to forego the July 1, 2020 scheduled 2% COLA currently provided for in her employment agreement, and the Mayor and City Council volunteered to reduce their salary by 2% and reduce their travel and miscellaneous budget by 50% for FY 2021. The City Council approved these actions on May 19, 2020.

DISCUSSION

To contribute to the cost savings, HPMU has agreed to participate in an eighty (80) hour unpaid furlough program in fiscal year 2021. The HPMU unit represents the Police Captain classification within the Police Department. Currently, there are three Captain positions. To mitigate the financial impact of the furlough on employees, members may elect to have the payback of the furlough obligation spread evenly throughout the fiscal year, resulting in less than four (4) hours of paid time deducted from each employee's paycheck.

Because members must meet the unpaid furlough obligation within FY 2021, maximum vacation accrual caps shall be lifted for the duration of calendar year 2021.

FISCAL IMPACT

The proposed eighty (80) hour unpaid furlough would result in an estimated savings of approximately \$37,056 in Fiscal Year 2021.

STRATEGIC ROADMAP

This agenda item is a routine operational item and does not relate to the Council’s Strategic Roadmap.

NEXT STEPS

Staff will finalize the side letter agreement and obtain necessary review by the City Attorney and approval by the City Manager to execute and implement these changes.

Prepared by: Kakshi Master, Human Resources Analyst II

Recommended by: Maria A. Hurtado, Assistant City Manager/Interim Director of Human Resources

Approved by:



Kelly McAdoo, City Manager

HAYWARD CITY COUNCIL

RESOLUTION NO. 20-_____

Introduced by Council Member _____

RESOLUTION APPROVING A SIDE LETTER OF AGREEMENT WITH THE HAYWARD POLICE MANAGEMENT UNIT FOR IMPLEMENTATION OF AN EIGHTY HOUR FURLOUGH IN FISCAL YEAR 2021

WHEREAS, the City of Hayward has been under a Shelter-in-Place Order since March 17, 2020; and

WHEREAS, by the close of Fiscal Year 2020, the revenue decline resulting from COVID-19 is projected to require the use of approximately \$17 million of the City's \$36 million General Fund operating reserve; and

WHEREAS, the City has met and conferred in good faith with members of the Hayward Police Management Unit; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that members of the Police Management Unit shall participate in a mandatory eighty (80) hour furlough in Fiscal Year 2021.

IN COUNCIL, HAYWARD, CALIFORNIA May 26, 2020.

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
and
THE HAYWARD POLICE MANAGEMENT UNIT
SIDE LETTER OF AGREEMENT**

In recognition of the City's anticipated revenue shortfall for FY 2021 resulting from the COVID-19 pandemic, the City proposes the institution of a furlough program in FY 2021 for all HPMU members in order to aid the City's ability to maintain routine and necessary services while attempting to minimize negative fiscal impacts for employees.

Furlough Obligation

Between July 1, 2020 and June 30, 2021, all full-time employees must meet a furlough obligation of eighty (80) furlough hours. Part-time employees who regularly work twenty (20) or more hours per week will be required to take a pro-rated number of furlough hours based on their regular scheduled hours.

Furlough Days

An employee will be allowed to meet their furlough obligation through days off of their choosing, provided the requests for days off are approved in advance by the employee's supervisor. Supervisors will be encouraged to approve the use of such requests unless operational necessity precludes approval.

Furlough hours shall not be taken in increments of less than 8 hours or one-shift.

An employee must submit their request for the use of floating furlough days no later than May, 1, 2021. Absent such a timely request, the employee's supervisor can unilaterally schedule the furlough hours to be taken by the employee.

In the event of a dispute regarding the approval of furlough hours, their supervisor shall forward the reason for denial to the City Manager for review, whose decision shall be final

Furlough Payback

In order to mitigate the financial impact of the Furlough Program on employees, employees may elect to spread the payback of the furlough obligation over 26 pay periods in FY 2021. Employees must make this election on or before June 1, 2020.

Employees who elect to have the furlough obligation spread over FY 2021 shall have 3.077 hours of paid time deducted from each full-time employees' paycheck beginning the pay period including July 1, 2020 and ending with the pay period including June 30, 2021.

Any employee who leaves City employment prior to completely reimbursing the City for the furlough hours taken will have any remaining prorated balance of owed furlough payback hours deducted from their final paycheck.

Exceptions to Furlough Obligation

Any new employees or employees returning from an unpaid status will have a furlough obligation based on the number of pay periods remaining in FY 2021.

Any employee paid under Workers' Compensation will not be expected to participate in the Furlough Program until they have returned to work. At that time, a determination will be made to calculate the employee's furlough obligation based on the number of pay periods remaining in the furlough payback period.

Furlough Impacts

Vacation accrual caps will not be enforced through calendar year 2021. Employees must reduce their vacation leave balances to the vacation leave cap prior to the end of the final pay period in calendar year 2021. Employees who are above their vacation accrual cap in the pay period including December 31, 2021 shall forfeit any hours in excess of the cap. If an employee separates from City service, any vacation leave hours in excess of their cap shall be forfeited.

Grievance Procedure

This agreement shall not be subject to the dispute resolution procedure contained in the Memorandum of Understanding between the City and HPMU.

The parties acknowledge that the furlough is a concession voluntarily made by the employees represented by the Union. This agreement shall expire at the end of the pay period including December 31, 2021.

For the City:

For HPMU:



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: WS 20-022

DATE: May 26, 2020

TO: Mayor and City Council

FROM: City Manager

SUBJECT

Racial Equity Action Plan: Report on the City of Hayward's Diversity, Equity, and Inclusion Work and Racial Equity Action Plan

RECOMMENDATION

That Council receives this report on the City's diversity, equity, and inclusion work and reviews and comments on the City's organizational Racial Equity Action Plan.

SUMMARY

At the recommendation of a Community Task Force member, the City joined the Government Alliance on Race and Equity (GARE), a network of local governments working to achieve racial justice and advance opportunities for their community members. Concurrently, the City began working with a diversity, equity, and inclusion consultant team to work with both the GARE team and the City's Executive Team. As a result of this work, staff has created a Racial Equity Action Plan for the City of Hayward (Attachment II).

The Racial Equity Action Plan is an aspirational roadmap for effecting organizational change and improving services to the community in the City of Hayward. The plan focuses on building capacity to advance racial equity in three key areas - Organizational Change; Hiring, Retention, and Promotion; and Service Provision. This first plan is intended to establish a foundation for sustained and meaningful racial equity work in the City through training, creating organizational infrastructure, making changes to policies and practices, and increasing access to City services.

ATTACHMENTS

Attachment I Staff Report
Attachment II Racial Equity Action Plan



DATE: May 26, 2020

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Racial Equity Action Plan: Receive Report on the City of Hayward’s Diversity, Equity, and Inclusion Work and Racial Equity Action Plan

RECOMMENDATION

That Council receives this report on the City’s diversity, equity, and inclusion work and reviews and comments on the City’s organizational Racial Equity Action Plan.

SUMMARY

At the recommendation of a Community Task Force member, the City joined the Government Alliance on Race and Equity (GARE), a network of local governments working to achieve racial justice and advance opportunities for their community members. Concurrently, the City began working with a diversity, equity, and inclusion consultant team to work with both the GARE team and the City’s Executive Team. As a result of this work, staff has created a Racial Equity Action Plan for the City of Hayward (Attachment II).

The Racial Equity Action Plan is an aspirational roadmap for effecting organizational change and improving services to the community in the City of Hayward. The plan focuses on building capacity to advance racial equity in three key areas – Organizational Change; Hiring, Retention, and Promotion; and Service Provision. This first plan is intended to establish a foundation for sustained and meaningful racial equity work in the City through training, creating organizational infrastructure, making changes to policies and practices, and increasing access to City services.

BACKGROUND

On January 17, 2017, the City Council established the Community Task Force to review and update the City’s 1992 Anti-Discrimination Action Plan in response to heightened community concerns about human and civil rights issues occurring throughout the nation and in the City of Hayward. Members of the 21-person task force presented the revised Anti-Discrimination Action Plan, re-envisioned as the Commitment for an Inclusive, Equitable, and Compassionate

Community, to City Council on September 26, 2017. The City Council reviewed and accepted the Commitment document on November 28, 2017.

After the acceptance of the Commitment and recognition of the work the task force had completed, several of the Community Task Force members committed to continuing this work at the Council's request. Over the following year, the volunteer task force members worked with City staff to develop guidelines for a Community Advisory Panel to the Chief of Police, monitor implementation of the Commitment, and identify options for continuing the Community Task Force's work independent of the City. Staff and the volunteer task force members presented the results of this work to Council in a special work session on January 15, 2019.

At the recommendation of a Community Task Force member, the City joined the Government Alliance on Race and Equity (GARE), a network of local governments working to achieve racial justice and advance opportunities for their community members. Through professional development and networking opportunities, GARE helps governments build internal capacity to address racial equity problems, encourages results-based accountability that focuses on moving the needle on racial equity, and provides a forum for local government professionals to share their experiences and support each other's work. GARE offers a racial equity curriculum that guides local government employees to understand racial equity, identify opportunities in their organizations, and create a results-based action plan. Fourteen Hayward employees participated in the 2019 cohort to build internal capacity for racial equity work. A second team of 16 employees will participate in the 2020 cohort.

Concurrently, the City began working with a diversity, equity, and inclusion consultant team to support both the GARE team and the City's Executive Team. Through a series of trainings and retreats, both groups worked to build a shared understanding of the role of government in working to dismantle racial inequity and developed the attached plan for advancing racial equity in the City of Hayward.

DISCUSSION

As stated in the introduction to the plan:

The Racial Equity Action Plan is an aspirational roadmap for effecting organizational change and improving service to the community in the City of Hayward. This plan is an early step toward intentionally working to address racial inequities in the City and realize the City of Hayward's ideal of being a diverse, equitable, and inclusive community.

In service of realizing this ideal, and furthering the City's vision for the future, the plan envisions a Hayward community in which race is not a factor in determining the course of one's life and all people are happy, healthy, and safe.

The first City Racial Equity Action Plan is ambitious and aspirational. It is meant to guide the first year of widespread racial equity work in the City organization. The first iteration of the Racial Equity Action Plan outlined in this document focuses on three key impact areas: Organizational Change; Hiring, Retention, and Promotion; and Service Provision. This initial narrow focus on institutional and cultural change within the organization is intentional and intends to create a foundation and internal infrastructure for sustained and meaningful racial equity work in partnership with the Hayward community. Additionally, this year's focus is to identify and benchmark appropriate performance metrics. Some of the performance metrics considered for evaluating the success of the plan include the percentage of staff who have completed implicit bias and racial equity 101 trainings, the proportion of staff reports that incorporate racial equity analysis, and the elimination of geographic inequities in the distribution of City services and infrastructure.

The plan focuses on three core areas:

Organizational Change - This section focuses on developing internal capacity and infrastructure for identifying, analyzing, and taking action to rectify racial inequities through training, developing and sharing tools, and institutionalizing racial equity as a practice and goal of decision making.

Hiring, Retention, and Promotion – This section focuses on identifying and addressing aspects of the City's hiring, retention, and promotion practices that may perpetuate racial inequities.

Service Provision – This section focuses on increasing access to City communications services, including language accessibility (a goal and ongoing challenge identified in the Commitment) and on beginning to understand opportunities to change City policies, practices, and programs that may create, perpetuate, or deepen racial inequities.

The plan is not exhaustive – there is much more work to be done to advance racial equity in Hayward, and many complementary efforts necessary to advance gender equity and equity for LGBTQ+ community members. In future iterations or evolutions of this plan, additional activities and focus areas may be built on the foundation laid out here. Some workgroups and divisions throughout the City have already begun to change their practices to advance racial equity, including: removing names from job applications in the Police Department, revising classification specifications to eliminate unnecessary qualifications that can perpetuate racial inequities, identifying and recognizing disproportional impacts of homelessness on communities of color in the Navigation Center referral policy, and incorporating racial equity analysis into the Community Services grants allocation process.

The plan is meant to be re-evaluated, added to, edited, and iterated upon as the organization continues to grow and change, and as staff work with the community to better understand their needs, experiences, and ideas related to advancing racial equity in the Hayward community.

STRATEGIC ROADMAP

This agenda item supports the Racial Equity section of the Strategic Priority of Improve Organizational Health. Specifically, this item relates to the implementation of the following projects:

Project 2: Develop and implement a racial equity action plan to best serve our community and support our employees (follow up action from the Commitment for an Inclusive, Equitable, and Compassionate Community)

Project 3: Work across Strategic Roadmap priorities to include racial equity lens

Project 4: Continue city participation in the Government Alliance for Race and Equity

FISCAL IMPACT

Continuing the City's diversity, equity, and inclusion work and implementing the Racial Equity Action Plan will require continued investment of City resources, most importantly staff time, into training, staffing, and infrastructure.

NEXT STEPS

Staff will implement and iterate on the Racial Equity Action Plan, work with the community to identify additional opportunities to address racial equity, continue to participate in the Government Alliance on Race and Equity, and work to build additional capacity for racial equity work throughout the City.

One of the first steps in implementation following this work session will include communicating the plan to all City staff and Boards and Commissions.

Prepared and Recommended by:

Laurel James, Management Analyst II

Approved by:



Kelly McAdoo, City Manager



Racial Equity Action Plan

Spring 2020

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Guiding Vision

That all people in Hayward are happy, healthy, and safe. Race is not a factor in determining the course of one's life.

Introduction

From infant mortality to life expectancy, race is an accurate predictor of the quality and course of one's life. Racial inequities exist across every indicator for success including but not limited to health, criminal justice, education, jobs, housing and beyond. Institutions, including federal and local governments, have played a role in creating and maintaining those racial inequities and these institutions have a key role in dismantling them. The City of Hayward is not an exception.

The Racial Equity Action Plan is an aspirational roadmap for effecting organizational change and improving service to the community in the City of Hayward. This plan is an early step toward intentionally working to address racial inequities in the City and realize the City of Hayward's ideal of being a diverse, equitable, and inclusive community. This ideal is included in a number of City plans and documents:

- The guiding vision for the 2040 General Plan imagines a Hayward that is “home to one of the most diverse, inclusive, educated, and healthy populations in the Bay Area.”
- The Complete Communities Strategic Initiative, completed in 2019, acknowledges that actively valuing diversity and promoting inclusive activities is key to improving quality of life for residents, business owners, and community members in all Hayward neighborhoods.
- The recently adopted Strategic Roadmap visualizes a near future in Hayward where “employees from diverse backgrounds are recruited, retained and celebrated, and staff provide culturally responsive services to our community.” The Roadmap also calls for the development and implementation of “a racial equity action plan to best serve our community and support our employees” that follows from the Commitment for an Inclusive, Equitable and Compassionate Community.
- The Commitment for an Inclusive, Equitable, and Compassionate Community created by the Community Task Force and accepted by Council in November 2017 identifies equity as a core value and envisions Hayward as “a community of inclusive growth and opportunity, where families and individuals are welcome to create their future stories and can be confident in knowing their life chances and outcomes will not be determined by political affiliation, economic status, place of origin, immigration status, religion, age, race, ethnicity, gender, gender identity, sexual orientation, physical ability, or other personal characteristics.”

