



CITY OF
HAYWARD
HEART OF THE BAY

CITY COUNCIL AGENDA

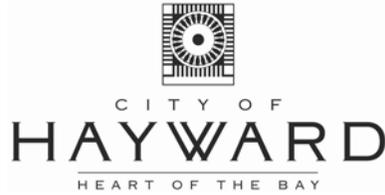
JUNE 21, 2011

**MAYOR MICHAEL SWEENEY
MAYOR PRO TEMPORE FRANCISCO ZERMEÑO
COUNCIL MEMBER BARBARA HALLIDAY
COUNCIL MEMBER OLDEN HENSON
COUNCIL MEMBER BILL QUIRK
COUNCIL MEMBER MARVIN PEIXOTO
COUNCIL MEMBER MARK SALINAS**

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CITY COUNCIL MEETING FOR TUESDAY, JUNE 21, 2011

CLOSED SESSION
Closed Session Room 2B – 5:00 PM

1. **PUBLIC COMMENTS** *(Limited to items agendaized for Closed Session)*
 2. Conference with Labor Negotiators
Pursuant to Government Code 54957.6
 - Lead Negotiators: City Manager David, City Attorney Lawson, Assistant City Manager Morariu, Human Resources Director Robustelli, and Interim Finance Director Stark
 - Under Negotiation: All Bargaining Units
 3. Conference with Legal Counsel
Pursuant To Government Code 54956.9
 - Pending Litigation
Taylor v. City of Hayward, WCAB No. ADJ6953725
 4. Adjourn to Special Joint City Council/Redevelopment Agency/Housing Authority Meeting
-

**SPECIAL JOINT CITY COUNCIL/REDEVELOPMENT AGENCY/
HOUSING AUTHORITY MEETING**
Council Chambers - 7:00 PM

CALL TO ORDER Pledge of Allegiance Council Member Halliday

ROLL CALL

CLOSED SESSION ANNOUNCEMENT

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

HAYWARD CITY COUNCIL, 777 B STREET, HAYWARD, CA 94541
[HTTP://WWW.HAYWARD-CA.GOV](http://www.hayward-ca.gov)

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 anytime before the Consent Calendar is voted on by Council if you wish to speak on a Consent Item.)*

CONSENT

1. Approval of Minutes of the Special Joint City Council/Redevelopment Agency/Housing Authority Meeting on June 7, 2011

[Draft Minutes](#)

2. Implementation of Cost Saving Measures and Contract Amendments Proposed by Employee Bargaining Units, Unrepresented Management, Human Resources and City Attorney Employees, Council-Appointed City Manager, City Attorney, City Clerk and the Mayor and Council Members for FY 2012

[Staff Report](#)

[Attachment I: Unrepresented Salary and Benefits](#)

[Attachment II: City Attorney](#)

[Attachment III: City Clerk](#)

[Attachment IV: Unrep Furlough](#)

[Attachment V: Hayward Fire Chiefs](#)

[Attachment VI: Fire Officers](#)

[Attachment VII: Fire Non-Management](#)

[Attachment VIII: HPMU](#)

[Attachment IX: HPOA](#)

[Attachment X: HAME](#)

[Attachment XI: Local 21](#)

[Attachment XII: SEIU](#)

[Attachment XIII: Mayor and Council](#)

3. New Sidewalk – Bellina Street: Award of Contract

[Staff Report](#)

[Attachment I - Resolution](#)

[Attachment II - Location Map](#)

[Attachment III - Bid Summary](#)

4. Pavement Reconstruction FY12 – Chiplay Avenue: Award of Contract

[Staff Report](#)

[Attachment I - Resolution](#)

[Attachment II - Location Map](#)

[Attachment III - Bid Summary](#)



The following order of business applies to items considered as part of Public Hearings and Legislative Business:

- *Disclosures*
 - *Staff Presentation*
 - *City Council Questions*
 - *Public Input*
 - *Council Discussion and Action*
-

PUBLIC HEARING

5. Adoption of 2010 Urban Water Management Plan and Urban Water Use Targets

[Staff Report](#)

[Attachment I - Resolution](#)

[Attachment II - Resolution \(Urban Water Use Target\)](#)

LEGISLATIVE BUSINESS

6. Introduction and Adoption of an Emergency Ordinance to Approve an Amendment to the City of Hayward Contract with the California Public Employees Retirement System (CalPERS) and Authorizing Staff to Execute the Contract

[Staff Report](#)

[Attachment I: Ordinance](#)

[Attachment II: Exhibit Contract Amendment](#)

7. Approval and Appropriations of the Operating and Capital Budgets for FY 2012; Approval and Appropriations of the FY 2012 Hayward Redevelopment Agency Budget; Approval and Appropriations of the FY 2012 Hayward Housing Authority Budget; Approval of the FY 2012 Gann Appropriations Limit

[Staff Report](#)

[Attachment I](#)

[Attachment II](#)

[Attachment III](#)

[Attachment IV](#)

[Attachment V](#)

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

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

ADJOURNMENT



PUBLIC COMMENT RULES: The Mayor may, at the beginning of the hearing, limit testimony to three (3) minutes per individual and five (5) minutes per an individual representing a group of citizens or organization. Speakers will be asked for their name and their address before speaking and are expected to honor the allotted time. A Speaker's Card must be completed by each speaker and is available from the City Clerk at the meeting.

PLEASE TAKE NOTICE that if you file a lawsuit challenging any final decision on any public hearing or legislative business item listed in this agenda, the issues in the lawsuit may be limited to the issues that were raised at the City's public hearing or presented in writing to the City Clerk at or before the public hearing. PLEASE TAKE FURTHER NOTICE that the City Council has adopted Resolution No. 87-181 C.S., which imposes the 90 day deadline set forth in Code of Civil Procedure section 1094.6 for filing of any lawsuit challenging final action on an agenda item which is subject to Code of Civil Procedure section 1094.5.

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

NEXT REGULAR MEETING – 7:00 PM, TUESDAY, JUNE 28, 2011

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.

JUNE 21, 2011



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**MINUTES OF THE SPECIAL JOINT CITY
COUNCIL/REDEVELOPMENT AGENCY/HOUSING
AUTHORITY MEETING OF
THE CITY OF HAYWARD
City Council Chambers
777 B Street, Hayward, CA 94541
Tuesday, June 7, 2011, 7:00 p.m.**

MEETING

The Meeting of the Special Joint City Council/Redevelopment Agency/Housing Authority Meeting was called to order by Mayor/Chair Sweeney at 7:00 p.m., followed by the Pledge of Allegiance led by Council/RA/HA Member Zermeño.

ROLL CALL

Present: COUNCIL MEMBERS Zermeño, Quirk, Halliday, Peixoto, Salinas,
Henson
MAYOR Sweeney
Absent: COUNCIL MEMBER None

PRESENTATIONS

Business Recognition Award – Anthera Pharmaceuticals, Inc.

The June 2011 Business Recognition Award was presented to Anthera Pharmaceuticals, Inc. Located at 25801 Industrial Boulevard, Anthera Pharmaceuticals began operations in 2004 and moved to Hayward in 2008. Currently it has over 30 employees. Anthera Pharmaceutical, Inc. has contributed to the Hayward community by: locating their headquarters in Hayward; providing job opportunities to local residents; being an industry leader; and contributing to the overall economic well-being of the Hayward community. Chief Financial Officer and Chief Business Officer Chris Lowe accepted the award and thanked Council for such recognition.

PUBLIC COMMENTS

Council Member Salinas reported attending an Alameda County Board of Supervisors meeting where redistricting proposals were considered that would divide the City into districts. Mr. Salinas requested that staff draft a resolution opposing any proposal that would change Hayward's existing boundaries. There was Council consensus to place an item on the next week's agenda.

Council Member Quirk noted that Hayward had been hosting the delegation of the Ghazni-Afghanistan Sister City and Central Kabul representatives. Mr. Quirk introduced Musa Khan, Ghazni Governor, who spoke favorably of the Sister City relationship and the importance of nations to work collaboratively. Members of the delegation comprised: Sayed Abdul Basir Noory, Mayor, Ghazni Province; Shah Gul Rezaie, Member of Parliament from Ghazni Province; Mohammad Yousaf Pashtun, Senior Advisor to President Karzai on Urban Development and National Construction; Omar Sultan, Deputy Minister, Ministry of Information and Culture; Hamidullah Sarwary, Director, Ghazni Department of Information and Culture; Mohammad Aref Yaqobi, Reporter, British Broadcasting Company (BBC) Radio Dari Service; Said Shah Hussain Murtazawi,

DRAFT

Deputy Director, Hasht Sob Magazine; Mirwais Ary, Producer and Presenter, TOLO & TOLO News TV; and Nasir Sahibi , Governor Assistant, Ghazni Province.