This plan was developed over the course of a year by a team of 14 staff members participating in the Government Alliance on Race and Equity's Northern California Introductory Learning Year, in partnership and conversation with City leaders and executives, other staff members, and community members. It is intended to be the first step in cultivating organizational culture change around race and equity and span a single implementation year, followed by an evaluation of progress and adjustment of activities, metrics, resources and timeline. As such, it is necessarily ambitious, aspirational, and limited in scope. There are many other focus areas and activities that will be key to advancing racial equity in Hayward and many complementary efforts that can advance gender equity and equity for LGBTQ+ community members. In future iterations or evolutions of this plan, additional activities and focus areas may be built on the foundation laid out here.

Theory of Institutional Change: Normalize - Organize - Operationalize

It can be difficult to imagine where to begin effecting the institutional change necessary to drive equitable outcomes for all members of our community. This plan relies on a national best practice three-pronged framework for institutional change developed by the Government Alliance for Race and Equity based on their work with hundreds of jurisdictions throughout the country. The framework looks like this:

Normalizing conversations about race.

Normalizing entails:

- Developing a shared racial equity vocabulary and a common understanding of the history of government's involvement in creating and maintaining racial inequities.
- Creating a shared vision of the role of government in advancing racial equity.
- Cultivating a sense of urgency to drive action.

Examples of normalizing activities include regularly communicating the City's historical role in creating racial disparities¹ and the importance of taking action to eliminate them, requiring training on racial equity and implicit bias, and creating spaces for continued conversation and learning.

Organizing around racial equity.

Organizing requires:

- Support from leadership and decision makers.
- An internal infrastructure that develops racial equity expertise and teams at all levels, in all divisions and departments.
- Partnerships, formal and informal, with other institutions and communities.

Examples of organizing activities include growing and sustaining a citywide racial equity team, empowering staff at all levels to take action to advance racial equity in their work and developing and formalizing relationships with other jurisdictions and community groups to advance racial equity.

Operationalizing tools and strategies.

Operationalizing involves:

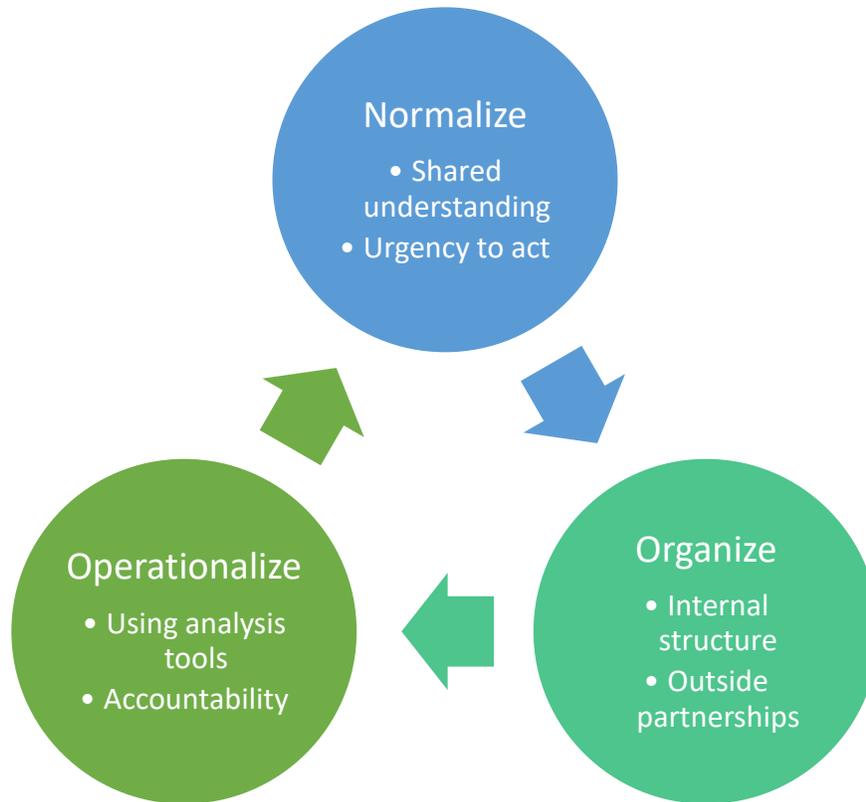
- Integrating racial equity into the way we do business by including racial equity analytical frameworks in policy and program design and implementation.
- Accountability, or measuring outcomes and adjusting activities as necessary to drive success.

Examples of operationalizing activities include using data analysis and community input from the most impacted groups to shape the development and evaluation of new policies and programs, including racial equity as a performance measure in projects and programs, and factoring racial equity into decision-making.

The normalize, organize, operationalize framework is not linear. While it is key to normalize and establish shared definitions and a basic understanding of racial equity among key players at the beginning of this work, institutions must continuously hold these normalizing conversations as organizing and operationalizing activities are under way. The goal is for these to become mutually reinforcing, where

¹ For example, through selective annexation in the past and continuing inadvertent inequitable distribution of City resources today.

conversations about racial equity support and spark organizing efforts, leading to new ideas for operationalizing racial equity which, in turn, further normalize conversation about racial equity.



Implementing the Racial Equity Action Plan: Iteration and Expansion

As written here, the first Racial Equity Action Plan for the City of Hayward is ambitious and aspirational. It is meant to guide the first year of widespread racial equity work in the City as an organization. The first iteration of the Racial Equity Action Plan outlined in this document focuses on three key impact areas: Organizational Change; Hiring, Retention, and Promotion; and Service Provision. This initial narrow focus on institutional and cultural change within the organization is intentional.

The goal of the first implementation year of this Racial Equity Action Plan is learning by piloting foundational changes to advance racial equity. Where are we as an organization when it comes to understanding racial equity? What are the activities that will most effectively advance racial equity in our organization and our City? What skills and capacity do we need to build to be able to move racial equity work forward? Where can we move quickly and where do we need to pace ourselves?

As the path forward becomes clear, and as we develop a cadre of advocates and experts within the organization, we anticipate that future iterations of this plan will expand to key “next level” focus areas. These focus areas may include, but are not limited to: Purchasing, Economic Development, Customer Service, Youth, Land Use and Transportation, and Education.

Measurement, iteration, and accountability are key components in ensuring the activities outlined in this plan and in future plans are aligned to achieve the long-term vision that all people in Hayward are happy, healthy and safe, and where race is not a factor in determining the course of one’s life.

Definitions

For clarity, a number of definitions and explanations of language used in the plan are listed below. This list is not exhaustive, nor is it definitive.

First, it may be useful to distinguish between two types of training mentioned in the Racial Equity Action Plan:

Implicit bias training – Implicit bias training is focused on understanding the way stereotypes can become embedded in our subconscious and impact our decision-making. Being aware of stereotypes we may hold implicitly helps us counteract them when we make decisions and interact with others.

Racial Equity: The Role of Government training – This is a specific module that focuses on building a shared understanding and vocabulary for discussing the history of government’s role in creating and maintaining racial inequities as well as our role as government employees in rectifying this history.² GARE team members have been through and learned to administer this training.

Additional definitions useful for understanding and interpreting the plan are listed below:

Racial equity toolkit/racial equity lens – Analysis frameworks that use data, community input, and an understanding of the government’s role in structural racism to identify whether a policy, program, or project may lead to or perpetuate unequal outcomes based on race.

Structural racism - A system in which public policies, institutional practices, cultural representations, and other norms work in various, often reinforcing ways to perpetuate racial group inequity.³

² Historic examples include redlining, citizenship requirements, inequitable access to quality education, etc.

³ Courtesy the Aspen Institute

Racial Equity Action Plan: Step 1

Long-term Vision: All people in Hayward are happy, healthy, and safe. Race is not a factor in determining the course of one's life.

Organizational Change

Guiding Vision: The City of Hayward is an organization where employees have a working knowledge of and are comfortable identifying, analyzing, and taking action to rectify structural racism using a shared framework and definitions. Employees engage in continued learning and seek to understand the ways in which racism and other structural oppressions impact themselves, their coworkers, the community they serve, and the nation at large. Employees have the knowledge and tools they need to evaluate City policies, programs, and projects using a racial equity lens and that lens is used in decision-making throughout the City.

1. All staff are aware of and use strategies to combat implicit bias.

a. All City staff and officials are required to participate in annual implicit bias training.

- Offer regular implicit bias trainings
- Require City of Hayward employees to attend at least once every other year
- Require annual training for all new appointees and biannual refresher training for returning appointees to decision-making bodies (e.g., board members, commissioners, task force members, etc.)

Responsibility: Human Resources, department directors, managers

Resources: Budget to hire consultant to provide trainings, staff time to attend training

b. All departments are required to identify individual and institutional biases.

- Require departments/divisions to complete internal race and equity assessments of their service provision including policies, regulations, procedures, etc. to identify implicit institutional biases with technical assistance from the GARE cohort and/or the Chief Equity Officer
- Require departments/divisions to create action plans based on correcting inequities uncovered in their assessments with technical assistance from the GARE cohort

Responsibility: CMO, GARE, department directors

Resources: Departmental staff time to inventory and assess services, departmental data, GARE team time to assist with analysis and recommendations.

2. All staff are aware of and use strategies to advance racial equity.

a. All staff are required to participate in Racial Equity: The Role of Government training and learning opportunities.

- Offer racial equity trainings, including The Role of Government, regularly
- Offer staff the option and encouragement to attend trainings, forums, and workshops related to racial equity including those not sponsored by the City and potentially held offsite
- Require staff to attend at least one training, and encourage staff to continue to participate in training beyond the requirement
- Curate regular opportunities for City staff to engage in learning and conversations around racial equity, possibly including, but not limited to:
 1. Hosting a racial equity speaker series
 2. Starting a facilitated racial equity book/article/podcast club
 3. Offering a racial equity lending library to City staff

Responsibility: Human Resources, department directors, managers, GARE team

Resources: GARE team time to administer trainings, staff time to attend trainings, additional budget for bringing in outside trainers, speakers, and resources for continued learning

b. All staff have access to and knowledge of tools for racial equity analysis and use those tools to inform the creation and evaluation of policies, procedures, and projects.

- Create a clearinghouse for racial equity analysis tools and provide voluntary trainings for staff to learn to use the tools and ongoing technical support while developing in-house expertise
- Invest in accessing, capturing, and sharing data that can be used for effective racial equity analysis, including considering adopting policies regarding the collection, storage, and management of data that includes race and defining appropriate uses of that data.

Responsibility: GARE team, E-team/managers, IT, CMO

Resources: Time to create a web-based clearinghouse, time for GARE staff to provide training and for staff to attend, funding for data systems/data systems training where necessary, may include lean innovation projects to identify best methods of data collection to ensure data quality, and staff to work on data governance related to racial equity and more broadly (data policy development, adoption, and monitoring)

3. The City of Hayward demonstrates a sustainable commitment to continuing racial equity work and organizational change.
 - a. *Key staff members continue to participate in regional racial equity efforts and interdepartmental racial equity learning cohorts.*
 - Continue supporting the work of the 2019 GARE Cohort
 - Enroll 1-2 new cohorts of 8-12 key, potential “champion” staff members in the GARE 2020 Learning Year Introductory Cohort

Responsibility: CMO, E-team

Resources: Funding for GARE tuition (TBD) and staff members to participate (1 full day monthly, several 1-2 hour working meetings between trainings)
 - b. *The City is committed to the long-term operationalization of racial equity work.*
 - Create a Chief Equity Officer position at the executive level of the organization and provide the position with sufficient staff and resources to effect institutional change
 - Amend the Hayward 2040 General Plan to include a Race and Equity Element
 - Require racial equity analysis for all new policies, procedures, and projects, whether they are approved by City Council, appointed policymaking bodies, or internally
 - Explore methods for formally including racial equity analysis in the annual budgeting and goal-setting process
 - Incorporate racial equity as a key element of the City’s strategic planning

Responsibility: City Council, CMO, Finance, City Clerk, HR

Resources: Budget for creation of new position and staff support, budget for a consultant and/or staff time for a General Plan amendment, additional time for staff to complete racial equity analysis, staff time to identify opportunities for integrating racial equity into the budget process

Hiring, Retention, and Promotion

Guiding Vision:

The City of Hayward’s workforce reflects and is inclusive of the diversity of our community. All employees in the City of Hayward are hired and promoted based on a shared definition of merit that aligns with our organizational values, including diversity of perspectives and experiences.

1. The recruitment and hiring process attracts high-quality talented applicants to come work for Hayward.
 - a. *Candidates experience no or minimal barriers to success in the hiring process*
 - Proactively review minimum qualifications/classification specifications for upcoming recruitments and key entry and career-track positions (I.e., Administrative Clerk I/II, Management Analyst I/II) through a racial equity lens

- Identify and remove or mitigate requirements for City positions that might result in racially disparate disqualifications from the applicant pool (e.g., unnecessary typing tests, unnecessary drivers' license requirements, weighting education over experience in minimum qualifications, don't require otherwise qualified candidates to earn costly certifications until after hiring where possible)

Responsibility: HR, hiring departments, Personnel Commission

Resources: Budget to hire a consultant to analyze and make recommendations for updating job specifications and removing unnecessary barriers, staff time to manage consultant

b. Candidates are not disproportionately removed from the recruitment process at any point in the hiring process

- Evaluate recruitment advertising/outreach and build strategic partnerships (including formalized internship programs and/or mentorship programs) in the community to attract people of color
- Evaluate recruitment process for points at which people of color applicants are disproportionately removed from the pool
- Develop strategies that draw on results-based accountability (RBA)⁴ and best practices for removing any racial disparities in the hiring process and aligning hiring process with definitions of merit/success developed in the performance review process
- Require implicit bias training and/or briefings for interview panel members

Responsibility: HR, hiring departments

Resources: Staff time to complete analysis, budget for implementing changes (e.g., more advertising)

2. The City of Hayward is able to retain, develop, and promote top talent internally.

a. Professional development opportunities are offered to all employees.

- Develop and encourage participation in internal coaching programs
- Ensure special project teams are intentionally reflective of the diversity of the community

Responsibility: HR, hiring departments, E-Team, managers, supervisors

Resources: Executive and manager time for coaching meetings

b. Employees are promoted, coached, and/or disciplined based on definitions of merit and performance shared across the organization.

- Adopt standards for meaningful performance reviews organization-wide and clear guidance and criteria for evaluation to reduce impacts of implicit bias
- Monitor promotion and discipline for racial inequities and use results-based accountability to identify and address/eliminate root causes

⁴ A method for iterative project/program design that focuses on identifying solutions that address long-term outcomes.

- Require managers and supervisors to participate in implicit bias and/or cultural sensitivity and communication training

Responsibility: HR, E-Team, managers, supervisors

Resources: Time and budget for training, staff time to collect and analyze personnel action data

Service Provision

Guiding Vision: *All people in Hayward are able to access City services that are responsive to their needs, in the languages they speak, in a culturally responsive manner. City facilities and staff make all people in Hayward feel welcomed and safe. Members of our community with similar problems have similar outcomes across all identities and in all areas of the community.*

1. All people in Hayward have access to important information from the City in a language and a format that they can understand.

- Adopt a City Council resolution that mandates the identification of priority languages and the translation of key communications into priority languages
- Appropriately plan and resource communications to allow for translation into priority languages
- Post information to the website in translatable format (e.g., webpages rather than pdfs)
- Distribute City communications across multiple platforms to reach the most people (physical flyers at community facilities, posting at City Hall/other City facilities, posting to social media, publishing to the website, etc.) – which may include developing posting/distribution policies for all City facilities

Responsibility: City Council, CMO, E-Team, CMR, Managers, key staff

Resources: Budget at the department/division level for translating and printing communications, website refresher training for responsible department staff, staff time to work on translation resolution

2. All people in Hayward are represented in an equitable manner regardless of the language they speak, access to technology, and familiarity with government processes.

- Using a racial equity lens, work with community members to develop and adopt an administrative rule that standardizes the procedure and requirements for holding public meetings.
- Develop an equity-focused toolkit of strategies for community engagement with an emphasis on multilingual/cross-cultural engagement and train staff on how to use it; provide ongoing technical assistance for community engagement (a possible role for Lean Innovation coaches, GARE cohort, and/or Community and Media Relations)
- Consider amending the City Charter to allow community members who cannot vote to serve on some boards and commissions

Responsibility: City Council, CMO, E-Team, CMR, Managers, key staff

Resources: Staff time to develop recommendations, budget for implementing recommendations (may include food, childcare, translation, etc.)

3. All people in Hayward receive high-quality City services that meet their needs.

a. City resources are allocated with the goal of achieving an equitable level of service (LOS) for all, not by number of complaints.

- Develop and adopt, in partnership with community members, a strategy for incorporating racial equity analysis into regular service provision (e.g. the re-pavement plan)
- Review Access Hayward deadlines and performance standards through a racial equity lens to balance equity (e.g., equitable allocation of resources) and responsiveness goals
- Update Access Hayward to be more accessible to more community members, including language accessibility

Responsibility: CMO, MSD, Code Enforcement, IT, Transportation, PD, Fire, other service provision departments and divisions

Resources: Staff time for community work and racial equity analysis, staff time to work on AH

b. City programs and services are designed to advance racial equity and opportunities for all.

- Require use of a racial equity analysis tool in the development and evaluation of City programs, services, policies, and projects (e.g., in staff reports, memos, and program analyses)
- Racial equity is an explicitly stated goal or framework for new services/initiatives/programs
- Incorporate racial equity and language accessibility as requirements/goals when contracting for service provision
- Identify key opportunity areas in City policies, programs, and services for review with a racial equity tool (to be done by GARE cohorts in upcoming implementation years)
- Incorporate appropriate data collection methods into programs and services to monitor inequities

Responsibility: City Council, CMO, E-Team, Managers, key staff, GARE team(s)

Resources: Staff time for training on and administering racial equity analysis tools, staff time for data collection/analysis



CITY OF HAYWARD

Hayward City Hall
777 B Street
Hayward, CA 94541
www.Hayward-CA.gov

File #: LB 20-023

DATE: May 26, 2020

TO: Mayor and City Council

FROM: Assistant City Manager/Interim Director of Human Resources

SUBJECT

Salary and Benefits: Adopt a Resolution Amending the Salary and Benefits Resolution for Unrepresented Executives, Management, City Manager's Office, Human Resources, and City Attorney Employees

RECOMMENDATION

That Council adopts a resolution (Attachment II) amending the salary and benefits resolution for Unrepresented Executives, Management, City Manager's office, Human Resources, and City Attorney Employees.

SUMMARY

The City of Hayward is experiencing an unexpected drop in revenues as a result of State and County Shelter in Place Orders due to the COVID-19 pandemic. As a result, the City has taken a number of cost-saving measures to limit the impact this crisis has on its employees and residents, such as reducing expenditures, laying off temporary staff, and seeking concessions from its employee groups.

If approved, the proposed amended salary and benefits resolution would result in a General Fund savings of approximately \$169,458 and a total projected savings across all funds of \$235,946 in FY 2021. The savings will be achieved through Unrepresented employees either forgoing the July 1, 2020 cost-of-living adjustment (COLA) as provided in the current Resolution (or deferring it until certain indicators of fiscal recovery are met) or meeting an eighty (80) hour unpaid furlough obligation in Fiscal Year 2021.

In recognition of Unrepresented Exempt and Non-Exempt employees either deferring the July 1, 2020 COLA or taking an 80-hour unpaid furlough in fiscal year 2021, employees may receive a one-time lump-sum payment if certain financial indicators are met.

ATTACHMENTS

Attachment I	Staff Report
Attachment II	Revised Salary and Benefits Resolution



DATE: May 26, 2020

TO: Mayor and City Council

FROM: Assistant City Manager/Interim Director of Human Resources

SUBJECT: Salary and Benefits: Adopt a Resolution Amending the Salary and Benefits Resolution for Unrepresented Executives, Management, City Manager's Office, Human Resources, and City Attorney Employees

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SUMMARY

The City of Hayward is experiencing an unexpected drop in revenues as a result of State and County Shelter in Place Orders due to the COVID-19 pandemic. As a result, the City has taken a number of cost-saving measures to limit the impact this crisis has on its employees and residents, such as reducing expenditures, laying off temporary staff, and seeking concessions from its employee groups.

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In recognition of Unrepresented Exempt and Non-Exempt employees either deferring the July 1, 2020 COLA or taking an 80-hour unpaid furlough in fiscal year 2021, employees may receive a one-time lump-sum payment if certain financial indicators are met.

BACKGROUND

In response to the COVID-19 pandemic and the rapid spread of the disease, on March 16, 2020, the Health Officer of the County of Alameda, along with the Health Officers of Contra Costa, Marin, Santa Clara, San Mateo, and Santa Cruz counties, issued an Order for the public to shelter-in-place of residence, limiting the public's ability to leave their homes except to perform essential work and obtain essential services. The County has extended

this order, which is currently in effect through May 31, 2020. On March 19, 2020, Governor Newsom also issued a state-wide Order to shelter-in-place of residence, followed by state guidance on a phased reopening of businesses if certain quantifiable indicators are met to demonstrate progress in the battle to quell the spread of the virus.

As a result of these Shelter in Place Orders and the closure of all but non-essential businesses and services, City revenues have been severely impacted. Based on updated revenue projections, by the close of Fiscal Year 2020, the revenue decline resulting from COVID-19 is projected to require the use of approximately \$17 million of the City's \$36 million General Fund operating reserve (or savings account).

As a result, the City has implemented a number of cost saving measures. First, a vast majority of temporary staff were released from their positions. Second, City-wide non-emergency expenses have been limited to \$250,000 per month (previously averaged around \$750,000 per month) for the entire organization, with the Director of Finance and the City Manager closely reviewing all City expenditures. Third, the City Manager and Executive team have agreed to forego the value of their cost-of-living (COLA) increases scheduled for July 1, 2020, either by forgoing the COLA itself or agreeing to an 80-hour furlough obligation in Fiscal Year 2021. Bargaining groups were asked to forego the value of their cost-of-living (COLA) increases scheduled for July 1, 2020, either by forgoing the COLA itself or agreeing to an 80-hour furlough obligation in Fiscal Year 2021. The City Manager, Finance Director, interim HR Director, and the City negotiating team have been negotiating with all bargaining groups to try to effectuate cost savings that can be implemented as part of the FY2021 budget. Cost savings contributed by bargaining groups are critical to the City's fiscal health as labor costs make up approximately 85% of the General Fund budget and these labor cost savings help avoid layoffs and reductions in services to the community. Currently, the City has not laid off any permanent City employees and has paid full salary and benefits to all employees during the shelter-in-place order time period.

The International Association of Fire Fighters Local 1909 and the Hayward Fire Officers Association were among the first of the employee groups to forego a previously agreed upon salary survey adjustment (capped at 2%) scheduled to take effect July 1, 2020. Similarly, the City Manager volunteered to forego the July 1, 2020 scheduled 2% COLA currently provided for in her employment agreement, and the Mayor and City Council volunteered to reduce their salary by 2% and reduce their travel and miscellaneous budget by 50% for FY 2021. The City Council approved these actions on May 19, 2020.

DISCUSSION

The employees in this group were given the option to select either an eighty (80) hour furlough obligation for FY 2021 or to give up or defer their scheduled COLA. Most employees elected an eighty (80) hour furlough obligation for FY 2021 and some volunteered to give up or defer their scheduled COLA. To minimize the financial impact of those employees who elected an eighty (80) hour furlough, they may elect to evenly spread the furlough hours throughout the fiscal year, resulting in less than a four (4) hour deduction from each

paycheck. Because employees must meet the unpaid furlough obligation within FY 2021, maximum vacation accrual caps will be lifted for the duration of calendar year 2021.

Four employees elected to give up or defer their COLA. The Director of Finance and the Fire Chief elected to forego their scheduled July 1, 2020 3% COLA. The Human Resources Administrative Assistant and the Deputy Director of Human Resources elected to defer their scheduled July 1, 2020 2% COLA, until certain indicators of the City's fiscal health are met, as listed below:

1. Revenue recovery occurs and is the same or greater than revenue levels reported in the City's FY 2018 CAFR for (1) Sales tax, (2) Property tax, (3) Real Property Transfer Tax, and (4) Transient Occupancy Tax;
2. No economically forced layoffs are required to balance the budget or meet the structural deficit in the fiscal year where the remaining indicators are met;
3. The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget; and
4. A Balanced Budget is adopted without the use of General Fund reserves.

In recognition of Unrepresented Exempt and Non-Exempt employees either deferring the July 1, 2020 COLA or taking an 80-hour unpaid furlough in fiscal year 2021, they may receive a one-time lump-sum payment under either of two (2) specific scenarios (identified as "Criteria One" and "Criteria Two"). Employees may receive a single, one-time lump-sum payment under either set of criteria, but not under both.

In order for employees to receive the lump-sum payment, the requirements of either scenario must be met on or before June 30, 2022.

Under Criteria one, if (1) the sum total revenue generated by Sales Tax, Property Tax, Utility Users Tax, and Transient Occupancy Tax (the "Four Tax Revenues") in either fiscal year 2021 or fiscal year 2022 is the same or greater than the sum total revenue of the Four Tax Revenues in fiscal year 2018, and (2) the City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget, then employees may receive a one-time lump-sum payment equal to 3% of the employees' base wages as of January 2, 2021.

Under Criteria two, if the City receives financial aid through a federal stimulus package that (1) exceeds \$3.5 million in fiscal year 2021, (2) is specifically related to COVID-19 relief, and (3) is discretionary or able to be used to offset revenue loss in the General Fund and/or for currently funded General Fund positions, and the City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget, then employees can receive a one-time lump-sum payment equal to 3% of the employee's base wages as of January 2, 2021.

Executive members (Department Heads) of the Unrepresented group are not eligible for the single, one-time lump sum payment.

FISCAL IMPACT

The proposed salary and benefits resolution would result in a General Fund savings of approximately \$169,458 and a total projected savings across all funds of \$235,946 in FY 2021 over previous contractual obligations.

STRATEGIC ROADMAP

This agenda item is a routine operational item and does not relate to the Council’s Strategic Roadmap.

NEXT STEPS

If approved, staff will finalize the resolution and the City Manager will execute and implement these changes.

Prepared by: Kakshi Master, Human Resources Analyst II

Recommended by: Maria A. Hurtado, Assistant City Manager/Interim Director of Human Resources

Approved by:



Kelly McAdoo, City Manager

Salary and Benefits Resolution

for

***UNREPRESENTED EXECUTIVES, MANAGEMENT,
CITY MANAGER, HUMAN RESOURCES & CITY
ATTORNEY EMPLOYEES***

Effective July 1, 2015

Amended: *May 13, 2012 (Resolution No. 12-071)*
 June 13, 2012 (Resolution No. 12-093)
 April 15, 2014 (Resolution No. 14-045)
 July 7, 2015
 May 17, 2016
 June 27, 2017
 June 26, 2018
 May 26, 2020

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1.00 COMPOSITION

The employee classifications subject to this Resolution are categorized into three groups: Unrepresented-Executive, Unrepresented Exempt, and Unrepresented Non-Exempt, which are comprised of the classifications of employment listed in Appendix A to this Resolution and any other classification of employment which may hereafter be assigned by the City Manager in accordance with the provisions of the City of Hayward Personnel Rules governing unit determination and modification.

2.00 PROBATIONARY PERIOD

2.01 Appointments Not Subject to Probationary Period

All employees in positions identified in Appendix B as being members of the unclassified service are not subject to this Section 2.00. Employees in the unclassified service are “at-will” employees who can be separated from employment at any time, with or without cause. Employees who move from positions in the classified service to positions in the unclassified service will be required to sign a notification and acknowledgment that the position is at-will.

2.02 Appointments Subject to Probationary Period

All employees in positions identified in Appendix B as being part of the classified service shall serve a probationary period as provided in this Section. The probationary period shall be regarded as a part of the selection process and shall be utilized for closely observing the employee's work and for securing the most effective adjustment of a new employee to their position.

All appointments to the classified service (other than temporary and provisional appointments or appointments to part-time positions that are regularly scheduled to work less than twenty (20) hours per week) shall be subject to a probationary period. The regular period of probation shall be one (1) year, but longer periods may be specified in individual classification descriptions and shall apply to all positions in the classification. An extension of the probationary period up to a maximum of six (6) months may be approved by the City Manager or designee in individual cases.

2.03 Release of Probationer

During the probationary period, an employee in the classified service may be released at any time without right of appeal. Written notice of release designating the effective date of such action shall be furnished to the probationer. Persons employed in part-time positions scheduled for less than twenty (20) hours per week are excluded from the classified service and may be released at any time without right of appeal.

2.04 Release Following Promotion

Any employee in the classified service may be released during the probationary period following promotion to another position in the classified service. The employee released shall be reinstated to the employee's former position or to a position in the class from which the employee was promoted, unless the reason for the release is cause for dismissal. The employee will be reinstated to the salary step held before the promotion. If no vacancy exists in this former class, the employee with the least amount of time in this class shall be demoted to the most recent class in which that employee has satisfactorily served. If any employee is released by such action, such employee shall be placed on a reemployment register for the classification from which the employee was released.

Any employee who is released during a probationary period following promotion to another position in the classified service and whose release is cause for dismissal shall retain appeal rights to the dismissal from City employment, but not the right to appeal the employee's release from the position from which the employee was demoted.

2.05 Effect of Leaves on Probationary Period

Periods of time on paid or unpaid leave of one (1) week or more shall automatically extend the probationary period of any employee on probation. The length of the extension shall be equal to the length of the individual's placement on paid or unpaid leave.

2.06 Effective Date of Regular Status

Upon attaining regular status as a member of the classified service, the effective date shall revert to the date of initial probationary appointment.

3.00 LAYOFFS, RESIGNATIONS & TERMINATIONS

3.01 Layoffs

Whenever there is a lack of work or a lack of funds requiring reduction in personnel in a department or division of the City government, the required layoffs shall be made as the City Manager may designate in accordance with the following procedures:

- A. Employees shall be laid off in inverse order of their length of service within the affected job classification. A layoff out of the inverse order of seniority may be made if, in the City Manager's judgment, retention of special job skills is required.

- 1. Length of service for the purpose of this Section shall mean an employee's continuous, uninterrupted service in the classification affected by the layoff. Length of service is determined based on the date of appointment in the affected classification and includes time spent as a probationary or part-time employee in that classification.