Mayor Sweeney read a proclamation congratulating Ghazni on their selection as an Asian capital of Islamic civilization for 2013 and reaffirmed Hayward’s welcome and growing relationship with its Sister City Ghazni, Afghanistan, and wished all of its residents a joyous and peaceful celebration. Mayor Sweeney presented the dignitaries with the proclamation and in return they presented Council with tokens of appreciation.

Mr. Charlie Peters, Main Street resident, reaffirmed his comments about Partial Zero Emissions Vehicles (PZEV) and spoke about Senate Bill 94.

Mayor Sweeney referred to an e-mail from a resident who expressed concerns with the Eldridge pedestrian overcrossing and requested that staff look into the item and place it on a future agenda. There was Council consensus to direct staff to place it on the agenda.

CONSENT

1. Measure B Pavement Reconstruction FY12: Award of Contract

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 7, 2011, was filed.

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

Resolution 11-068, “Resolution Awarding Contract to G. Bortolotto & Co., Inc. For the Measure B Pavement Reconstruction FY12 Project, Project No. 5127”

2. Authorization for the City Manager to Negotiate and Execute a Professional Services Agreement with Applied Soil Water Technology for the West Winton Landfill Drainage Culvert Repair and Cap Replacement Project

Staff report submitted by Deputy Director of Public Works Ameri, dated June 7, 2011, was filed.

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

Resolution 11-069, “Resolution Authorizing the City Manager to Negotiate and Execute a Professional Services Agreement for the West Winton Landfill Drainage Culvert Repair and Cap Replacement Project, Project No. 7504”

3. Adoption of a Resolution In Opposition to California Assembly Bill 455 (Campos) Public Employment: Local Public Employee Organizations



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Tuesday, June 7, 2011, 7:00 p.m.**

Staff report submitted by Human Resources Director Robustelli, dated June 7, 2011, was filed.

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

Resolution 11-070, "Resolution Opposing AB 455 (Campos) Public Employment: Local Public Employee Organizations"

WORK SESSION

4. City of Hayward, Hayward Redevelopment Agency, and Hayward Housing Authority Operating Budget for Fiscal Year 2012 (Continued)

Staff report submitted by City Manager David, dated June 7, 2011, was filed.

City Manager David noted the item was a continuation of the May 31, 2011 Work Session and outlined the order of departmental presentations as follows: Fire, Library and Community Services, Development Services, Public Works, Capital Improvement Program, and potentially Human Resources and City Clerk.

Fire Chief Bueno provided a summary of the Fire Department budget and staffing levels as depicted in the Recommended Operating Budget Fiscal Year 2012. Chief Bueno noted that discussions with the Hazardous Material Bureau determined that the recommendation to eliminate two Hazardous Material Program positions would affect the program and the department's ability to regulate hazardous materials and be a Certified Unified Program Agency (CUPA) would be relinquished. Therefore, Chief Bueno reconsidered his initial budget recommendation and proposed that the Hazardous Materials Program Coordinator and the Administrative Analyst III not be eliminated and maintained his recommendation to eliminate the Administrative Clerk II position.

Mayor Sweeney expressed his appreciation for the services of the Fire Department.

Council Member Henson said he also appreciated the efforts of the Fire Department, International Association of Firefighters Local 1909 and Hayward Fire Chiefs Association for the concessions and asked what the impact of relinquishing CUPA would be. Fire Chief Bueno responded that the relinquishment of CUPA would result in lost local control over hazardous materials and facilities. Mr. Henson stated the City should retain local control and asked what resources were available in the occurrence of an extremely hazardous circumstance. City Manager David said the Fire Department's budget would be used first and then funds from the Reserve Fund. In the case of a

catastrophic situation, the Federal Emergency Management Agency (FEMA) or State Emergency would be needed.

Council Member Quirk spoke favorably of the process the Recommended Operating Budget Fiscal Year 2012 was being presented and thanked the Fire Department for the presentation.

Council Member Peixoto thanked the Fire Department for their concessions for FY2012 and FY2013. Fire Chief Bueno clarified that his revised staffing recommendation included retaining the Administrative Analyst III and Hazardous Materials Program Coordinator positions and eliminating the Administrative Clerk II position.

Council Member Halliday echoed her colleagues' appreciation for the Fire Department concessions and was glad to hear the revised recommendation to retain the two positions in the Hazardous Materials Program. Ms. Halliday was concerned that with few anticipated retirements, there were no plans to conduct an academy to recruit and train firefighters. In response to Ms. Halliday's question for an update regarding the radio interoperability and the State mandate, Chief Bueno noted that due to budgetary constraints, the department had pushed the timeline for replacement of radios to occur in 2013, in line with the Federal mandate. City Manager David added that the current radios are interoperable among the Fire and the Police Departments and outside of the City as needed, but there is current review to consider joining the interoperability at a county level.

Council Member Salinas commented on the outstanding job the Fire Department had done with the budget concessions. He shared receiving a positive email from a friend who participated in the Community Emergency Response Training (CERT) and another email thanking Captain Paulson for the excellent delivery of customer service.

Council Member Zermeño thanked the Fire Department for their leadership and setting an example to other unions. He acknowledged the members of the Fire Department for honoring their fallen brothers from San Francisco. In response to Mr. Zermeno's question as to what would occur if Arizona asked for the City's assistance, Chief Bueno explained that there is a statewide mutual aid system in place and a matrix that dictates how agencies would be designated to assist.

Mayor Sweeney commented there was Council consensus to retain the CUPA standing and suggested the City Manager and Fire Chief consider options to retain CUPA and spread responsibility and expertise throughout the department so the department can transition into saving positions without having to relinquish CUPA.

Library and Community Services Director Reinhart provided an overview of the Library and Community Services Department budget, including FY2011 accomplishments, resource allocation, FY2012 budget recommendations, and service impacts.

Council Member Zermeño commended Ms. Shawna Sherman for her work with the Hayward Youth Commission. Library and Community Services Director Reinhart noted for Mr. Zermeño that the use of the visual media continues to rise and the circulation of physical materials continues the same trend.



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Council Member Halliday acknowledged Library and Community Services Director Reinhart and his staff for their efforts in serving the community with limited resources. She shared her positive experience in volunteering with the Homework Support Center Program and noted it is a positive partnership with the school system. Ms. Halliday appreciated staffs' efforts in seeking grant funds. In response to Ms. Halliday's request, Mr. Reinhart noted the successful collaboration of the Human Services and the Citizens Advisory Commissions during the Joint Strategic Planning process, which resulted in the development of a unified funding application and a two-year funding process. In response to Ms. Halliday's question regarding the impact of combining the two commissions, City Manager David noted that the possible merger would not reduce public participation but could accomplish resource and financial savings.

Council Member Henson echoed Council Member Halliday's comments regarding Library and Community Services Director Reinhart's efficient use of resources. Mr. Henson appreciated the efforts of the Paratransit Program and mentioned there would be a countywide review of the Paratransit Program conducted by the Alameda County Transportation Commission (ACTC).

Council Member Salinas mentioned that one-third of Hayward's population is under the age of 18 and asked staff to preserve programs that positively affect children. Mr. Salinas requested that the next City newsletter include a page dedicated to activities free for kids, especially as it relates to the library.

Mayor Sweeney was in agreement with Council Member Halliday's comments about the success of the Homework Support Center Program and commended Library and Community Services Director Reinhart.

Interim Finance Director Stark provided an overview of the Finance Department budget, including the Debt Service Fund.

Interim Finance Director Stark confirmed for Council Member Henson that the City would be researching opportunities for refinancing existing debt in FY2012. In response to Mr. Henson's inquiry about the new financial system, Ms. Stark noted that a new financial system would streamline the current manual payroll process and would enable the Finance Department to provide improved financial services. City Manager David added that a new financial system would provide dramatic changes in the areas of improved internal controls, increased efficiency across the organization, and the ability to access data for better management. Ms. David noted the new financial system is estimated to cost approximately \$6 to \$7 million with a commitment to purchase the general ledger and payroll system first and a \$1 million allocation for the analysis and the initial purchase.