Length of service includes all days of attendance at work and authorized leaves of absence. Length of service does not include unauthorized absences or periods of suspension or layoff. Length of service shall not include time spent in a provisional or acting appointment in the affected classification unless such provisional or acting appointment was contiguous with appointment to such classification in a probationary or part-time status.

2. An interruption in length of service within a classification shall occur as a result of any one of the following:
 - a. Discharge for cause.
 - b. Voluntary resignation.
 - c. Retirement for service or disability.
 - d. Absence from work for twenty-four (24) consecutive months because of layoff.
 - e. Failure to return from layoff as provided in Section 3.02, Right of Return Following a Layoff.
 - f. Failure to return from an approved leave of absence upon the date specified for return at the time said approval was granted.
 3. Whenever the effective date of appointment to a classification is the same for two (2) or more employees, the original date of hire as a probationary or part-time employee with the City shall be used to determine which employee has greater length of service within the classification. The employee with the earlier original date of hire with the City shall be considered to have the greater length of service within the classification in this situation.
 4. Whenever the effective date of appointment to a classification and the original date of hire as a probationary or part-time employee with the City is the same for two (2) or more employees, actual hours worked shall be used to determine which employee has greater length of service within the classification. The employee with more hours worked in the classification shall be considered to have the greater length of service within the classification in this situation.
- B. Within each affected job classification, employees will be laid off in the following order, unless retention of special job skills is required: all provisional employees shall be laid off before probationary employees and all probationary employees shall be laid off before any regular employees provided, however, that part-time employees whose length of service is less than any probationary or regular employee shall be laid off before such probationary or regular employee. Thereafter, if additional reductions in personnel are required, those employees with the least length of service within the affected classification shall be laid off.

- C. Any regular, probationary, or part-time employee in the classified service who is designated to be laid off and who has held regular status in a lower or equal classification within the City may displace an employee in the lower or equal classification provided that the employee exercising the displacement privilege has greater classification length of service than the incumbent in the class to which the employee is bumping. If the employee in the higher classification has not held status in a lower classification in the department, then no displacement rights accrue to that individual.
1. Bumping rights afforded to an employee in the classified service pursuant to this Section shall include bumping rights to those classifications in which the employee has previously served and which may since have been re-titled but where, as determined by the City Manager or designee, no substantive changes have been made in the duties or qualifications for the classification(s) in question.
 2. Prior to employees being laid off, the Human Resources Department shall furnish to affected employees, upon request, status registers for all affected classifications in this group. Said lists shall include the names of all present employees who have held these classifications, their appointment dates, and their length of service thereto.
 3. An employee eligible to bump into another classification pursuant to this paragraph (C) shall have five (5) calendar days after notice of assignment by the City Manager or designee to a position in that classification in which to accept such assignment. If the affected employee fails to accept such assignment within said five (5) calendar day period, the employee shall be laid off. An employee so assigned shall be placed at a salary step in the range for the classification to which the employee bumps which is closest to the employee's former rate of pay but which does not exceed the salary step held by the employee in the classification from which the employee was displaced.
 4. In the event an employee bumps to an occupied or vacant position that is "flexibly" staffed as reflected in the Positions and Salaries Resolution, assignment to said position shall be at the level the employee previously held.
- D. Employees scheduled for layoff will be given at least fourteen (14) calendar days advance notice, if possible. The City shall attempt, in so far as is possible, to accomplish any contemplated reduction in personnel by attrition rather than by layoff.
- E. In the event employees are scheduled to be laid off, other employees with greater length of service within the same classification may elect to be laid off in lieu of those employees scheduled for such layoff.

3.02 Rights of Return Following a Layoff

As position vacancies in the classified service occur, employees on layoff and those occupying positions to which they have bumped shall be afforded return rights in the order of their length of service in the classification(s) in which such vacancies occur.

- A. An employee shall have ten (10) calendar days from the mailing by certified mail of a notice of return to work to the employee's address of record on file in the Human Resources Department to indicate acceptance of such return and the employee's agreement to report for work as specified in the notice.
- B. Employees in layoff status shall retain all credited sick leave earned but unused at the time of layoff less any amounts paid out. An employee who is laid off shall not earn vacation leave credit while in layoff status.
- C. Employees who are displaced from positions in the classified service by virtue of layoff shall be placed on a reemployment register for the classification they held at the time the layoff occurred, hereinafter referred to as the "primary" register. They shall also be placed on reemployment registers for classifications in which they previously served, hereinafter referred to as "secondary" registers. If an employee fails to respond to a notice of return within the prescribed time period or declines to return from layoff to a secondary register classification, the employee's name shall be removed from said secondary register, and the employee shall no longer be eligible for recall to that classification. If an employee fails to respond to a notice of return within the prescribed time period or declines return to the primary register classification, the employee will be considered to have voluntarily resigned from employment with the City. Notices will be sent to the employee's last address on record with the City.
- D. Full-time employees who have bumped to a part-time position or who have been recalled from layoff to a part-time position shall be afforded an opportunity to return to full-time status as position openings become available. Such right of return shall be subject to the "length-of-service" and "service within classification" requirements provided in this Section and Section 3.01, Layoffs, of this Resolution.
- E. Employees who request and are granted a voluntary demotion to a vacant position in lieu of layoff shall be afforded the same rights of return as employees who have exercised bumping rights.
- F. An employee who, in lieu of layoff, was transferred to another position within the same classification shall be notified of an opening in the employee's previous position and shall be afforded an opportunity to apply for reinstatement to that position.
- G. Primary and secondary registers shall be valid for a period of two (2) years.

3.03 Resignations

Any employee wishing to leave the employ of the City in good standing shall file with the employee's Department Director or designee or, in the case of a Department Director, with the City Manager, a written resignation stating the effective date and reasons for leaving. The written resignation must be filed at least two (2) weeks before the planned separation date unless the City Manager or designee waives such time limit. A resignation becomes final when accepted by the person receiving the resignation. Once the resignation is accepted, it cannot be withdrawn. A statement as to the resigned employee's service performance and other pertinent information shall be forwarded to the Human Resources Department. Failure to submit a written resignation as provided in this Section shall be entered on the service record of the employee and may be cause for denying future employment with the City.

3.04 Terminations

An employee in the unclassified service may be terminated or discharged from employment at any time by the City Manager. Whenever it is the intention of the City Manager to discharge an employee, the Director of Human Resources shall be notified.

Discipline of employees in the classified service, including termination or discharge, shall be subject to the City's Personnel Rules.

4.00 WORK SCHEDULES

4.01 Work Schedules

The normal schedule for all full-time employees shall consist of eighty (80) hours during each bi-weekly period. The City reserves the right to implement business closures during the calendar week in which the Thanksgiving holiday is observed and on those days between the City's observance of Christmas and New Year's Day, with the discretion to extend the closure through the calendar week in which New Year's Day is observed. If the City exercises the right to implement business closures during these times, employees will be permitted to use available accrued vacation or management leave balances. Employees who do not have sufficient leave balances for the entire period will be in an unpaid status. No leave balances will be advanced.

In lieu of using accrued leave balance, employees may elect to be in an unpaid status during any business closure. For purposes of business closures only, employees who elect to take time off unpaid during City designated business closures shall continue to accrue seniority, sick leave, and vacation leave, and will be eligible for holiday pay as if they were in a paid status. In exercising the right to implement business closures, the City Manager or designee has sole discretion in determining which departments and/or positions will be affected by the closure.

4.02 Overtime

It is the policy of the City that overtime work is to be kept to a minimum, consistent with the protection of lives and property of its citizens and the efficient operation of activities of the City, and it shall be authorized by the Department Directors or their designees. Overtime-eligible employees are not permitted to work overtime except as the Department Director or designee authorizes or directs. No employee may work overtime without receiving prior approval from the appropriate supervisor prior to performing the work. Working overtime without advance approval is grounds for discipline.

Overtime is all hours an overtime-eligible employee actually works over forty (40) hours in the employee's workweek. Overtime is compensated at 1.5 times the Fair Labor Standards Act (FLSA) regular rate of pay. Only actual hours worked shall be counted toward the forty (40) hour threshold for purposes of calculating overtime owed under the FLSA.

For purposes of computing overtime, the regular workweek for an employee shall be a seven (7) day cycle as established by the Human Resources Director. All overtime entitlements shall be computed to the nearest tenth of an hour (6-minute increments).

Employees may request and, subject to approval of the Department Director or designee, receive compensatory time in lieu of overtime pay. The compensatory time accrual cap shall be one hundred twenty (120) hours. The compensatory time cap shall be maintained on a continuous, per pay period basis.

An employee's eligibility to receive overtime compensation for services performed shall be determined in accordance with the FLSA. Those employees who are classified as "exempt" under the FLSA shall not be eligible to receive overtime.

4.03 Work Performed During Disaster

Overtime exempt employees who are required to work during a declared civil emergency shall not receive additional compensation for hours worked in excess of their regular workday or workweek. All employees shall have the duty and obligation to perform emergency work upon request of proper authority declaring such emergency.

4.04 Fiscal Year 2021 Furlough Obligation

Between July 1, 2020 and June 30, 2021, all full-time employees (excluding the Director of Finance, Fire Chief, Deputy Director of Human Resources, and Human Resources Administrative Assistant) must meet a furlough obligation of eighty (80) furlough hours. Part-time employees who regularly work twenty (20) or more hours per week will be required to take a pro-rated number of furlough hours based on their regular scheduled hours.

Furlough Days

An employee will be allowed to meet their furlough obligation through days off of their choosing, provided the requests for days off are approved in advance by the employee's supervisor. Supervisors will be encouraged to approve the use of such requests unless operational necessity precludes approval.

Furlough hours shall not be taken in increments of less than 8 hours or one-shift. Employees must first meet their furlough obligation prior to taking accrued vacation or compensatory time off.

An employee must submit their request for the use of floating furlough days no later than May, 1, 2021. Absent such a timely request, the employee's supervisor can unilaterally schedule the furlough hours to be taken by the employee.

In the event of a dispute regarding the approval of furlough hours, their supervisor shall forward the reason for denial to the City Manager for review, whose decision shall be final.

Furlough Payback

In order to mitigate the financial impact of the Furlough Program on employees, employees may elect to spread the payback of the furlough obligation over 26 pay periods in FY 2021. Employees must make this election on or before June 1, 2020.

Employees who elect to have the furlough obligation spread over FY 2021 shall have 3.077 hours of paid time deducted from each full-time employees' paycheck beginning the pay period including July 1, 2020 and ending with the pay period including June 30, 2021.

Any employee who leaves City employment prior to completely reimbursing the City for the furlough hours taken will have any remaining prorated balance of owed furlough payback hours deducted from their final paycheck.

Exceptions to Furlough Obligation

Any new employees or employees returning from an unpaid status will have a furlough obligation based on the number of pay periods remaining in FY 2021.

Any employee paid under Workers' Compensation will not be expected to participate in the Furlough Program until they have returned to work. At that time, a determination will be made to calculate the employee's furlough obligation based on the number of pay periods remaining in the furlough payback period.

Furlough Impacts

Vacation accrual caps will not be enforced through calendar year 2021. Employees must reduce their vacation leave balances to the vacation leave cap prior to the end of the final pay period in calendar year 2021. Employees who are above their vacation accrual cap in the pay period including December 31, 2021 shall forfeit any hours in

excess of the cap. If an employee separates from City service, any vacation leave hours in excess of their cap shall be forfeited.

5.00 BENEFIT PLANS

5.01 Medical Insurance

The City currently contracts with the Public Employees' Retirement System (PERS) for the purpose of providing medical insurance benefits for active employees and their eligible dependents, eligible retired employees, and eligible survivors of retired employees. Eligibility of a dependent to participate in this program shall be in accordance with the terms of the Public Employees' Medical and Hospital Care Act (PEMHCA). Eligibility of retired employees and survivors of retired employees to participate in this program shall be in accordance with those provisions of the PEMHCA providing for participation by "annuitants."

The City's employer contribution towards medical insurance benefits for each eligible employee shall be the minimum contribution amount required by Government Code Section 22892. Contributions provided under this Section are required only to the extent mandated by the PEMHCA.

Because PERS may change carriers and plans, the City shall not be required to provide a specific insurance coverage and shall only be required to provide those benefits as described in this Section so long as the City contracts for benefits with PERS for medical insurance benefits.

The City will provide each eligible annuitant, as defined by the PEMHCA, with an employer contribution towards medical insurance benefits that is equal to any contribution provided to an active employee under this Section.

5.02 Flexible Benefits Allowance

The City shall continue to provide a Flexible Benefit Allowance for each full-time employee in regular or probationary status who is enrolled in one of the PERS medical insurance plans offered by the City.

The allowance provided shall be equal to eighty percent (80%) for eligible Executives and Exempt employees and ninety percent (90%) for eligible Non-Exempt employees of the premium cost for health insurance coverage based on the employee's plan selection and participation level (e.g., Employee only coverage, Employee + 1 coverage, or Employee + 2 coverage), less the amount of any contribution provided under Section 5.01, Medical Insurance, of this Resolution.

Effective January 1, 2019, the allowance provided shall be equal to eighty percent (80%) for eligible Executives and ninety percent (90%) for eligible Exempt and Non-Exempt employees of the premium cost for health insurance coverage based on the employee's plan selection and participation level (e.g., Employee only coverage,

Employee + 1 coverage, or Employee + 2 coverage), less the amount of any contribution provided under Section 5.01, Medical Insurance, of this Resolution.

For Executives, the City's maximum contribution shall not exceed the cost of eighty percent (80%) of the premium for the second most expensive benefit plan as determined by the employee's participation level, less the City's contribution towards medical benefits under PEMHCA. For Exempt and Non-Exempt employees, the City's maximum contribution shall not exceed the cost of ninety percent (90%) of the premium for the Kaiser benefit plan as determined by the employee's participation level, less the City's contribution towards medical benefits under PEMHCA. In no event shall the sum of the City's contributions pursuant to the provisions of this Section and Section 5.01, Medical Insurance of this Resolution exceed eighty percent (80%) for Executives and ninety percent (90%) for Exempt and Non-Exempt employees of the premium cost for the PERS medical insurance plan in which the employee is enrolled.

The City shall continue to provide Flexible Benefit Allowances as provided in this Section unless amended or repealed by the City Council.

Contributions to an employee's Flexible Benefit Account shall be used only for payment of those benefits that are available through the City's Flexible Benefits Plan. The City will not treat any contributions made to the Flexible Benefits Plan as compensation subject to income tax withholding unless the Internal Revenue Service and/or Franchise Tax Board indicates that such contributions are taxable income subject to withholding. Each employee shall be solely and personally responsible for any federal, state, or local tax liability of the employee that may arise out of the implementation of this Section or any penalty that may be imposed therefore.

Each employee shall file an election in writing during the month of open enrollment for medical insurance each year as to how the monies in the employee's Flexible Benefits Account are to be expended during the ensuing year. Thereafter, no changes to designations so made shall be allowed until the enrollment of the following year, except for changes due to an eligible qualifying event.

Each employee shall be responsible for providing immediate written notice to the Director of Human Resources or designee of any change to the number of the employee's dependents, which affects the amount of the City's payment to the Flexible Benefits Account. An employee who, by reason of failing to report a change in dependents, receives a City payment greater than the amount to which the employee is entitled shall be liable for refunding the excess amounts received via a reduction in the amount paid to the employee's Flexible Benefits Account in subsequent months. Changes to flexible benefit contributions associated with changes in an employee's number of dependents shall take effect at the start of the first pay period in the month following the month in which notice of the change is received by the Human Resources Department. No retroactive increases to the Flexible Benefit Allowance provided by the City shall be allowed.