Council Member Zermeño inquired if the city was purchasing supplies locally. City Manager David said the City could not legally place "Hayward only" restrictions when purchasing supplies

and noted staff has conducted outreach efforts to Hayward suppliers. Mr. Zermeño asked if the City could set an example for residents by supporting a “Buy Hayward First Program.”

In response to Council Member Peixoto's inquiry about the \$317,000 budget decrease, Interim Finance Director Stark noted the decrease was related to the completion of a two-year contract with a consulting firm for the implementation of the Utility Users Tax and the backfilling of critical finance positions. Ms. Stark explained the new financial system would automate the procurement process and City Manager David explained the goal is to have a paperless system in place.

Development Services Director Rizk provided an overview of the Development Services Department budget as outlined in the Recommended Operating Budget FY 2012.

Council Member Quirk agreed with consideration of a self-certification process for housing inspections to lessen the impact of housing inspection staff reductions. City Manager David noted the intent is to have the Building Inspection Program fully funded by inspection fees. Ms. David mentioned the goal was to have a self-sustaining cost center, except for long range planning. Mr. Quirk noted that if the Building Division is funded but services are running behind, then services need to be contracted out or people need to be hired. Mr. Quirk mentioned Council would need to look at the list of Council Priorities to ensure the most important goals are prioritized in the Development Services Department. Mayor Sweeney mentioned the possible need to slow down the work program of the Council's Sustainability Committee.

In response to Council Member Peixoto's inquiry about the progress of streamlining the permit application process, Development Services Director Rizk noted the department reduced the processing time and mentioned there was over a 95% positive rating from the Permit Center survey response card.

Council Member Henson echoed the Mayor's sentiments about the Council's Sustainability Committee and acknowledged Development Services Director Rizk's comments that the Sustainability Committee does require a lot of staff time and resources. Mr. Henson acknowledged the improvement to the Permit Center application processing and agreed that Council may need to seriously consider a self-certification process for building inspections. He thanked staff for their efforts on the Residential Energy Conservation Ordinance (RECO) and Mr. Rizk acknowledged Senior Planner Pearson for all his work. In response to Mr. Henson, Mr. Rizk explained that the City will spend the Alameda County's Energy Efficiency Conservation Block Grant funds by the end of 2012 and was confident that, given the federal and state goals of addressing climate change, there will be future funding opportunities.

Council Member Salinas noted receiving complaints from the public about the Sign Ordinance and suggested the Sign Ordinance be added as a goal since it meets Council's Priority of Cleanliness. In reference to some unhappy constituents, Development Services Director Rizk said the department's goal is to streamline the permit process, be as customer friendly as possible, and work with the public to seek resolutions to project issues. City Manager David added that the implementation of the Enterprise Resource Planning (ERP) system will assist Development Services achieve a more efficient process.



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Council Member Zermeño expressed concern about the impact that staff reductions would have on the Housing Inspection Program and requested that Development Services Director Rizk keep Council updated on any impacts to the program.

Mayor Sweeney noted that if the Redevelopment Agency (RDA) is eliminated, then the Downtown Plan would need to be placed on hold. In terms of the Housing Rental Inspection Program, he said the self-certification process could work for reliable landlords. Mayor Sweeney reiterated that it might be necessary to slow down the work program for the Council's Sustainability Committee and meet less often, and suggested these issues be placed on the Committee's next meeting agenda. The Mayor mentioned the General Plan needs to be updated and agreed that identifying funding sources would help tremendously.

Public Works Director Bauman provided a highlight of the Public Works Department budget, including FY 2011 Departmental Performance and staffing changes to proposed FY 2012.

Council Member Peixoto commented that after the completion of the Carlos Bee Boulevard Realignment project, the road conditions were greatly improved. He also complimented the significant one megawatt solar photovoltaic project at the Water Pollution Control Facility, which saves the City in energy usage 26%.

Council Member Henson voiced his appreciation of the Public Works Department for their support at the County and Airport Committee levels. Mr. Henson mentioned the various ongoing projects and acknowledged transportation challenges, especially with staff reductions. Director of Public Works Bauman confirmed that hanger rent is competitive and there is approximately \$1 million generated from aircraft property taxes for the General Fund per fiscal year.

Council Member Salinas commented on the positive public feedback he receives about the Public Works Department and the department's participation at Neighborhood Partnership meetings and in educating residents about Public Works. He acknowledged Deputy Public Works Director Fakhrai for his efforts in this regard.

Director of Public Works Bauman confirmed for Council Member Zermeño that there is another solar photovoltaic project in the works that will be addressed during the Capital Improvement Project presentation.

Human Resources Director Robustelli provided a synopsis of the Human Resources Department budget.

Mayor Sweeney commended Human Resources Director Robustelli for her efforts in the labor relations area considering the difficult circumstances.

City Clerk Lens provided a synopsis of the City Clerk Department budget.

Council Member Salinas acknowledged the City Clerk's Department and its efforts to assist Council become paperless with the use of i-Pads and by producing electronic documents. In terms of providing information on the City's website, Mr. Salinas noted that there is available computer access for students and the public at libraries and colleges.

Council Member Henson echoed Council Member Salinas' comments and thanked the City Clerk's Office for being the face of the City.

Mayor Sweeney noted the phenomenal public service that the City Clerk's Office provides to Hayward residents, mentioned receiving positive public comments.

5. Capital Improvement Program FY2012 Update

Staff report submitted by Public Works Director Bauman, dated June 7, 2011, was filed.

Public Works Director Bauman presented a synopsis of the report and provided a revised Technology Services Internal Service Fund – Fund 726.

Council Member Quirk commented that he continues to enjoy working with Director of Public Works Bauman, Deputy Public Works Director Ameri, and Deputy Public Works Director Fakhrai. He also acknowledged positive efforts of Airport staff.

Council Member Henson mentioned it has been a pleasure working with the Public Work's staff. In response to Mr. Henson's inquiry, Public Works Director Bauman directed Council's attention to a handout and clarified an error that indicated there was an extra \$80,000 coming from the General Fund. In response to Mr. Henson's inquiry, Mr. Bauman noted an additional funding source for streetlights and traffic signals was the Vehicle Registration Fees (VRF) and spoke about the challenges in obtaining federal funds. Mr. Bauman mentioned staff appreciates any assistance from Mr. Henson as a representative to the Alameda County Transportation Commission (ACTC). Mr. Henson was positive there would be funding available from the VRF for local streets and roads.

Director of Public Works Bauman acknowledged Administrative Analyst II Todd Strojny for his work on the Capital Improvement Program (CIP). City Manager David echoed Mr. Bauman's comments and voiced her appreciation of Mr. Strojny's efforts.

Council Member Salinas asked if the City has ever entertained the idea of bronzing manhole covers and then find sponsors to buy them. City Manager David mentioned the bronze manhole covers could be stolen.

COUNCIL REPORTS, REFERRALS, AND FUTURE AGENDA ITEMS

Council Member Salinas reported on his attendance to high school graduation events and spoke favorably of graduates who are pursuing Mathematics, Engineering, and Science degrees. Mr. Salinas extended an invitation to a rally to kick off the "Let's Do Lunch Hayward" program



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scheduled for 12:00 p.m., June 10, 2011, at the Hayward Unified School District building.

Council Member Zermeño provided Council with information about donations for the Castro Valley Veterans Memorial. Mr. Zermeño also announced the “A Taste of Hayward” event on June 8, 2011, and the Chamber of Commerce/Downtown BIA Hayward Street Party on June 16, 2011.

ADJOURNMENT

Mayor/Chair Sweeney gave an opportunity to Council/RA/HA Member Henson to adjourn the meeting at 9:55 p.m., in memory of San Francisco Fire Lt. Vincent Perez and Firefighter-Paramedic Anthony Valerio. Perez and Valerio were fatally injured as they were fighting a house fire Thursday, June 2, 2011, in San Francisco. Council/RA/HA Member Henson requested that a copy of the minutes be sent to their families and the San Francisco Fire Department.