5.03 Federal or State Health Plan

If, pursuant to any federal or state law which may become effective subsequent to the effective date of this Resolution, the City is required to pay contributions or taxes for hospital, medical, dental care, prescription drug, or other health benefits to be provided to employees under such federal or state act, the City's obligation to furnish the same benefits under the Hospital Medical-Surgical-Dental Care and Prescription Drug Plans shall be suspended, and the contributions agreed to be paid monthly hereunder by the City under Sections 5.01, Medical Insurance, 5.02, Flexible Benefits Allowance, and 5.05, Supplemental Retirement Benefit, of this Resolution shall be reduced each month by the amounts the City is required to expend during any such month in the form of contributions or taxes to support said federal or state health plan.

If, as a result of such a law, the level of benefits provided by such law for any group of employees or their dependents is lower in certain categories of services than that provided under Sections 5.01, 5.02, and 5.05, the City shall, to the extent practicable, provide a plan of benefits supplementary to the federal or state benefits so as to make benefits in each category of coverage as nearly comparable as possible to the benefits provided under said Sections 5.01, 5.02, and 5.05. The City need only expend for this purpose the actual amount required to achieve parity between the benefits provided under Sections 5.01, 5.02, and 5.05 and the benefits provided under any federal or state plan as supplemented in the manner hereinabove described.

If the benefits provided under the federal or state act exceed the benefits provided hereunder in each category of coverage, the City shall be under no further obligation to make any contribution in pursuance of this Section. In the event that the federal or state government enacts a health care program requiring contributions by employees, the City shall reimburse employees for such contributions in the amount by which said employee contribution reduces the City contribution required by the terms of this Resolution.

5.04 Alternate Benefits

- A. An alternate benefit in the form of a cash payment is available to those full-time employees in regular or probationary status who: (1) elect to opt-out of receiving City contributions under Section 5.01, Medical Insurance, and 5.02, Flexible Benefits Allowance, and (2) provide proof of medical insurance coverage from a plan other than a City-sponsored plan.

Any cash payments provided under this Section shall be reported to the Internal Revenue Service (IRS) and the California Franchise Tax Board as compensation subject to income tax withholding. Each employee shall be solely and personally responsible for any tax liability that may arise out of the implementation of the alternate benefits. The amount of alternate benefit provided to an employee is based on the level of insurance coverage that the employee could have received if the employee had enrolled in a City-sponsored health insurance plan, as follows:

Employee only\$210.00 per month
Employee and one (1) dependent.....\$380.00 per month
Employee and two plus (2+) dependents.....\$500.00 per month

- B. A full-time employee who does not receive a City contribution under Section 5.01, Medical Insurance, and 5.02, Flexible Benefits Allowance, and who is enrolled in a City-sponsored health insurance plan as the dependent of another City employee may be eligible to receive an alternative benefit as provided in this Subsection. If the cost to the City of providing an employee with benefits as the dependent of another is less than the cost of enrolling the employee separately in a City-sponsored health insurance plan, then the individual enrolled as a dependent may receive an alternative benefit. The amount of any alternative benefit shall be equal to the amount of savings to the City for enrollment of the employee as a dependent, up to a maximum alternative benefit of \$150 per month.

The following examples illustrate how alternative benefits will be provided to employees who are enrolled as a dependent in a City-sponsored health insurance plan. For purpose of these examples, assume the following amounts as the City's total costs towards providing benefits under Section 5.01, Medical Insurance, and 5.02, Flexible Benefits Allowance:

Employee only - total cost of \$500 per month

Employee and one (1) dependent – total cost of \$1,000 per month

Employee and two (2) or more dependents – total cost of \$1,400 per month

Example 1. Employee A and B are spouses who both work for the City of Hayward. Employee A participates in City-sponsored health insurance at the Employee plus 1 level (City cost of \$1,000 per month), with Employee B enrolled as Employee A's one dependent. If each employee was to participate in a City-sponsored plan as individual employees, then the City's cost would be \$500 per month for each employee (or a total of \$1,000 per month for two people, each enrolled individually at the employee only level). Since there is no cost savings to the City for enrolling Employee B as a dependent of Employee A, and vice-versa, then neither employee is eligible to receive an alternative benefit.

Example 2. Employee A and B are spouses who both work for the City of Hayward. They have one child. Employee A participates in City-sponsored health insurance at the Employee +2 or more level (City cost of \$1,400 per month), with Employee B and the child enrolled as Employee A's dependents. If Employee B was to enroll in a City sponsored plan individually (City cost of \$500), and Employee A's participation was modified to the Employee +1 (City cost of \$1,000), the City's total cost for providing benefits to both employees would increase from \$1,400 to \$1,500 per month. Since the City realizes a \$100 savings per month due to Employee B's enrollment as a dependent of

Employee A, Employee B is eligible to receive an alternative benefit. The amount of this alternative benefit will be \$100 per month.

Example 3. Employee A and B are spouses who both work for the City of Hayward. They have two children. Employee A participates in City-sponsored health insurance at the Employee + 2 or more level (City cost of \$1,400 per month), with Employee B and the two children enrolled as Employee A's dependents. If Employee B was to enroll in a City sponsored plan individually (City cost of \$500), and Employee A continued to participate in Employee +2 or more benefits with the two children as dependents (City cost of \$1,400), the City's costs for providing benefits to both employees would increase from \$1,400 to \$1,900 per month. Since the City realizes a \$500 savings per month due to Employee B's enrollment as a dependent of Employee A, Employee B is eligible to receive an alternative benefit. The amount of this alternative benefit will be \$150 per month (the maximum alternative benefit available to employees enrolled as dependents of another employee).

- C. Enrollment in alternative benefits must be elected each year during open enrollment. Benefit eligibility and alternative benefit amounts may vary from year to year depending on plan premiums.
- D. The provisions of this Section shall be administered in accordance with regulations issued by the City Manager or designee which shall include, but not be limited to, the method and frequency of reimbursement to employees for the alternate benefits program(s) selected, the frequency with which employees may exercise the option to change alternate benefits programs, and appropriate procedures for the verification of payments made in pursuance of this Section.

5.05 Supplemental Retirement Benefit

Employees who retire from the City are eligible to receive a supplement retirement benefit. This benefit shall be equal to \$237.31, less the amount provided for under Section 5.01, Medical Insurance, above. This Supplemental benefit is provided in the form of cash to the retiree on a monthly basis. In order to receive this benefit, the employee must begin receiving pension benefits within one-hundred twenty (120) days of leaving City employment. Retirees are solely responsible for any tax consequences associated with the receipt of benefits under this Section.

5.06 Dental Insurance

The City shall contribute towards dental insurance coverage for full-time employees, other than temporary and provisional employees, and their eligible dependents as provided in this Section.

The City's contribution on behalf of an eligible employee participating in a City-sponsored dental plan shall be equal to eighty percent (80%) of the monthly premium for dental insurance, as determined by the employee's enrolled participation level in

the City sponsored dental plan. Employees enrolled in dental insurance are required to contribute the remaining twenty percent (20%) of the premium costs for dental insurance coverage.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third-party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

Currently, the City provides insurance coverage through a Delta Dental plan or United Concordia plan. Details regarding benefits and covered services for each plan may be found in the current Delta Dental or United Concordia benefits summaries for the City of Hayward respectively.

The City reserves the right to provide dental care benefits under a plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing dental care benefits for employees or through a program of self-insurance. In the event the City exercises this option, the alternate coverage shall be substantially equivalent to the coverage in effect when a change in carriers takes effect.

5.07 Life Insurance

The City shall pay the cost of providing each employee with a group term life insurance policy equivalent to the employee's annual gross salary. The policy shall include accidental death and dismemberment coverage and the right to conversion at the time of termination of employment to a form of permanent coverage without medical restrictions and without the requirement to demonstrate evidence of insurability.

5.08 Disability Insurance

The City shall continue in effect, at no cost to the employee, the Short Term/Long Term Disability Insurance policy with CIGNA or any other such successor program which provides benefits comparable to those available under the CIGNA policy. This program shall provide short-term disability benefits based upon two-thirds (2/3) of an employee's current gross salary, up to \$1,390/week, after a fourteen (14) day waiting period. Beginning in the fourth month, the long-term disability plan shall provide benefits based upon two-thirds (2/3) of an employee's current gross salary, up to \$7,000/month.

5.09 Vision Care

The City shall contribute towards vision care insurance for full-time employees and their eligible dependents. Currently, the City provides vision insurance coverage through VSP under a plan that provides for a \$15.00 deductible, an eye examination, and lenses and frames once per year.

For eligible employees who enroll in a City sponsored vision plan, the cost of the monthly premium shall be shared equally (50/50) between the employee and the City.

Monthly premium rates are established on a calendar year basis by the insurance provider, or in the case of a self-funded plan, by a third-party examining plan utilization review, market trends, overall plan costs, and any other industry standard metrics deemed necessary by the third party.

The City reserves the right to provide vision care benefits under a self-funded plan or through a carrier of its choice. Alternate coverage may be provided through a consortium of public agencies or private employers which may be formed for the purpose of providing vision care benefits for employees, or through a program of self-insurance. In the event the City exercises its option to move to a self-funded plan or to change insurance carriers, any new benefit plan shall provide coverage that is substantially equivalent to the coverage available at the time this option is exercised.

5.10 Medical, Dental, Vision, Flexible and Alternate Benefits for Certain Part-Time Employees

Employees who are hired in a part-time status and full-time employees who voluntarily assume part-time status shall be entitled to participate in group medical, dental, and vision insurance programs, and to receive a payment from the City to be applied to such plans subject to the following conditions:

1. Except as provided in paragraph 2 below, only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be entitled to coverage under group medical and dental plans.
2. The City's contributions towards medical insurance for part-time employees who are eligible to participate in a CalPERS health insurance plan as an "employee" shall be equal to the contribution provided to full-time employees in Section 5.01, Medical Insurance.
3. The City will provide those part-time employees who regularly work more than twenty (20) hours per week (at least a 0.5 FTE) with a Flexible Benefit Allowance. The amount of any allowance provided shall be determined in accordance with the formulas contained in Section 5.02, Flexible Benefits Allowance, except that the sum of the contribution provided to a part-time employee who works more than 20 hours per week under Section 5.01, Medical Insurance, plus the amount provided as a Flexible Benefit Allowance shall be based on the total number of hours worked each month by the part-time employee.

For new employees, the City contribution for medical insurance shall be based upon the employee's estimated work schedule during the first month of coverage. Thereafter, the actual number of hours worked by the employee each month shall be used to determine the amount of City contribution toward medical insurance premiums in the following month. However, the amount

provided shall never be less than the amount required by applicable government codes.

4. The City's payment for dental insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.06, Dental Insurance, of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 3 of this Section.
5. The City's payment for vision insurance shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.09, Vision Care, of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 3 of this Section.
6. The City's payment for alternate benefits shall be based upon scheduled hours of work and shall be proportionate to the amounts paid on behalf of full-time employees as specified in Section 5.04, Alternate Benefits, of this Resolution. The calculation of proportionate payments shall be based upon the hours budgeted for the position.

As an exception to the foregoing, those employees who assume part-time status as a result of a City imposed reduction in hours will continue to receive City payment of medical, dental, and vision insurance premiums and will continue to participate in the Flexible Benefits Plan on the same basis as for full-time employees.

5.11 Deferred Compensation Plan

A Deferred Compensation Plan has been established for the benefit of City employees. Employees may contribute to the Plan as provided by the Plan terms.

Except for those changes which are necessary or desirable to obtain or maintain the favorable tax status of the plan, any changes in the written plan document governing the implementation and administration of the Deferred Compensation Plan adopted by the Hayward City Council on May 12, 1981 with respect to termination or modification of the plan will be jointly decided upon by the Administrative Committee as defined in Section 13.00 of the plan document.

5.12 Defined Benefit Retirement Program

The City will continue to contract with the Public Employees' Retirement System (PERS) to provide a retirement program for employees. Benefits shall include:

1. CalPERS Retirement Benefit Formula:
 - a. Classic Members: 2.5% at 55
 - b. New Members: 2.0% at 62
2. Fourth Level of 1959 Survivor's Benefits
3. One (1) Year Final Compensation
4. Military Service Credit as Public Service

5. Continuation of Pre-Retirement Death Benefit after Remarriage of Survivor.
6. \$500 Retired Death Benefit
7. 2% Annual Cost-of-Living Allowance Increase

These benefit plans require an employee contribution of eight percent (8%). Employees shall pay the full employee contribution of eight percent (8%), which shall be paid by the employee on a pre-tax basis in accordance with the IRS Section 414(h)(2) method of reporting retirement payments.

For Unrepresented public safety employees, benefits shall include 3% @ 50 for Classic public safety employees and 2.7% @ 57 for New members, as well as those PERS contract options applicable to the respective public safety-represented bargaining units. These benefit plans require an employee contribution of nine and three-fourths percent (9.75%) by unrepresented fire safety and twelve percent (12%) by unrepresented police safety employees. Unrepresented police safety employee shall pay the full employee contribution of twelve percent (12%) and fire safety employees shall pay the full employee contribution of nine and three-fourths percent (9.75%), which shall be paid by the employee on a pre-tax basis in accordance with the IRS Section 414(h)(2) method of reporting retirement payments. In addition, unrepresented public safety employees shall pay the same percentage of the employer contribution paid by other employees in the same CalPERS membership classification in accordance with any CalPERS contract amendments entered into by the City under the provisions of Government Code Section 20516, subsection (a).

An employee, who is not eligible for enrollment in the Public Employees' Retirement System and who, in accordance with the federal Omnibus Budget Reconciliation Act of 1990, is required to be covered by Social Security or an alternate system, shall be enrolled in the Public Agency Retirement System (PARS). The City shall contribute three and three-fourths percent (3.75%) of covered earnings into the employee's PARS account.

5.13 Car Allowances and Mileage Reimbursement

Except as specifically provided under the terms of an employment agreement, employees are not eligible to receive a vehicle allowance. Employees who are required to drive their personal vehicles for City business will be reimbursed for actual miles driven at the rate established by the Internal Revenue Service (IRS).

5.14 Additional Employee PERS Contributions

In addition to each member's responsibility for payment of the employee retirement contribution, effective the pay period including July 1, 2015, employees shall contribute an additional one percent (1%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2016, employees shall contribute an additional one percent (1%) for a total of two percent (2%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2017, Exempt and Non-Exempt employees shall contribute an additional one percent (1%) for a total of three percent (3%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees.