APPROVED:

Michael Sweeney, Mayor, City of Hayward
Chair, Redevelopment Agency/Housing Authority

ATTEST:

Miriam Lens, City Clerk, City of Hayward
Secretary, Redevelopment Agency/Housing Authority

DATE: June 21, 2011

TO: Mayor and City Council

FROM: City Manager

SUBJECT: Implementation of Cost Saving Measures and Contract Amendments Proposed by Employee Bargaining Units, Unrepresented Management, Human Resources and City Attorney Employees, Council-Appointed City Manager, City Attorney, City Clerk and the Mayor and Council Members for FY2012

RECOMMENDATION

That the City Council approves the attached Resolutions authorizing the implementation of cost-saving measures proposed by the Hayward Association of Management Employees; the International Federation of Professional and Technical Engineers – Local 21; Service Employees International Union Local 1021 - Maintenance, Clerical and Confidential Unit; the Hayward Fire Chiefs Association; the Hayward Firefighter Officers – International Association of Fire Fighters - Local 1909; the IAFF – Local 1909 (“Fire Unit”); the Hayward Police Management Association; the Hayward Police Officers’ Association; the Mayor; and Council Members; and;

That the City Council approves a salary and benefits resolution, which includes implementation of cost savings measures for the Unrepresented Management, Human Resources, and City Attorney Employees (“Unrepresented Employees”), and;

That the City Council approves revised employment contracts and/or amendments to contracts, which include implementation of cost savings measures for the Council Appointed Officers (City Manager, City Attorney, and City Clerk.).

BACKGROUND

The City of Hayward is facing a projected \$20 million shortfall in the General Fund for FY2012. The City is also projecting between \$20 - \$30 million annual deficits over the next ten years absent implementation of continuing, permanent structural change. A slow recovery from a national economic recession continues to impact the City’s revenues significantly. In addition, the rising cost of employee retirement and health and welfare benefits is compounding the problem as the incremental increases of these costs currently far exceed the projected revenue, and are projected to do so well into the future.

Employee costs comprise 89% of the General Fund budget. Therefore, reduction of personnel expenditures is necessary to match the modest recovery of revenues; and it is imperative that the City take whatever measures necessary to reduce expenditures to preserve the services provided to the Hayward community.

Staff prepared a two-year budget for FY2011 and FY2012, which included a 5% cost savings commitment from all bargaining units in the second year. In preparation for adoption of the second year of the two-year budget, staff identified the extent of the growing financial challenge and rather than 5% participation, the City Manager asked the employees for 13%, with as much structural change as possible. Over the past several months, the City has been participating in discussions with all bargaining units to achieve an overall savings in salaries and benefits of approximately \$12.3 million for FY2012. As part of these discussions, the City and employees have been exploring opportunities for structural change in the salary and benefit packages currently offered. Some groups were more successful than others at achieving the overall target of the 13% requested, as well as the extent to which structural changes were realized.

DISCUSSION

Cost Savings Measures

The Unrepresented Employees, Council Appointed Officers, the Fire Unit, the Hayward Police Management Association, and the Mayor and Council all met or exceeded the 13% savings requested. These measures include multi-year agreements through FY2013 with elements of on-going structural change as well as temporary solutions to achieve the goal for FY2012. The Hayward Police Officer’s Association achieved the 13% savings requested for only FY2012 and all concessions provide temporary one-year solutions. While the agreements include different variations of types of structural change and temporary solutions, specifics for each group are outlined in the Table 1: “Summary of Concession Type”.

Table 1: Summary of Concession Type

Employee Group	Structural and On-going Change	Temporary Solutions
Unrepresented Employees	<ol style="list-style-type: none"> 1. Employee to contribute 8% towards PERS employee costs 2. Elimination of City contribution to 457B plan 3. Employee to contribute 10% towards medical premiums 4. No Raise 	<ol style="list-style-type: none"> 1. 104 Hour Furlough

Employee Group	Structural and On-going Change	Temporary Solutions
Council Appointed Officers (City Manager, City Attorney, City Clerk)	<ol style="list-style-type: none"> 1. Employee to contribute 8% towards PERS employee costs 2. Elimination of City contribution to 457B plan 3. Employee to contribute 10% towards medical premiums 4. No Raise 	<ol style="list-style-type: none"> 1. 104 Hour Furlough
Fire Unit	<ol style="list-style-type: none"> 1. Permanent forfeiture of contractually due raises for FY2012 and FY2013 	<ol style="list-style-type: none"> 1. Employee PERS contributions increase by 6% for FY2012 and FY2013 2. OPEB contributions suspended for FY2012 and FY2013
Hayward Police Management Association	<ol style="list-style-type: none"> 1. Permanent forfeiture of contractually due raises for FY2012 and FY2013 2. Employee begin paying 9% employee contribution for PERS in FY2013 3. Eliminate Paid City Holiday 4. Retiree Medical benefit capped at \$280 for new hires 5. Employee to contribute to OPEB beginning FY2014 	<ol style="list-style-type: none"> 1. 40 Hour Furlough 2. Employee to contribute towards medical premiums in FY2012 and FY2013
Mayor and Council ¹	<ol style="list-style-type: none"> 1. Elimination of City contribution to 457B plan 2. Employee to contribute 20% towards medical premiums 3. Employee to contribute 50% towards dental 	<ol style="list-style-type: none"> 1. Not applicable; all changes structural and on-going

¹ Mayor and Council currently contribute the required 8% employee contribution towards PERS

	premium 4. No Raise 5. Salary Reduction of 0.1%	
Employee Group	Structural and On-going Change	Temporary Solutions
Hayward Police Officers Association	1. Not applicable; all changes temporary	1. Foregoing raise due in July 2012 2. Employee PERS contributions increase by 3% for FY2012 3. Foregoing holiday pay in exchange for leave bank with usage restrictions 4. Requirement to receive first 40 hours of overtime worked in compensatory time in lieu of cash compensation

The Hayward Association of Management Employees (HAME), the International Federation of Professional and Technical Engineers – Local 21, and SEIU Local 1021 - Maintenance, Clerical and Related Unit achieved 5% savings through continuation of the furlough program with one exception. The HAME group agreed to achieve the 5% savings by offering half of the savings through permanent structural change, which includes an increase to the on-going employee contribution towards PERS retirement of 2.5%. The remainder of the savings includes participating in the furlough program during the specified closure days outlined below. These groups fell 8% short of reaching the requested 13% level of concessions.

The Furlough Program for all groups participating will include closure of City Hall and provide for fifty-two hours of the furlough obligation to be achieved by those who provide non-essential services during these closures. The dates that City Hall will be closed include a one-week closure during the Thanksgiving Holiday and a one-week closure between the Christmas and New Years Day Holidays. The closure schedule is as follows:

November 21	8 hours (Monday)	Furlough
November 22	8 hours (Tuesday)	Furlough
November 23	8 hours (Wednesday)	Furlough
November 24	8 hours (Thursday)	Holiday
November 25	8 hours (Friday)	Holiday
December 26	8 hours (Monday)	Holiday
December 27	8 hours (Tuesday)	Furlough

December 28	8 hours (Wednesday)	Furlough
December 29	8 hours (Thursday)	Furlough
December 30	4 hours (Friday)	Furlough

On City Hall closure days, only those staff members required to perform critical services will work. A significant and timely communication campaign will be initiated to advise the public of any closure of facilities.

Unrepresented Employees – Salary and Benefits Resolution (Administrative Changes)

The Unrepresented Employee Group is comprised of the Executive Leadership Team, Deputy Public Works Directors, Operations Director – Police Department, Human Resources employees and the Deputy and Assistant City Attorneys. Salaries and benefits are established by Council and approved by resolution. During the discussions with the employees of this group, a thorough review of the current resolution was completed as it related to compliance with current employment laws as well as best employment practices.

In addition to incorporating into the resolution the on-going, structural changes to salaries and benefits as outlined above, several administrative changes were made. These administrative changes do not have a fiscal impact on the employees in the group. The noteworthy administrative changes include renaming the group to more accurately reflect the composition, clarifying “at-will” employment status for executives, and updating sections throughout the document as they relate to current employment laws, including but not limited to the Fair Labor Standards Act, the Family Medical Leave Act, and the Americans with Disability Act. For those currently receiving a car allowance, the current amounts were “rolled in” into base salary and subsequently the car allowance for employees in the group has been eliminated. This added transparency to employee salaries and there was no net increase to compensation for any member of the group. Lastly, a section was added to address the current employment agreement with the incumbent Fire Chief.

Council Appointed Officers – Individual Employment Agreements

The Council Appointed Officers include the City Manager, City Attorney, and City Clerk. Salaries and benefits are established by the Council through employment agreements with each individual. All agreements have been updated to reflect the on-going structural changes and temporary solutions outlined in Table 1 and have been updated to follow a standard employment contract format.