Effective the pay period including July 1, 2017, Executive employees shall contribute an additional three percent (3%) for a total of five percent (5%) of their salaries to the California Public Employees' Retirement System (CalPERS) as payment of the City's employer contributions that the City would otherwise be required to pay to CalPERS for these employees

5.15 Health and Wellness Reimbursement

The City will reimburse full-time Exempt and Non-Exempt employees a maximum of fifty dollars (\$50) per month and Executive employees a maximum of one-hundred dollars (\$100) per month for expenses associated with health and wellness programs. This reimbursement may be used for recurring monthly fees associated with gym or health club memberships, fitness classes (such as yoga, Zumba, or similar), personal trainers, weight loss programs (such as Weight Watchers, Jenny Craig, or similar), or other health and wellness related expenses. Requests for reimbursement of monthly fees for health and wellness related expenses must be submitted in writing and accompanied by receipts and proof of monthly membership within forty-five (45) days of the most recent monthly payment made by the employee. Following receipt and approval of the employee's request, the employee shall receive the health and wellness reimbursement on a monthly basis until the employee indicates they have cancelled the monthly health and wellness related payments. The employee will be expected to inform the City in a timely manner that they have ceased making recurring monthly payments for health and wellness related expenses. Timely notice under this Section shall mean no more than thirty (30) days from when the employee cancels their recurring monthly health and wellness related fees.

Although participants may not be required to produce monthly receipts for health and wellness payments made on a recurring monthly basis, the City, at the discretion of the Human Resources Director or designee, may at any time request receipts to verify monthly payments have been continuous and the participating employee remains eligible to receive the health and wellness benefit in accordance with this Section of the Resolution.

For one-time health and wellness expenses, requests must be made in writing within forty-five (45) days of payment by the employee and submitted with receipts.

Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and the City Manager.

The City's decision to reimburse is final and not subject to dispute.

5.16 Professional Development Reimbursement

The City agrees to reimburse employees for professional development. This reimbursement may be for career development resources such as attendance at conferences, training courses, software, the purchase of books, subscriptions to professional journals or magazines, computers and electronic devices, dues to professional organizations, applications or examination fees associated with registration or certification, and other expenses related to professional development including research and training.

Prior to incurring any expense from the professional development fund, employees shall submit a request in writing to the Human Resources Department for preliminary review. Expenses reimbursed under this program are subject to the approval of the Director of Human Resources and final approval of the City Manager or designee.

The City will reimburse Unrepresented Exempt employees up to five-hundred dollars (\$500.00) and Unrepresented Non-Exempt employees up to three-hundred fifty dollars (\$350.00) for approved purchases made during that fiscal year. All receipts for reimbursement, regardless of aggregate value, must be submitted no later than June 1 of each fiscal year.

5.17 Personal Equipment Stipend

The City agrees to provide a stipend to Executive employees for the use of their personal equipment in the performance of their work. This stipend may be used at the discretion of the Executive employee to offset costs associated with the use of personal equipment which includes but is not limited to cell phones, computers and electronic devices, and other expenses related to connectivity.

Effective July 10, 2017, Executive employees shall receive three-hundred and fifty dollars (\$350) per month paid in equal installments over twenty-six (26) pay periods or in lump sum on the first pay period of the fiscal year.

5.17 Cellular Phone Stipend

Effective July 1, 2018, Unrepresented Exempt and Non-Exempt employees shall receive a cellular phone stipend of one-hundred dollars (\$100) per month in equal installments over twenty-six (26) pay periods.

6.00 SALARY ADMINISTRATION

6.01 Salary Administration Policy

The policy governing preparation of a compensation plan shall be that of salary standardization.

6.02 Salary at Time of Employment

The plan may provide a flat salary rate or a salary range for each classification with a minimum, maximum, and one or more intermediate steps. The beginning or normal hiring rate shall usually be at the first step of the range. Every new employee shall be paid the first step upon employment, except that the City Manager or designee may authorize employment at a higher step if the labor supply is restricted or the person to be hired is unusually well qualified.

6.03 Eligibility for Advancement in Pay

Non-executive employees may be advanced to higher steps as merited by progressive improvement in job skills and work performance. The following time-in-step requirements shall normally apply for an employee to be eligible for advancement in pay.

Step	Time-in-Step
A.....	6 months
B.....	6 months
C.....	1 year
D.....	1½years
E.....	---

If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing job duties, advancement may be made prior to completion of the above time-in-step requirements. If the first day of the time-in-step period begins in the first five (5) days of the payroll period, then begin time in step with the start of the payroll period. If not, then time shall begin on the first day of the next payroll period. Advancement in pay, when approved, shall be effective at the beginning of the first pay period immediately following completion of the time-in-step requirements outlined above. If an employee is on leave without pay for more than one (1) month, the period shall be deducted from the employee's accumulated time-in-step.

The City Manager or designee shall review the performance of Executive level employees annually, and advancement in pay is based solely on satisfactory performance. If warranted for the good of the service or when an employee demonstrates outstanding capacity in performing job duties, advancement may be made at the sole discretion of the City Manager or designee. Moreover, beginning in April 2018 and every two years thereafter, a total compensation salary survey of all Executive positions shall be conducted. If a position is below market average, the City

Manager may recommend a salary adjustment up to a maximum of the market average. This provision does not prevent a salary survey or subsequent adjustment in circumstances where there is difficulty recruiting or to maintain internal equity.

6.04 Attaining Advancement

An employee must demonstrate that advancement is merited on the basis of job performance. Advancement shall not be made solely because an employee is eligible according to time-in-step requirements. Good attitude and personal conduct, work accomplished, conscientious attendance, safety alertness, efforts at self-improvement, and other factors of individual achievement must be evident as appropriate to the position.

6.05 Use of Performance Ratings in Determining Whether Step Advancement is Merited

Performance ratings shall guide supervisors and Department Directors in determining whether step advancements have been earned and should be recommended to the City Manager or designee.

6.06 Withholding Step Advancements

The Department Director or designee has the authority and responsibility to recommend withholding step advancements by the City Manager if they are not merited. The Department Director or designee shall keep their employees informed about their job performance, giving good work its proper recognition and any deficient work all possible guidance and assistance toward improvement. Department Directors or their designee shall notify the employee as to the reasons for withholding step advancements prior to submitting such recommendation to the City Manager.

6.07 Change in Pay Upon Promotion

When employees are promoted, they shall normally receive the first step in the salary range for their new position. However, if such step is equal to or less than their present salary or they would be eligible for step advancement shortly in their previous position, they may be placed into the next step in the salary range of the new position which is close to five percent (5%) above their present salary. When no advancement in salary is granted on promotion, employees may be allowed to carry forward time-in-step accumulation. As an exception, if the employee has acted in the job class or received special assignment pay for the performance of duties related to the classification to which he or she is being promoted, the City Manager or designee may approve appointment at a higher step.

6.08 Change in Pay Upon Demotion

When an employee is demoted, whether voluntarily or otherwise, the employee's compensation shall be adjusted to the salary prescribed for the class to which the employee is demoted. The employee will be placed in a salary step in the demoted classification that is the same as or above the step held prior to demotion provided said demotion is not the result of disciplinary action. If the demotion is a result of disciplinary action, the specific salary step shall be determined by the City Manager or designee, whose decision shall be final. However, if the employee had prior service in the demoted position, the employee's step on the salary schedule for the demoted position shall not be set at a step that is lower than the step previously held by the employee in that position before the employee's promotion.

6.09 Change in Pay Upon Reclassification

When a position is reallocated to a classification with a higher pay range and the incumbent employee retains the position, the employee shall normally be placed at the first step in the new range. If no increase in pay results, advancement may be made to the next step immediately above the present salary. When recommended by the Department Director or designee and approved by the City Manager, additional advancement may be granted. If no change in salary is granted, the employee may be allowed to carry forward time-in-step accumulation.

When a position is reallocated to a classification with a lower salary range, the incumbent employee's pay shall not be reduced while the employee continues to occupy the position. If the employee's current rate is below the maximum step of the new range, the employee shall continue at the present salary and carry forward time-in-step accumulation. If the employee's current rate exceeds the maximum step of the new range, the employee's salary shall be frozen at its current level. When the incumbent leaves the position, a replacement shall normally be hired at the beginning rate.

6.10 Acting Pay

Employees may be assigned to perform the duties of a higher classification on an "acting" basis when, in the judgment of the Department Director or designee, a need exists for work to be performed in such higher classification.

"Acting" assignments shall only be made by the Department Director or designee, and the employee shall be provided with a written notice assigning the employee to the higher classification on an "acting" basis.

Employees assigned in accordance with the foregoing to perform the duties of a higher classification on an "acting" basis for a period of five (5) consecutive days or more shall receive "acting" pay retroactive to the first day of such assignment.

Employees qualifying for "acting" pay shall receive the salary step of the higher classification which represents an increase over the employees' present salary step. If the closest step in the "acting" classification is not equal to at least a five percent

(5%) increase over the employee's present salary step, the employee shall receive "acting" pay equal to five percent (5%) above the employee's current pay step, except that the total rate paid (base salary plus any percentage increase) for work performed in "acting" assignment shall not exceed the top step of the salary range for the higher class.

6.11 Bilingual Pay

Employees who are required, in the performance of their duties, to converse with the public in a language other than English and who have demonstrated their competency through a language fluency test administered through the Human Resources Department shall receive bilingual pay in the amount of thirty dollars (\$30) per pay period.

Employees who are required in the performance of their duties to communicate in writing and/or translate official written documents in a language other than English and who have demonstrated their competency in a second language through a written fluency test administered by the Human Resources Department shall receive an additional seventy dollars (\$70) of bilingual pay, for a total of one-hundred dollars (\$100) per pay period.

No more than once every twenty-four (24) months, the City Manager or designee may require an employee receiving bilingual pay to demonstrate continued competency in a second language as a condition of continuing to receive pay under this Section. Employees who do not demonstrate continued competency will cease receiving bilingual pay until such time as competency is again demonstrated.

6.12 Special Assignment Positions

Special assignment positions within a classification may be established where duties and responsibilities are of a specialized nature by comparison to other positions in the class. Selection of employees to said positions and removal therefrom shall be made by the City Manager or designee. An employee so assigned shall receive a salary increment not to exceed ten percent (10%) of the employee's present salary.

6.13 Salaries

The Positions and Salaries Resolution shall provide for the salary ranges for the classifications of employment listed in Appendix A.

6.14 "Y-Rated" Salaries

Employees whose classifications are affected by the recalibration of the salary schedule shall be y-rated at their current step until they are advanced to the next step in the range in accordance with applicable provisions of this Resolution. Upon advancement, employees will advance into the adjusted salary schedule listed in Appendix A.

6.15 Salary Adjustments

Salary adjustments shall be made as follows:

Executives	Exempt	Non-Exempt
Effective July 1, 2018: 5% one-time cash payment	Effective July 1, 2018: 4.25% one-time cash payment	Effective July 1, 2018: 4.25% one-time cash payment
COLA as follows:	COLA as follows:	COLA as follows:
2% effective the pay period that includes January 1, 2020	2% effective the pay period that includes January 1, 2020	2% effective the pay period that includes January 1, 2020
3% effective the pay period that includes July 1, 2020*	2% effective the pay period that includes July 1, 2020*	2% effective the pay period that includes July 1, 2020*
	2% effective the pay period that includes January 1, 2021	2% effective the pay period that includes January 1, 2021

* Cost-of-living adjustments shall not be provided to the Director of Finance, Fire Chief, Deputy Director of Human Resources, and Human Resources Administrative Assistant.

The Deputy Director of Human Resources and the Human Resources Administrative Assistant shall defer the 2% cost-of-living adjustment scheduled for July 1, 2020 until the following financial indicators are met:

1. Revenue recovery occurs and is the same or greater than revenue levels in FY 2018 reported in the City's CAFR for the following:
 - a. Sales tax
 - b. Property tax
 - c. Real Property Transfer Tax
 - d. Transient Occupancy Tax
2. No economically forced layoffs are required to balance the budget or meet the structural deficit in the fiscal year where the other three financial indicators are met.
3. The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget.
4. Adoption of a Balanced Budget without the use of General Fund reserves.

6.16 One-Time Lump-Sum Payment

In recognition of Unrepresented Exempt and Non-Exempt employees either deferring the July 1, 2020 COLA or taking an 80-hour unpaid furlough in fiscal year 2021 to mitigate projected revenue shortfalls, said employees may receive a one-time lump-sum payment under either of the two criteria presented below.

Meeting one set of criteria and making the associated payment cancels the City's obligation to the other; employees may be entitled to a lump-sum payment pursuant

to either Criteria 1 or Criteria 2, but in no event shall employees receive payment under both Criteria 1 and Criteria 2.

Criteria 1

Should certain financial indicators be met on or before June 30, 2022, the City will provide Unrepresented Exempt and Non-Exempt employees with a one-time lump sum payment (the "Payment") equal to 3% of the employee's base wages as of January 2, 2021.

Criteria 1 Financial Indicators

1. Revenue recovery: (1) the sum total of the following revenue sources (as reported in the City's CAFR) for FY 2021 is the same or greater than FY 2018; or (2) the sum total of the following revenue sources (as reported in the City's CAFR) for FY 2022 is the same or greater than FY 2018:
 - a. Sales Tax,
 - b. Property Tax,
 - c. Utility Users Tax, and
 - d. Transient Occupancy Tax.

2. The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget.

Criteria 1 Payout Schedule

In the event that the financial indicators are met, employees will receive the Payment in the first pay period after the City has distributed the annual report affirming that the financial indicators have been met.

Criteria 2

Should the City receive financial aid through a federal stimulus package that meets the criteria provided below, and should a certain financial indicator be met on or before June 30, 2022, the City will provide Unrepresented Exempt and Non-Exempt employees with a one-time lump sum payment (the "Payment") equal to 3% of the employee's base wages as of January 2, 2021.

The stimulus funding must be:

- More than \$3.5M in FY 2021,
- Specifically related to COVID-19 relief, and
- Discretionary or able to be used to offset revenue loss in the General Fund and/or for currently funded General Fund positions.

Criteria 2 Financial Indicator

The City's General Fund reserves are restored to 17% of the budgeted annual operating expense budget.

Criteria 2 Payout Schedule

In the event that the City receives funding through a federal stimulus package and the financial indicator is met, employees will receive the Payment in the first pay period after the City has distributed the annual report affirming that the financial indicators have been met.

7.00 HOLIDAYS

7.01 Holidays Observed by the City

The following days shall be holidays for all employees:

- New Year's Day (January 1)
- Martin Luther King Day (third Monday in January)
- Lincoln's Birthday (February 12)
- President's Day (third Monday in February)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Admission Day (September 9)
- Indigenous Peoples' Day (second Monday in October)
- Veteran's Day (November 11)
- Thanksgiving Day (fourth Thursday in November)
- Friday after Thanksgiving Day (Friday following fourth Thursday in November)
- Christmas Eve Day (December 24)
- Christmas Day (December 25)
- New Year's Eve (December 31, second half of work day / 4 hours)

If any of said holidays fall on a Sunday, the following Monday shall be observed as a holiday. If a holiday falls on a Saturday, the preceding Friday shall be observed as a holiday. If a holiday falls on an employee's regular day off, or if an employee is scheduled or assigned to work on a holiday, the employee shall be entitled to equivalent time off at a later date, and such time shall be credited to the employee's vacation leave. Scheduling or assignment of holiday work must be approved in advance by the City Manager or designee. The hours for which an employee receives holiday pay shall be based on the employee's regularly scheduled work hours for the day on which the holiday is observed.

7.02 Holidays for Part-Time Employees

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to four (4) hours' pay for each holiday observed for full-time employees. Eligible part-time employees shall receive one-half (1/2) hour of holiday leave with pay for each full hour of leave granted to full-time employees for the New Year's Eve holiday described in Section 7.01, Holidays Observed by the City, of this Resolution.