The City Manager agreed to participate in the change to the employee PERS contributions, effective January 1, 2011, by contract amendment earlier in the year; thus, no additional contract amendment is necessary at this time for this provision. The City Attorney contract includes the “roll” in of the current car allowance and subsequently the car allowance has been eliminated. There was no increase to compensation for the City Attorney. The City Clerk contract has been aligned with the other Council Appointed Officers by removing the Clerk from the standard employee step-increase pay scale, and establishing a base annual salary for the incumbent equivalent to Step Five in the previous salary range. All future increases or changes to compensation will require specific action

by Council through amendment of the Employment Agreement similar to the process for the other two Council Appointed Officers.

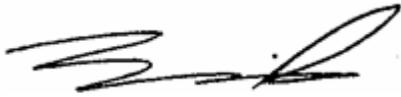
FISCAL AND ECONOMIC IMPACT

The employee concessions outlined in this report represent an estimated \$8.6 million in General Fund savings for FY2012. This is less than the savings target requested from employees of \$12.2 million or 13% concessions. The target was not reached due to three of the City's bargaining units only agreeing to contribute 5% towards employee savings targets instead of the 13% requested by the City. Position reductions, additional operational budget cuts and use of reserves were required to close the FY2012 budget deficit, which will adversely impact service levels to the community.

Prepared and Recommended by:

Frances M. Robustelli, Human Resources Director

Approved by:



Fran David, City Manager

Attachments: **Attachment I:** Resolution for Salaries and Benefits for the Unrepresented Management, Human Resources and City Attorney Employees
Attachment II: Resolution Approving the Extension and Modification of the City Attorney's Employment Agreement
Attachment III: Resolution Approving the Extension and Modification of the City Clerk's Employment Agreement
Attachment IV: Resolution Authorizing a Furlough Program for Unrepresented Management, Human Resources and City Attorney Employees and Council Appointed Officers
Attachment V: Resolution Authorizing Amendment to the Memoranda of Understanding for the Hayward Fire Chiefs Association Bargaining Unit
Attachment VI: Resolution Authorizing Amendment to the Memoranda of Understanding for the Hayward Firefighter Officers – IAFF Local 1909 Bargaining Unit
Attachment VII: Resolution Authorizing Amendment to the Memoranda of Understanding for the International Association of Firefighters – IAFF Local 1909

Attachment VIII: Resolution Authorizing Amendment to the Memoranda of Understanding for the Police Management Bargaining Unit

Attachment IX: Resolution Authorizing Amendment to the Memoranda of Understanding for the Hayward Police Officers' Association, POA Bargaining Unit

Attachment X: Resolution Authorizing Amendment to the Memoranda of Understanding for Hayward Association of Management Employees, HAME Bargaining Unit

Attachment XI: Resolution Authorizing Amendment to the Memoranda of Understanding for the International Federation of Professional and Technical Engineers, Local 21 Bargaining Unit

Attachment XII: Resolution Authorizing Amendment to the Memoranda of Understanding for the SEIU Maintenance, Clerical and Related Unit, SEIU Local 1021 Bargaining Units

Attachment XIII: Resolution Authorizing Amendment to the Salary and Benefits of the City of Hayward Mayor and City Council

Salary and Benefits Resolution

for

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

Effective July 1, 2011

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SUMMARY OF PROVISIONS

Summary of provisions in the Salaries and Benefits Resolution for Unrepresented Management, Human Resources, & City Attorney Employees, effective July 1, 2011. All changes will be effective the first full pay period in FY 2012.

General Salary Increases:

July 1, 2011 - 0%

General Salary Adjustments/Car Allowance:

City car allowances are eliminated. One-time adjustment to salaries made to include car allowance allotment.

Medical Benefits:

The City's employer contribution towards benefits under the Public Employees' Medical and Hospital Care Act (PEMHCA) shall be the minimum contribution amount required by Government Code Section 22892. During calendar year 2011, the City's contribution is \$108.00 per month. During the calendar year 2012, the City's contribution is \$112.00 per month.

Flexible Benefits:

Effective July 1, 2011, the City shall provide employees with a contribution to the City's flexible benefit plan (125 Plan). Employees can use this contribution to offset the cost of benefits purchased through the plan. The City's contribution to the flexible benefit plan shall be equal to ninety percent (90%) of the premium for health insurance coverage based on the employee's plan selection and participation level eligibility (i.e., Employee only coverage, Employee + 1 coverage, or Employee + 2 coverage), less the City's contribution towards medical benefits under the PEMHCA. The City's maximum contribution shall not exceed the cost of 90% of the premium for the second most expensive benefit plan (currently Blue Shield) as determined by the employee's participation level, less the City's contribution towards medical benefits under the PEMHCA.

Deferred Compensation Program:

The City provides employees with access to a deferred compensation plan. Effective July 1, 2011, the City will no longer provide an employer contribution to the deferred compensation plan.

Defined Benefit Retirement Program:

The City provides employees with access to a defined benefit plan. Except as specifically provided in this Resolution or pursuant to the terms of an individual's employment contract, employees are required to pay the full cost of any employee contribution required under the plan.

HAYWARD CITY COUNCIL

RESOLUTION NO. _____

INTRODUCED BY COUNCIL MEMBER _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HAYWARD APPROVING AND AUTHORIZING CERTAIN BENEFITS FOR UNREPRESENTED MANAGEMENT, HUMAN RESOURCES & CITY ATTORNEY EMPLOYEES; AND SETTING FORTH OTHER TERMS AND CONDITIONS OF EMPLOYMENT.

WHEREAS, the City of Hayward's Unrepresented Management Employees consists primarily of the City's Department Directors and Deputy Department Directors, as well as Assistant and Deputy City Attorneys in the City Attorney's Office, the Operations Support Director in the Police Department and Human Resources Staff (collectively "Unrepresented Employees"), all of whom are covered by the Salary and Benefits Resolution for the Unrepresented Management Employees; and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20 - \$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, the Unrepresented Employees participated in group discussions, provided feedback and completed a survey to determine how to best meet the thirteen (13) percent savings goal set by the City to achieve a balanced budget in FY 2012 and the results were used in the decision making process; and

WHEREAS, the Salary and Benefits Resolution will be amended to reflect a thirteen (13) percent reduction in employee services and benefits, as follows: 1) A mandatory 104 hour furlough in FY 2012; 2) Eliminate the City paid contribution to the deferred compensation 457b plan; 3) Increase employee's contribution to CalPERS from one (1) percent to eight (8) percent and eliminate the City's contribution toward the employee's share; 4) Increase employee contribution to medical to ten (10) percent of their medical premiums based on the plan and level selected by the employee and the City shall pay a maximum of 90% of the "second highest" plan, which is currently Blue Shield toward medical plan premiums; and

WHEREAS, the Resolution has been updated to reflect current employment related laws and best practices.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012, that the City Council hereby approves the amendments to the Unrepresented Management Employees Salary and Benefits Resolution effective July 1, 2011.

1.0 COMPOSITION

The employee classifications subject to this Resolution shall be 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 employees in the unclassified service will be required to sign a notification and acknowledgment of at-will employee as a condition of employment.

2.02 Appointments Subject to Probationary Period

All employees who are identified in Appendix B as being members 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 his or her 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 six (6) months, but longer periods may be specified in individual classification descriptions and shall apply to all positions in the classification. Extension of probationary periods up to a maximum of six months may be approved by the City Manager 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 his or her former position or to a position in the class from which he or she 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 he or she 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 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 his or her release from the position from which 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 are required.
 - 1. Length of service for the purpose of this Section 3.01 shall mean an employee's continuous uninterrupted service in the classification affected by the layoff. Length of service is determined based on 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 thirty-six (36) consecutive months because of layoff.
 - e. Failure to return from layoff as provided in Section 3.02.
 - f. Failure to return from an approved leave of absence upon the date specified for return at the time said approval was granted.
 3. In cases where there are two (2) or more employees in the same classification from which the layoff is to be made who have the same seniority date, 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. In cases where there are two (2) or more employees in the same classification from which the layoff is to be made who have the same seniority date and original date of hire with the City, 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 special skills are 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 as to that individual.