8.00 VACATIONS

8.01 Vacation Leave Policy

Vacation leave is a benefit and the use of same shall be approved by the City Manager or designee taking into account the desires and seniority of employees and, more particularly, the work load requirements of the department. Employees shall take vacation leave regularly each year and shall be encouraged to take vacation at least a full week at a time. In order to give effect to this policy and to realize the greatest benefit from vacation leave for both employee and the City, limitations shall be placed upon the amount of unused vacation leave an employee is allowed to accumulate.

If an employee exhausts his or her vacation leave, the employee may apply for another eligible paid or unpaid leave (excluding sick leave) as provided for in this Resolution. If vacation leave is approved and then it is determined that the employee does not have enough vacation leave available to cover the request and no other leave is requested, Payroll will deduct the excess time from another eligible paid leave balance. No vacation leave accruals will be credited in advance. No vacation leave will be earned while on an unpaid leave.

If vacation leave is used to remain in a paid status while on approved leave under the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the vacation hours used will run concurrently with the state and/or federal leave entitlement.

8.02 Vacation Accruals for Full-Time Employees

All full-time employees, other than temporary and provisional employees, shall accrue vacation leave benefits each payroll period based upon the number of regularly scheduled hours.

The vacation accrual schedule for employees who are budgeted at and work full-time is as follows:

Years of Service	Per 80 Hr. Period	Hourly Equivalent	Annual
Up to 5 yrs.....	3.08 hrs.....	0.0385 hrs.....	80 hrs.
From 5 to 9 yrs.....	4.62 hrs.....	0.0578 hrs.....	120 hrs.
From 10 to 19 yrs.....	6.16 hrs.....	0.0770 hrs.....	160 hrs.
From 20 yrs.....	7.70 hrs.....	0.0963 hrs.....	200 hrs.

An employee will accrue at the next highest benefit level on the employee's corresponding anniversary date. For purposes of crediting service time for vacation accruals, a former regular employee who is reinstated within one (1) year from the date of the employee's date of separation shall receive credit for their prior service on a probationary and regular appointment. No service time on a temporary, provisional, or contracted appointment will be credited.

The increases in the vacation leave allowance shall be granted on the basis of full-time, continuous service. An approved leave of absence shall not constitute a break in service for the purpose of this Section, but vacation leave shall not be earned during any period of unpaid absence.

As an exception to the foregoing, the City Manager or designee is authorized to place a new management employee at a position in the vacation schedule which recognizes that said employee has left a similar position with another employer where the employee had substantial vacation benefits.

Vacation leave shall continue to be earned during other authorized leaves with pay. When a holiday falls during an employee's absence on vacation leave, it shall not be deducted from the employee's accrued leave.

The maximum vacation accrual cap shall be twice the annual allowance plus forty (40) hours. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions may be permitted upon approval of the City Manager or designee. In granting such exceptions, the City Manager or designee may specify a time within which such excess vacation leave must be used. It shall be the responsibility of each employee to ensure the full use of vacation leave credits received by scheduling the necessary time off each year.

During the term of this Resolution, employees may cash out up to (120) hours of accrued vacation and/or management leave each fiscal year in no more than two (2) payments, at the employee's discretion, contingent on the employee using a minimum of eighty (80) hours paid vacation and/or management leave in the twelve (12) months preceding the request and having at least forty (40) hours of vacation and/or management leave remaining after the cash out. This leave cash out must be consistent with Section 10.09, Management Leave, of this Resolution.

Under no circumstances will an employee be permitted to cash out more than one-hundred twenty (120) hours of a combination of vacation and management leave each fiscal year.

All requests for cash-out shall be submitted through ESS by completing the Request for Management Leave/Vacation Leave Cash Out Form; requests must be processed and paid out on a paycheck date in the respective calendar year. For example, if a request is received for a pay period that ends in December of the respective year but results in a paycheck the following calendar year, this request will not be processed as the payout must occur on a paycheck in the respective calendar year. Payout will be applied to a single bi-weekly payroll, and employees will be responsible for all taxes associated with such payout.

This provision will not extend beyond the term of this Resolution; requests and/or payouts will not be accepted or processed beyond the pay period that includes June 1, 2021.

8.03 Vacation Accruals for Certain Part-Time Employees

Only those employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be eligible for vacation leave. Eligible part-time employees, other than temporary and provisional employees, shall accrue vacation leave benefits each payroll period based upon the number of hours the employee actually works. The hourly equivalent rates are as follows:

Years of Service	Hourly Equivalent
Up to 5 yrs.....	0.0385 hrs.....
From 5 to 9 yrs.....	0.0578 hrs.....
From 10 to 19 yrs.....	0.0770 hrs.....
From 20 yrs.....	0.0963 hrs.....

Notwithstanding the foregoing, employees who are hired in a part-time status and full-time employees who assume part-time status shall accrue vacation benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period. In order to be eligible for this benefit, employees must consistently work a half-time schedule or more. The amount of vacation so accrued shall be proportionate to that earned by full time employees in the same payroll period. The vacation accrual schedule specified in Section 8.02, Vacation Accruals for Full-Time Employees, of this Resolution and listed above will be used for purposes of prorating vacation leave.

The use of vacation shall be subject to the provisions and all Subsections of this Resolution. The maximum vacation accrual cap shall be twice the annual allowance plus twenty (20) hours. The vacation accrual cap shall be maintained on a continuous per pay period basis. Exceptions to the foregoing may be permitted pursuant to the provisions of Section 8.02 of this Resolution.

8.04 Payment for Unused Vacation Leave

Leave time earned but unused at the date of termination shall be added to final pay. If the employee owes the City for unearned leave taken, the actual time shall be deducted from final pay.

9.00 SICK LEAVE

9.01 Sick Leave Policy

Sick leave is a paid leave. Sick leave shall be allowed in case of an employee's bona fide illness or injury, or for an employee's doctor/health appointments. Use of sick leave shall be approved by the employee's supervisor.

Employees shall, whenever possible, make appointments for medical, dental, and other similar purposes on Saturday or other non- work time.

In addition to the foregoing, sick leave may be used as family sick leave to care for an ill or injured family member or to take a family member to a doctor appointment. A "family member" is defined as a child, parent, spouse, registered domestic partner, child of a registered domestic partner, grandparent, grandchild, or sibling. Up to half (1/2) of an employee's annual sick leave accruals per calendar year may be used as family sick leave.

A certificate from an attending physician stating the expected duration of the family member's illness may be required. Authorization to use additional sick leave for family illness beyond the maximum identified above may be granted by the City Manager or designee when, in the City Manager or designee's judgment, circumstances warrant the same. Employees may use not more than four (4) hours of sick leave for the purpose of consulting with a physician concerning a serious illness or injury of a member of the employee's immediate family.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

If an employee exhausts all accrued sick leave, the employee may apply for another eligible paid or unpaid leave as provided for in this Resolution. If sick leave is approved and then it is determined that the employee does not have enough sick leave available to cover the request and no other leave is requested, Payroll will deduct the excess time from another eligible paid leave balance.

No sick leave accruals will be credited in advance. No sick leave will be earned while on an unpaid leave.

If sick leave is used for purposes that qualify under a state or federal leave law, such as the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, then any sick leave used will count towards the state or federal leave entitlement.

9.02 Sick Leave Allowance for Full-Time Employees

All full-time employees, other than temporary and provisional employees, shall accrue sick leave benefits each payroll period based upon the number of hours the employee is entitled. The full-time sick leave accrual rate is 3.704 hours per payroll period (up

to ninety-six (96) hours annually). Employees shall accrue sick leave credits in accordance with the foregoing schedule from their initial date of employment.

The use of accrued sick leave shall be subject to the provisions of Section 9.00, Sick Leave, of this Resolution. An absence approved as sick leave shall be deducted from an employee's leave balance at the end of the pay period in which the leave is taken. There shall be no limit upon the number of hours of unused sick leave which may be accumulated by an employee. Upon separation of an employee, any sick leave balance for which payment has not been made shall be canceled and shall not be restored if a former employee is reinstated.

9.03 Sick Leave Allowance for Certain Part-Time Employees

1. Healthy Workplaces, Healthy Families Act of 2014

Part-time employees who work thirty (30) or more days within a year shall receive sick leave in accordance with the Healthy Workplaces, Healthy Families Act of 2014 and City Administrative Rule (AR) 2.56, Paid Sick Leave. The annual period shall be based on the part-time employee's first day of employment and anniversary date thereafter.

Employees eligible for sick leave under the Healthy Workplaces, Healthy Families Act of 2014 shall receive twenty-four (24) hours of sick leave on their first day of employment and may begin using their accrued sick leave after the ninetieth (90th) day of employment. Employees shall receive twenty-four (24) hours of sick leave at beginning of each fiscal year thereafter and can accrue up to a maximum of six (6) days or forty-eight (48) hours of paid sick leave, whichever is greater. Any unused paid sick leave balance will carry over year to year while continuously employed, up to the six (6) day or forty-eight (48) hour cap.

The use of sick leave so earned by part-time employees shall be subject to the provisions of this Resolution.

2. Part-Time Employees Regularly Scheduled Twenty (20) or More Hours per Week

Part-time employees who are regularly scheduled to work twenty (20) or more hours per week shall be entitled to accrue sick leave benefits each payroll period based upon the total number of hours for which the employee was compensated in the payroll period.

The amount of sick leave so accrued shall be proportionate to that earned by full-time employees based on the number of hours worked by the part-time employee. The full-time sick leave accrual rate is 3.704 hours per payroll period. The use of accrued sick leave shall be subject to the provisions of this Resolution.

3. Sick leave is accrued for all regular hours worked and shall continue to be earned during other authorized leaves with pay. There shall be no limit upon the number of hours of unused sick leave that may be accumulated by an

employee. Upon separation of an employee, any sick leave balance for which payment has not been made shall be canceled and shall not be restored if a former employee is reinstated. Sick Leave Usage

Sick leave may be taken for the diagnosis, care, or treatment of an existing health condition of, or preventive care for, an employee or an employee's family member. Employees may take up to a maximum of twenty-four (24) hours of sick leave per year to care for an eligible family member (the employees' child, parent, spouse, registered domestic partner, grandparent, grandchild, sibling). A certificate from an attending physician stating nature and extent of the family member's illness may be required in cases of suspected abuse of this provision.

Sick leave may also be taken for specified purposes by employees who are the victim of domestic violence, sexual assault, or stalking.

9.04 Sick Leave Notice and Certification

In order to receive compensation while absent on sick leave, employees or someone on their behalf shall notify the immediate supervisor prior to or within thirty (30) minutes before the time set for reporting to work. The City Manager or designee may waive this requirement upon presentation of a reasonable excuse by the employee. Employees shall file a personal affidavit or physician's certificate with their supervisor if required by the City Manager or designee for any use of sick leave.

After three (3) consecutive working days' absence, the supervising authority may require an appointment and/or physician's certificate. If employees become ill while on vacation, periods of illness may be charged to sick leave upon presentation of a physician's certificate certifying duration of illness. In cases of frequent use of sick leave, employees may be requested to file physician's statements for each illness, regardless of duration, to the extent allowed by law.

A physician's certificate must include the name and signature of the attending physician, the date and time the employee was seen by the physician, and the physician's certification that the illness or injury was of such nature to prevent the employee from performing their job. Employees may also be required to take an examination by a physician designated by the City and to authorize consultation with their own physician concerning their illness.

Sick leave shall not be granted for absences caused by intoxication or excessive use of alcoholic beverages. As an exception to the foregoing, sick leave may be authorized for the treatment of alcoholism or substance abuse when such condition is diagnosed by a competent medical authority.

These same requirements may also be applied for family sick leave requests.

9.05 Payment for Unused Sick Leave

Any employee leaving employment of the City in good standing after having completed twenty (20) years of continuous public service, or upon retirement from the City for service or disability with at least (10) years of service, or upon termination of employment by reason of death, shall receive payment for a portion of that sick leave earned but unused at the time of separation.

The amount of payment for unused sick leave shall be based on the employee's accumulated unused sick leave balance at the time of separation (up to a maximum of 2400 hours), times the employee's hourly rate of pay at time of separation plus seven percent (7%), times the number of whole years of continuous service, times the percentage factor from the following table:

- 0% to 65% of maximum eligible sick leave accrual = 1%
- 65.01% or more of maximum eligible sick leave accrual = 1.15%, provided the employee has twenty-five (25) years of service. If the employee has less than twenty-five (25) years of service the payout percent will equal 1%.

For the purposes of this Section, the maximum eligible sick leave accrual will be calculated as the number of whole years of service times 96.2 sick leave hours. The following examples illustrate how sick leave payouts will be provided to employees under this Section:

Example 1. Employee A is retiring after 20.7 years of service. She has 1335.4 hours of unused sick leave at time of retirement. The maximum number of sick leave hours she could have accrued over the course of her employment with the City was 96.2 hours x 20 years = 1924.0 hours. Her total sick leave hours (1335.4) are equal to 69.4% of the total maximum eligible sick leave accrual ($1335.4 \div 1924.0 \times 100 = 69.4\%$). She did retain greater than 65% of her maximum eligible sick leave accrual, however, she does not have 25 years of service. Therefore, she is only eligible to receive 1% of her unused sick leave balances for every whole year of service. Her hourly rate is \$42.35. Her sick leave payout hourly rate is $\$42.35 \times 1.07 = \45.31 . Her sick leave payout calculation is as follows:

$$1335.4 \text{ hours} \times \$45.31 \times 20 \text{ years} \times .01 = \$12,101.40$$

Example 2. Employee B is retiring after 30.2 years of service. He has 2457.8 hours of unused sick leave at time of retirement. The maximum number of sick leave hours he could have accrued over the course of his employment with the City was 96.2 hours x 30 years = 2886.0 hours. His total sick leave hours (2457.8) are equal to 85.2% of the total maximum eligible sick leave accrual ($2457.8 \div 2886.0 \times 100 = 85.2\%$). He retained greater than 65% of his maximum eligible sick leave accrual, and he has more than 25 years of experience. Therefore, he would be eligible for 1.15% of his unused sick leave balances for every year of service. His hourly rate is \$41.18. His sick leave payout hourly rate is $\$41.18 \times 1.07 = \44.06 . His sick leave payout calculation is as follows:

$$2400 \text{ hours (max allowed)} \times \$44.06 \times 30 \text{ years} \times .0115 = \$36,481.68$$

Payment of unused sick leave for part-time employees shall be determined using a pro-rated maximum accrual of sick leave hours and a pro-rated cap on the maximum number of hours that are subject to cash-out. The percentage applied for pro-rating shall be determined based on the average number of hours worked during the one (1) year period immediately preceding separation. For example, if the employee worked 1,040 hours during the year before separation, or the equivalent of 0.5 FTE, then the pro-rated maximum accrual will be 0.5×96.2 hours, or an annual accrual rate of 43.1 hours. The pro-rated cap for this same employee will be $0.5 \times 2,400$ hours or 1,200 hours.

That portion of an employee's sick leave balance for which payment is not provided shall be canceled and shall not be restored if said employee is reinstated.

Employees hired on or after April 1, 2012 shall not be eligible to receive any sick leave cash-out benefits under this Section.