1. Bumping rights afforded an employee in the classified service pursuant to this section shall include access to those classifications in which employee has previously served but which may since have been re-titled but where, as determined by the City Manager, 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 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 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 he or she 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 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 at which the position was staffed at the time of layoff.
- 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 his or her address of record on file in the Human Resources Department to indicate acceptance of such return and his or her 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 previously served in, 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 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, he or she 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 Sections 3.01 and 3.02 of this resolution.
- E. Employees who request and are granted 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 his or her 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 his or her Department Head or, in the case of a Department Head, 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 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 Director. 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 Human Resources Director 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 Week

The normal work week for all full-time employees shall consist of forty (40) hours during each seven (7) day work period.

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 shall be authorized by the City Manager or Department Heads. Overtime-eligible employees are not permitted to work overtime except as the Department Head authorizes or directs. No employee may work overtime without receiving the prior approval of 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 his or her 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 work week 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 Head or his/her designee, compensatory time in lieu of overtime pay. Compensatory time accrual cap shall be forty (40) hours. The compensatory time cap shall be maintained on a continuous 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 work day or work week. All employees shall have the duty and obligation to perform emergency work upon request of proper authority declaring such emergency.

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 Contribution Act (PEMCHA). Eligibility of retired employees and survivors of retired employees to participate in this program shall be in accordance with those provisions of the PEMCHA 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.

During calendar year 2011, the City will provide a minimum employer contribution of \$108.00 per month to CalPERS for each eligible active employee towards the purchase of medical insurance benefits.

Beginning January 1, 2012, the City will provide a minimum employer contribution of \$112.00 per month to each eligible active employee.

In the event PERS requires a minimum employer payment in excess of the amounts recited above, the City shall pay such additional amounts as approved by the City Council. 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 5.01.

5.02 Flexible Benefits Plan

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 ninety percent (90%) of the premium for a medical coverage based on the employee's plan and participation level (i.e., Employee only coverage, Employee + 1 coverage, or Employee + 2 coverage), less the amounts specified in Section 5.01 of this resolution. This City's maximum contribution shall not exceed the cost of 90% of the premium for the second most expensive benefit plan (currently Blue Shield) as determined by the employees participation level, less the amount specified in Section 5.01 of this

resolution. The City shall continue to provide this flexible benefit contribution unless amended or repealed by the City Council.

The monies in an employee's Flexible Benefits Account shall be used only for payment of premium charges for the PERS medical insurance program in which the employee is enrolled.

Under the Flexible Benefits plan the City will not treat the employee's share of premium payments for the PERS medical insurance program as compensation subject to income tax withholding unless the Internal Revenue Service or the 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 his or her 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 bona fide hardship conditions which shall be reviewed and determined by a committee consisting of the Director of Finance and the Director of Human Resources (or their designees), and two (2) persons designated by the employee unit who are members of the representation unit. A simple majority vote of the committee shall be required in order for a change in flexible benefit designation to occur. Decisions of the committee shall be implemented only if they do not contradict applicable provisions of Internal Revenue Service (IRS) regulations.

Each employee shall be responsible for providing immediate written notification to the Director of Human Resources of any change to the number of his or her 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 he or she is entitled shall be liable for refunding the excess amounts received via a reduction in the amount paid to employee's Flexible Benefits Account. Changes to flexible benefit payments required because of a change in an employee's number of dependents shall take effect at the start of the first pay period in the month next following the month in which advice from the employee is received by the Human Resources Director. No retroactive increases to the City's payments 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 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, 5.02, and 5.05 of this resolution shall be reduced each month by the amounts which 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 agreed to be 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, such employee contribution shall be reimbursed by the City to the amount by which said employee contribution reduces the City contribution required by the terms of this resolution.

5.04 Alternate Benefits

Employees shall be allowed an opportunity to select certain options as alternatives to those benefits listed in Sections 5.01 and 5.02 of this resolution. These options shall be available only to those employees for whom no City contribution is made towards premiums for such insurance because the employee is covered under group medical insurance from a source other than the City of Hayward. The employee may direct that the City's contribution be applied to payment of premiums for group insurance policies held by the employee by reason of professional affiliation, training and/or nature of the position of employment with the City or be paid in cash. Cash payments, if any, shall be reported to the Internal Revenue Service (IRS) 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 monthly alternate benefit amounts to be provided employees are:

- Employee\$150.00.
- Employee &1\$270.00
- Employee & 2+\$350.00

For the purpose of this section, the term "dependent" shall mean a dependent eligible for coverage under a PERS medical insurance plan if such coverage had otherwise been elected by the employee.

The provisions of this section shall be administered in accordance with regulations issued by the City Manager 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 above. This Supplement 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 and 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 purchase dental insurance coverage for full time employees, other than temporary and provisional employees, and their eligible dependents. The City's contribution towards the purchase of insurance offered by Delta Dental or a successor plan shall not exceed \$83.16 per employee per month, and the City contribution towards purchase of insurance offered by MIDA or a successor plan shall not exceed \$35.28 per employee per month except as provided below.

Benefits under the Delta Dental plan shall include the following: one-hundred percent (100%) payment of diagnostic and preventative services; eighty percent (80%) payment for other basic services, and crowns and cast restorations; seventy percent (70%) payment for prosthodontics; seventy percent (70%) payment for orthodontics (adults and children). Deductibles each calendar year shall be \$25 per person with a maximum of \$75 per family. Maximum benefit payments shall be \$2,000 per year for each patient except for orthodontics which shall carry a \$2,500 lifetime maximum benefit per patient.

In the event the premium rate charged by the dental insurance carriers is increased such that it exceeds the maximum contribution amounts listed above, the City shall pay the additional amounts on behalf of employees until this section is otherwise amended or repealed by Council.

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 at such time as 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 nor the requirement to demonstrate evidence of insurability.

5.08 Disability Insurance

The City shall continue in effect, at no cost to the employee, the Long Term Disability Insurance policy with CIGNA; or any other such successor program which provides essentially comparable benefits. This program shall provide disability benefits based upon two thirds (2/3) of an employee's current gross salary after a one-hundred eighty (180) day waiting period.

5.09 Vision Care

The City shall purchase vision care insurance for employees and eligible dependents. The plan shall require a \$15.00 deductible, and shall provide for an eye examination, lenses and frames once per year.

The City's contribution towards the purchase of this insurance shall not exceed \$15.60 per employee per month except as provided below. In the event the premium rate charged by the vision care insurance carrier is increased such that it exceeds the maximum contribution amount listed above, the City shall pay the additional amount on behalf of employees until this section is otherwise amended or repealed by Council.

The City reserves the right to provide vision 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 vision 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 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 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. 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 amount of the City's payment for medical insurance shall be proportionate to that amount provided for full time employees in Sections 5.01 and 5.02 of this resolution based upon the total number of hours worked each month by the part-time employee. For new employees, the amount of 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 towards medical insurance premiums in the month next following.
3. The City contribution shall be a proportionate amount of the current benefit rate for the plan selected, or the amount provided in paragraph 2 above, whichever is the greater.

4. The amount of 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 of this resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 2 of this section.
5. The amount of 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 of this Resolution. The calculation of proportionate payments shall be in accordance with the provisions of paragraph 2 of this section.
6. The amount of 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 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 2% @ 55 Full Retirement Formula (effective June 29, 1992), Third Level 1959 Survivor's Benefits Program, the One (1) Year Highest Compensation Retirement Formula, Repurchase of Military Service Credit, and Continuation of Death Benefit after Remarriage of Survivor. Effective August 26, 2002, the City implemented the 2.5% @ age 55 Full Retirement Formula. This option requires an additional one percent (1%) employee contribution, bringing the total employee contribution to eight percent (8%) for miscellaneous members of plan. Employees shall pay the full employee contribution of eight percent (8%), which shall be paid by the employee on a pre-tax basis.

Effective January 1, 2001, the City changed the Survivor's Benefits Program to the fourth level.

For Unrepresented public safety employees, benefits shall also include 2% @ 50 (3% @ 50 for fire safety, effective January 1, 2001; 3% @ 50 for police safety, effective July 1, 2001), 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 percent (9%) by unrepresented fire safety and unrepresented police safety employees. Unrepresented police and fire safety employees shall pay the full employee contribution of nine percent (9%), which shall be paid by the employee on a pre-tax basis.

Employees, who are not eligible for enrollment in the Public Employees' Retirement System and who, in accordance with the federal Omnibus Budget Reconciliation Act of 1990, are 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 3.75 percent of covered earnings into the employee's PARS account.

5.13 Survivor Continuance

The One-Half Survivor Continuance benefit offered by the Public Employees' Retirement System (PERS) as an optional benefit to contracting agencies shall be made available to Unrepresented Management, Human Resources & City Attorney Employees subject to the following conditions:

- A. The date upon which this benefit takes effect must be the same for all units of miscellaneous employees if so required by PERS.
- B. The cost of the benefit shall be determined by PERS by an actuarial valuation to be paid for by the City. The resulting cost will be identified as a "charge" against future salary and benefit increases when these are next considered by the City Council following the adoption of this benefit.

5.14 Car Allowances and Mileage Reimbursements

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).

6.00 SALARY ADMINISTRATION

6.01 Salary Administration Policy

The policy governing preparation of a compensation plan shall be that of salary standardization, or like pay for like work.

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 on employment except that the City Manager or other appointing authority 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

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 before an employee gains eligibility for advancement in pay.

Step	Time-in-Step
A	6 months
B	6 months
C	1 year
D	1-1/2 years
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. When a pay range consists of less than five (5) steps, the range shall be established at the higher steps within the above time schedule. In determining time-in-step, it shall begin on the first five (5) days of the period; otherwise, 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 employee's accumulated time-in-step.

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. Department Heads or the City Manager shall be notified by the Human Resources Director of an employee's approaching eligibility for step advancements.

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

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

6.06 Withholding Step Advancements

Department Heads have the authority and responsibility to recommend withholding step advancements by the City Manager if they are not merited. Department Heads 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 Heads 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 receive 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.

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 he/she 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 providing 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, whose decision shall be final; provided however, that 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 his/her 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, 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 Head 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 shall not be reduced in pay while he or she continues to occupy the position. If the employee's current rate is below the maximum step of the new range, 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, his or her 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 Head or Division Head a need exists for work to be performed in such higher classification.

"Acting" assignments shall only be made by the Department Head/Division Head and the employee shall be provided with a written notice assigning 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 employee's present salary step, or a five percent (5%) increase over the employee's present salary step, whichever is the greater, but 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 in a second language to the satisfaction of their Department Head or his/her designee, shall receive bilingual pay in the amount of \$30 per pay period.

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. Said positions may be established by the City Council following a report and recommendation thereon by the City Manager.

Selection of employees to said positions and removal there from shall be made by the City Manager upon recommendation of the Department Head. An employee so assigned shall receive a salary increment not to exceed ten percent (10%) of employee's present salary.

6.13 Salaries

The Positions and Salaries Resolution shall provide for the salary ranges for the classifications of employment listed on Appendix A.

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)
- Columbus 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
- Christmas Day

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, 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 City Manager's designee. For the purpose of this section, the number of hours comprising a holiday is defined as ten (10) hours for employees on a 40-hour per week schedule who work a 4-10 schedule (four, 10-hour days per week), and eight (8) hours for all other employees.

7.02 Holiday - New Year's Eve

Employees shall be allowed the last half, four (4) hours, off on the work day immediately preceding New Year's Day.

7.03 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 full time employees for the New Year's Eve holiday described in Sections 7.02 of this resolution.

8.00 VACATIONS

8.01 Vacation Leave Policy

Vacation leave is a right; however, the use of same shall be approved by the Department Head his/her 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/her vacation leave, the employee may apply for another eligible paid or unpaid 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 for purposes that qualify under a state or federal leave law, such as Family Medical Leave Act/California Family Rights or Pregnancy Disability Leave, the leave taken will count towards the state or federal leave entitlement.

8.02 Vacation Accruals for Full-Time Employees

All full-time employees other than temporary and provisional shall accrue vacation leave benefits each payroll period based upon the number of hours the employee is entitled.

Vacation accrual schedule for employees who are budgeted and work full-time:

- a. Up to five (5) years of service: 3.08 hours per payroll period.
- b. From five (5) years to nine (9) years of service: 4.62 hours per payroll period.
- c. From nine (9) years to twenty (20) years of service: 6.16 hours per payroll period.
- d. From twenty (20) years of service: 7.70 hours per payroll period

For purposes of crediting service time for vacation accruals, a former regular employee who is reinstated within one (1) year from the date of his/her date of separation shall receive credit for his prior service on a probationary and regular appointment. No service time on a temporary, provisional or contracted appointment will be credited.

Vacation leave can be accrued but shall not be granted during the first six (6) months of service. The increases in vacation leave allowance shall be granted on the basis of full-time, continuous service.

As an exception to the foregoing, the City Manager 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 he or she 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 his or her 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 on approval of the Department Head and the City Manager. In granting such exceptions the City Manager may specify a time within which such excess vacation leave must be used. It shall be the responsibility of each employee to insure the full use of vacation leave credits received by scheduling the necessary time off each year.

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.

Notwithstanding the foregoing, employees who are hired in 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 of this resolution will be used for purposes of prorating vacation leave.

The use of vacation shall be subject to the provisions of Section 8.01, 8.03 and 8.04 of this resolution. 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 to the foregoing may be permitted pursuant to the provisions of Section 8.02 of this resolution.

Vacation leave can be accrued but shall not be granted during the first six (6) months of service.

8.04 Payment for Unused Vacation Leave

Leave time earned but unused at 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 health and wellness 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 a child, parent, spouse, registered domestic partner, or the child of a registered domestic partner as defined by California Labor Code 233. For family members who reside in the employee's home, there is no limit on the amount of sick leave that can be used as family sick leave by full time or part-time employees. For family members who reside outside of the employee's home, up to half of his/her annual sick leave accruals per calendar year may be used as family sick leave by full-time employees. Part-time employees are allowed to use up to half of his/her annual sick leave accruals (based on his/her budgeted work schedule) per calendar year as family sick for family members who reside outside of the employee's residence.

If an employee exhausts his/her 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 Family Medical Leave Act/California Family Rights 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 after the leave described in this section, the City will assess whether or not the employee is disabled under the ADA/FEHA, and if so, will engage in the interactive process to determine if the employee can be reasonably accommodated. If an employee is unable to return to work and has exhausted all of his/her leave entitlements, the employee may be retired for disability or separated.

9.02 Sick Leave Allowance for Full-Time Employees

All full-time employees other than temporary and provisional 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 3.7 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 and shall be entitled to the use of sick leave upon completion of three (3) months of continuous, full-time satisfactory employment.

The use of accrued sick leave shall be subject to the provisions of Section 9.0 of this Resolution. After an absence is approved as sick leave, it shall be deducted from an employee's leave balance. There shall be no limit upon the number of hours of unused sick leave which may be accumulated by an employee. Upon separation of employees, 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

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 in the same payroll period based on the part-time employee's budgeted for position. The full time sick leave accrual rate is 3.7 hours per payroll period. The use of accrued sick leave shall be subject to the provisions of this resolution.

Sick leave can be accrued but shall not be granted during the first three (3) months of service. 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 employees, sick leave balance for which payment has not been made shall be canceled, and shall not be restored if a former employee is reinstated.

9.04 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. Department Heads 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 Department Head or his/her designee, stating cause of absence. After five (5) working days' absence, the employee's supervisor may require a 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. In case of frequent use of sick

leave employees may be requested to file physician's statements for each illness, regardless of duration. A physician's certificate needs to 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 his/her 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 the employment of the City in good standing after having completed twenty (20) years of continuous service, or upon retirement from the City for service or disability, 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 this payment shall be equivalent to one percent (1%) of sick leave earned but unused at the time of separation times the number of whole years of continuous employment times an employee's hourly rate of pay at the time of separation.

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.

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) work days upon the occasion of the death of a close relative or a domestic partner registered with the City in a manner prescribed by the Human Resources Department. When additional time is desired, employees may be allowed to take accumulated vacation leave or compensatory time due off. For the purpose of this section, a close relative is defined as any relation of the employee, by blood or marriage, 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 his

or her bereavement or to participate in memorial services, either religious or non-sectarian.

When requesting such leave, employees will be required to certify to the Department Head or a designated representative the conditions for granting funeral leave have been satisfied. Upon presentation of such a request the Department Head shall determine whether leave shall be granted and in what amount. Additional funeral leave for travel purposes not to exceed five (5) working days may be granted by the Department Head or City Manager when circumstances warrant the same.

Part-time employees who work a continuous schedule of twenty (20) or more hours per week shall be granted funeral leave with pay as necessary on the same basis as full time employees.