9.06 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who is incapacitated by a catastrophic illness or injury. The intent of this program is to assist catastrophically ill or injured employees who have exhausted all available paid accruals to maintain a paid status for a maximum of one (1) year. Catastrophic injury or illness is defined as a medically certified, severe and disabling, non-industrial condition resulting in an employee's inability to work. Employees may submit requests to donate earned vacation and/or compensatory time on a voluntary basis subject to the conditions listed below.

- A. Employees initially eligible to receive leave contributions must have exhausted all other leave balances available including earned vacation, management leave, and earned sick leave.
- B. State and federal income tax on the value of leave donated shall be deducted from the recipient employee's pay at the time of crediting.
- C. Leave hours that are credited as sick leave to the recipient shall not be reversible.
- D. Hours requested to be donated shall be kept in a pledge status until used, shall be credited on a monthly basis as sick leave, and shall be subject to the provisions of this Resolution regarding the use and payment of same. Donations shall be credited in the following order:
 1. From donors whose vacation accruals are at or within sixteen (16) hours of the maximum allowed for their classification; then
 2. From other donors in random order, to be determined on a draw basis by the Human Resources Department.

3. Donation requests shall be credited in the order specified above in subsequent month(s).
 - E. Donated leave time shall be changed to its cash value and then credited to the recipient in equivalent hours at the recipient's straight time hourly rate of pay. Recipient employees shall not be credited with more than one-hundred percent (100%) of their normally scheduled hours for any given pay period.
 - F. Donating employees may not reduce their balance of earned vacation below eighty (80) hours by reason of such donations.
 - G. Recipient employees shall be credited with up to forty (40) hours of donated time upon return to work, provided that sufficient hours remain in pledge status during the pay period immediately preceding the return to work date. All undonated, pledged hours exceeding forty (40) shall be returned to the respective donor(s).
 - H. In the event of the death of the recipient, the recipient's designated beneficiary shall receive payment for hours credited as donated. Hours remaining in pledge status are not subject to payout to the beneficiary and shall be returned to the donor(s).

This provision shall also allow the use and donation of catastrophic leave to employees who need paid time off to care of a catastrophically injured or ill dependent. The use of this leave is limited to a one (1) year period for establishment of any Catastrophic Injury/Illness Time Bank. Upon approval of the City Manager or designee, a time bank may be established for the benefit of an employee who has a dependent who is incapacitated by a catastrophic illness or injury. A dependent is defined as a legal spouse, registered domestic partner, legal child under the age of 26, or legal child of a registered domestic partner under the age of 26.

An employee must provide a signed medical certification from the treating physician of the employee's dependent stating that the employee's dependent has a severe and disabling injury or illness and indicating the amount of time the employee would need to be off to care for the dependent.

An employee shall not be credited with more than one-hundred percent (100%) of the employee's normally budgeted hours for any given pay period. In no event shall an employee receive donated paid leave in addition to any paid benefit provided to the employee for time off to care for the employee's dependent that will result in the employee receiving more than one-hundred percent (100%) of the employee's base salary for the pay period. Records of any paid benefit provided to the employee for time off to care for a dependent must be provided by the employee to Payroll for integration with catastrophic leave.

Employees can donate paid leave to an employee who has a dependent with a catastrophic injury/illness under the same terms and conditions as for an employee who has a catastrophic injury/illness.

Employees can utilize catastrophic leave for up to a one (1) year period. The period starts for the first day of use of catastrophic leave. For example, if catastrophic leave

starts on July 1, 2010, it can only be used up until June 30, 2011. Leave can be taken on an intermittent basis if approved by the City Manager or designee but will not exceed catastrophic leave usage past the one (1) year leave period.

Any leave used for purposes that qualify under a state or federal leave law, such as the Family Medical Leave Act/California Family Rights Act/Pregnancy Disability Leave will count toward any state or federal leave entitlements. If an employee is unable to return to work and has exhausted all accrued leave entitlements, the employee may be retired for disability and/or separated.

10.00 MISCELLANEOUS LEAVES

10.01 Bereavement Leave

All full-time employees, other than temporary and provisional employees, shall be granted bereavement leave with pay for not more than three (3) workdays upon the occasion of the death of a close relative. When additional time is desired, employees may be allowed to take accumulated vacation leave or management leave as approved by the City Manager or designee. For the purpose of this Section, a close relative is defined as any relation of the employee, by blood or marriage, including registered domestic partners in accordance with Section 297.5 of the Family Code where one or more of the following conditions are present:

- A. The employee will be attending the funeral of the deceased.
- B. The employee is responsible for or involved with funeral arrangements and/or estate settlement for the deceased.
- C. The employee's relationship with the deceased was of a close and personal nature such that time is required by the employee to deal with their bereavement or to participate in memorial services, either religious or non-sectarian.

When requesting such leave, employees will be required to certify to the City Manager or designee the conditions for granting bereavement leave have been satisfied. Upon presentation of such a request, the City Manager or designee shall determine whether leave shall be granted and in what amount. Additional bereavement leave for two (2) workdays for travel purposes not to exceed a total of five (5) working days may be granted by the City Manager or designee when circumstances warrant the same.

Part-time employees who work a continuous schedule of twenty (20) or more hours per week shall be granted bereavement leave with pay as necessary on the same basis as full-time employees, except that they shall be compensated at the rate of one-half (1/2) of the bereavement leave allowance provided full-time employees.

All regular, full-time employees may take up to one (1) day off with pay to attend the funeral of a non-family member. Part-time employees who work a continuous schedule of twenty (20) or more hours per week may be granted this leave as necessary on the same basis as full-time employees, except that they shall be compensated at the rate of one-half (1/2) day.

The City's determination regarding whether or not to approve a request for one (1) day of leave to attend the funeral of a non-family member shall be final and shall not be subject to further dispute.

10.02 Jury Leave

An employee summoned to jury duty shall inform their supervisor and, if required to serve, may be absent from duty with full pay. Any jury fees received by an employee shall be remitted to the City, excluding mileage reimbursement.

10.03 Military Leave

Military Leave shall be granted in accordance with the provisions of state and/or federal law. All employees entitled to military leave shall give the City Manager an opportunity, within the limits of military requirements, to determine when such leave shall be taken.

10.04 Industrial Disability

For an employee injury or disability falling within the provisions of the state Workers' Compensation Disability Act, disability compensation at the rate allowed under said act shall be the basic remuneration during the employee's period of disability. Compensation under this Act will be provided through payroll or the City's third-party administrator. Employees may elect to use their own personal paid leave to supplement any workers' compensation benefits received. If any paid leave is used, the employee must contact Human Resources Department and integrate the leave with any temporary disability benefits paid under this Act so that compensation does not exceed 100% of an employee's regular pay.

10.05 Family and Medical Leave / California Family Rights Act

Employees may be eligible for leave under the Family Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA). The administration of any FMLA or CFRA leave provided for under this provision shall be in accordance with the provisions of the FMLA and the CFRA. Leave provided under this provision may run concurrently with other leaves provided under this Resolution as designated by the Human Resources Department. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.06 Pregnancy Disability Leave

Employees may be eligible for leave under the California Pregnancy Disability Leave Law (PDLL). The administration of any leave given under the PDLL shall be in accordance with the provisions of the PDLL. Leave provided under this provision may run concurrently with other leaves provided under this Resolution. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.07 Leave of Absence

The City Manager or designee, upon written request of a full-time employee, other than a temporary or provisional employee, may grant for the good of the service a leave of absence without pay for a maximum period of one (1) year. Consideration for granting leave will take into account the employee's previous time off, reason for request, business needs, etc.

Leaves hereby authorized shall include medical leaves, educational leaves, parental leaves, and leave for any other purpose promoting the good of the service. Part-time employees are eligible for leaves of absence on a pro-rata basis (e.g., half-time employees are eligible for one-half the leave of absence duration of a full-time employee, i.e., a maximum of six (6) months duration). Whenever granted, such leave shall be in writing and signed by the City Manager or designee. Upon expiration of such a leave, the employee shall be reinstated to the position held at the time the leave was granted. Failure of the employee to report promptly at the expiration or within a reasonable time after notice to return to duty shall terminate the employee's right to be reinstated.

All eligible paid leaves must be exhausted during any leave granted under this provision. Should employees exhaust their leave balance while on a leave of absence, all remaining time will be without pay. If a Leave of Absence is used for purposes that qualify under a state or federal leave law, such as the Family Medical Leave Act/California Family Rights Act or Pregnancy Disability Leave, the leave taken will count towards the state or federal leave entitlement. If an employee is unable to return to work and has exhausted all available leave entitlements, the employee may be retired for disability or separated. No benefits will be provided during this period except as provided below. Health coverage may be continued, but at the employee's own cost.

10.08 Parental Leave

Employees shall be granted forty (40) hours leave with pay at their current straight time hourly rate upon the birth of a child, or when a child begins residence with an employee who has commenced adoption proceedings with full intent to adopt. Part-time employees hired into positions budgeted for twenty (20) or more hours per week and who consistently work twenty (20) or more hours per week shall be granted proportionate leave based upon their work schedules. Leave must be taken within one (1) year from the date of birth or placement of the child.

In addition, a new parent may use up to one-hundred and twenty (120) hours of earned sick leave upon the birth of a child or when a child begins residence with an employee who has commenced adoption proceedings. Any leave granted under this provision shall run concurrently with FMLA/CFRA leave.

10.09 Management Leave

The City Council wishes to acknowledge the special public service rendered by the City's Executive and Exempt employees. In maintaining the City's efficiency and

reputation, Executive and Exempt employees in this group work additional hours as required for appearances before the City Council, City Boards and Commissions, residents' groups, and intergovernmental bodies; for maintenance of essential services during emergencies; and for accomplishment of work assignments which often impose irregular hours and time expenditures far in excess of the conventional forty (40) hour workweek. Under such circumstances, these employees neither expect nor receive overtime pay. However, upon being regularly required to work throughout the year beyond the normal workweek, an employee shall be provided up to two (2) weeks' annual management leave. Upon request of an employee, the City Manager or designee may authorize additional management leave.

Employees may cash out up to eighty (80) hours of management leave each fiscal year.

Employees may cash out up to an additional forty (40) hours of management leave and/or vacation leave, for a total of one-hundred twenty (120) hours of leave, each fiscal year in no more than two (2) payments, at the employee's discretion, contingent on the employee using a minimum of eighty (80) hours' paid vacation and/or management leave in the twelve (12) months preceding the request and must have at least forty (40) hours of vacation and/or management leave remaining after the cash out.

Under no circumstances will an employee be permitted to cash out more than one-hundred twenty (120) hours of management leave or a combination of vacation and management leave each fiscal year.

All requests for cash out must be submitted through ESS by completing the Request for Management Leave/Vacation Leave Cash Out Form; requests must be processed and paid out on a paycheck date in the respective calendar year. For example, if a request is received for a pay period that ends in December of the respective year but results in a paycheck the following calendar year, this request will not be processed as the payout must occur on a paycheck in the respective calendar year. Payout will be applied to a single bi-weekly payroll and employees will be responsible for all taxes associated with such payout

11.00 MISCELLANEOUS PROVISIONS

11.01 Notification of Address

All employees, including those on a leave of absence, shall keep the Human Resources Director or designee informed as to their current home address at all times, no later than ten (10) days after such change of address.

11.02 Restrictions on Outside Work

Gainful employment outside an employee's regular City position shall be considered a privilege subject to regulation and not a right. No employee shall engage in a gainful occupation outside of the employee's City position which is incompatible with the employee's City employment or which is of such a nature as to interfere with satisfactory discharge of the employee's regular duties. Any employee who wishes to engage in or accept such employment may do so after having first obtained written approval of the City Manager or designee. Approval of outside employment will be granted for a period not to exceed one (1) year. Employees wishing to continue outside employment will need to re-apply for approval of outside work upon the expiration of the current approval. Violation of this Section shall be cause for disciplinary action.

11.03 Employee Health and Medical Examinations

When in the judgment of the City Manager or designee, an employee's health or physical condition may have an adverse effect on the performance of duties or affect the safety or health of fellow employees, the employee may be required to undergo a medical examination at City expense.

On the basis of authoritative medical advice, the City Manager shall determine whether an employee is physically incapacitated for the duties of the position and may take whatever action the City Manager deems appropriate. The determination and resultant action may be the subject of appeal to the Personnel Commission for its review and recommendation.

Those employees designated by the City Manager shall also undergo, at City expense, routine medical examinations. The frequency of these examinations and the examining physician shall also be designated by the City Manager.

11.04 Conversion of Compensatory Time

An employee promoted from another representation unit to a classification in the Unrepresented Executives, Management, City Manager, Human Resources, & City Attorney Employees Unit will be required at the time of promotion to redeem all accrued compensatory time at the straight time hourly rate immediately prior to promotion. As an exception to the foregoing, an employee may elect to have the compensatory time transferred to the Deferred Compensation Plan pursuant to Plan rules.

11.05 Americans with Disabilities Act (ADA)

The City recognizes its obligation under the law to meet with individual employees who allege a need for reasonable accommodation in the workplace because of a disability. The City will engage in the interactive process with qualified employees to determine if a reasonable accommodation is available. In the case of an employee with a disability, managers and supervisors may be informed of necessary restrictions on the work or duties of the employee and any agreed upon reasonable accommodations.

11.06 Potential Changes in Wages and Benefits

The City agrees that leave, holidays, fringe benefits, and annual across-the-board salary increases granted to Unrepresented Exempt and Non-Exempt employees will be equal to those granted to members of the Hayward Association of Management Employees.

11.07 Fire Chief Position

Section 5.00, Benefit Plans, Section 6.00, Salary Administration, and Section 11.06, Potential Changes in Wages and Benefits, of this Resolution detailing employee benefit plans and across-the-board salary increases shall not apply to the Fire Chief. Instead, the employee benefits (including health and retirement benefits) for the Fire Chief will be the same as those set forth in any collective bargaining agreement between the City and the Hayward Fire Chiefs Association. In addition, the Fire Chief will be eligible to receive certification pay for possessing and maintaining a valid emergency medical technician certification and/or paramedic certification under the same terms and conditions as such pay is provided to employees represented by the Hayward Fire Chiefs Association. Except as specifically provided in this Section, all other provisions of this Resolution shall apply to the Fire Chief.

This Section shall remain in effect until thereafter amended or rescinded by the City Council.

11.08 Police Chief Position

Section 5.00, Benefit Plans, Section 6.00, Salary Administration, and Section 11.06, Potential Changes in Wages and Benefits, of this Resolution shall not apply to the Police of Chief. Instead, employee benefits (including health and retirement benefits) for the Police Chief will be the same as those set forth in any collective bargaining agreement between the City and the Hayward Police Officers Association. Moreover, based on satisfactory performance as determined by the City Manager, salary adjustments will be equivalent to those set forth in the collective bargaining agreement between the City of Hayward and the Hayward Police Officers Association. In addition, the Police Chief is eligible to participate in the Police Educational Incentive Program on the same terms as members of the Hayward Police Management Unit. Except as specifically provided in this Section, all other provisions of this Resolution shall apply to the Police Chief.

This Section shall remain in effect until thereafter amended or rescinded by the City Council.

11.09 Duration

This Resolution is intended to provide authorization for salaries, benefits, and other terms and conditions of employment beginning July 1, 2015 and until this Resolution is thereafter amended or rescinded by the City Council.