10.02 Jury Leave

An employee summoned to jury duty shall inform his or her 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.

10.03 Military Leave

Military Leave shall be granted in accordance with the provisions of state and federal law. All employees entitled to military leave shall give the Department Head and the City Manager an opportunity, within the limits of military requirements, to determine when such leave shall be taken.

10.04 Industrial Disability

For 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 worker's compensation benefits received. If any paid leave is used, the employee must contact Human Resources 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 Leave Without Pay

A Department Head, upon written request of a full-time employee other than temporary or provisional employees, may grant authorize leave under this provision for a maximum of eighty (80) hours per calendar year. An employee will continue to receive health benefits but is still responsible for any out of pocket expenses. No leave accruals will be earned. If the leave is requested for purposes covered by a state or federal leave law such as but not limited to School Issues and Activities Leave, the leave will be approved if required by law. If Leave Without Pay is used for purposes that qualify under a state or federal leave law, such as Family Medical Leave Act/California Family Rights 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 of his/her leave entitlements, the employee may be retired for disability or separated.

The employee may be required to deplete his/her paid leave balances before requesting this leave.

10.06 Leave of Absence

The City Manager, upon written request of a full-time employee other than temporary and provisional employees, may grant for the good of the service a leave of absence without pay for a maximum period of one (1) year.

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. Upon expiration of such a leave, the employee shall be reinstated to the position held at the time leave was granted. Failure of the employee to report promptly at its expiration or within a reasonable time after notice to return to duty shall terminate employee's right to be reinstated.

All eligible paid leaves must be depleted before this leave is taken. If Leave of Absence is used for purposes that qualify under a state or federal leave law, such as Family Medical Leave Act/California Family Rights 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 of his/her 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.

Employees who are out on a bona fide work related injury or illness, will be placed on a Leave of Absence. However, employees on workers' compensation will continue to receive health benefits but are still responsible for any out of pocket expenses.

10.07 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 agreement. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.08 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

agreement. Additional information regarding available leave benefits is set forth in City Administrative Rule 2.45, as that Rule may be revised.

10.09 Parental Leave

A new parent may use up to forty (40) hours earned sick leave 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.

Leave must be taken within one (1) year from the date of birth or placement of the child.

Parental leave taken will count towards any applicable state or federal leave entitlement, such as Family Medical Leave Act/California Family Rights Act.

10.10 Catastrophic Injury/Illness Time Bank

Upon approval of the City Manager or his or her designated representative, 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 paid status as long as possible. 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, earned sick leave and accrued compensatory time.
- 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 Memorandum of Understanding 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 one 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, his/her 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).

10.11 Management Leave

The City Council wishes to acknowledge the special public service rendered by the City's Unrepresented Management, Human Resources & City Attorney Employees. In maintaining the City's efficiency and reputation, exempt Employees in this group work whatever extra hours are required for appearances before the City Council, City Boards and Commissions, citizens' 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 work week. Under such circumstances, these employees neither expect nor receive overtime pay. However, upon being regularly required to work throughout the year beyond the normal work week, an employee shall be provided up to two (2) weeks' annual management leave. Upon request of an employee, the City Manager may authorize additional management leave. And in recognition of the nature of the work performed by Department Heads, members of that group may convert up to forty (40) hours of administrative leave into cash each year. All leave granted pursuant to this Section must be used in the calendar year in which it is received, otherwise it is forfeited.

12.00 MISCELLANEOUS PROVISIONS

12.01 Notification of Address

All employees, including those on leave of absence, shall keep the Human Resources Director informed as to their current home address at all times, no later than ten (10) days after such change of address.

12.02 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 his or her City position which is incompatible with employee's City employment or which is of such a nature as to interfere with satisfactory discharge of his or her 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 a designated representative. Violation of this section shall be cause for disciplinary action.

12.03 Employee Health and Medical Examinations

When in the judgment of the Department Head and the City Manager, 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 he or she deems appropriate. The determination and resultant action may be the subject of appeal to the Personnel and Affirmative Action Board 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.

12.04 Conversion of Compensatory Time

An employee promoted from another representation unit to a classification in the Unrepresented Management, Human Resources, & City Attorney Employees 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.

12.05 Americans with Disabilities Act (ADA)

The City recognizes its obligation under 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.

12.06 Potential Changes In Wages and Benefits

The City agrees that leave, holidays, and fringe benefits and annual across the board salary increases granted to Unrepresented Management, Human Resources & City Attorney employees will be equal to those granted to members of the Hayward Association of Management Employees.

12.07 Fire Chief Position

Section 5.00 and Section 12.06 of this Resolution detailing employee benefit plans and across the board salary increases shall not apply to the incumbent Fire Chief. Instead, the employee benefits for the incumbent Fire Chief will be

the same as those set forth in any collective bargaining agreement between the City and the Hayward Fire Chiefs Association. Except as specifically provided in this Section 12.07, and except for provisions of this resolution inconsistent with the provisions of the employment agreement entered into on March 31, 2008 and expiring May 13, 2012, all other provisions of this Resolution shall apply to the incumbent Fire Chief.

This Section 12.07 shall not apply to any employee first appointed to the position of Fire Chief on or after July 1, 2011.

This Section 12.07 shall not apply to any employee first appointed to the position of Fire Chief on or after July 1, 2011.

12.08 Duration

This resolution is intended to provide authorization for salaries, benefits and other terms and conditions of employment for the period beginning July 1, 2011 and until this resolution is thereafter amended or rescinded by the City Council. All changes will be effective the first full pay period in FY 2012.

APPENDIX A - SALARY SCHEDULE

Job Code	Job Class	STEPS	7/1/2011
1122	Assistant City Manager	1	73.94
		2	77.62
		3	81.56
		4	85.60
		5	89.61
1121	Deputy City Manager	1	64.03
		2	67.24
		3	70.60
		4	74.12
		5	77.82
1116	Development Services Director	1	66.57
		2	69.92
		3	73.44
		4	77.13
		5	81.00
1118	Finance Director	1	70.42
		2	73.94
		3	77.64
		4	81.52
		5	85.60
1101	Fire Chief	1	74.32
		2	77.95
		3	81.85
		4	85.85
		5	89.86
1119	Human Resources Director	1	67.45
		2	70.82
		3	74.36
		4	78.08
		5	81.98
1120	Library & Community Services Director	1	67.53
		2	70.90
		3	74.45
		4	78.17
		5	82.08

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

1102	Police Chief	1	76.82
		2	80.52
		3	84.49
		4	88.59
		5	92.63
1111	Public Works Director	1	74.50
		2	78.23
		3	82.14
		4	86.25
		5	90.56
1105	Technology Services Director	1	67.71
		2	71.09
		3	74.65
		4	78.38
		5	82.30
1113	Maintenance Services Director	1	67.62
		2	71.00
		3	74.55
		4	78.28
		5	82.19
1126	Assistant to City Manager	1	46.12
		2	48.42
		3	50.87
		4	53.39
		5	56.04
1134	Assistant. City Attorney	1	59.90
		2	62.84
		3	66.00
		4	69.35
		5	72.82
1179	Deputy City Attorney II	1	42.00
		2	44.05
		3	46.29
		4	48.60
		5	50.95
1178	Deputy City Attorney I	1	34.58
		2	36.31
		3	38.15
		4	40.03
		5	42.00

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

1112	Deputy Director of Public Works	1	64.14
		2	67.35
		3	70.71
		4	74.25
		5	77.96
1104	Operations Support Director	1	61.27
		2	64.33
		3	67.55
		4	70.92
		5	74.47
1156	Human Resources Manager	1	42.98
		2	45.13
		3	47.39
		4	49.76
		5	52.25
1142	Employee Benefits Administrator	1	39.09
		2	41.03
		3	43.14
		4	45.25
		5	47.50
1175	Human Resources Administrative Secretary	1	32.17
		2	33.49
		3	34.81
		4	36.09
		5	37.53
1176	Human Resources Analyst I	1	29.52
		2	30.99
		3	32.61
		4	34.23
		5	35.97
1177	Human Resources Analyst II	1	35.72
		2	37.47
		3	39.34
		4	41.33
		5	43.36
1174	Human Resources Technician	1	27.20
		2	28.65
		3	30.13
		4	31.72
		5	33.40

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

1155 Senior Human Resources Analyst	1	39.09
	2	41.03
	3	43.14
	4	45.25
	5	47.50

APPENDIX B – EMPLOYEE STATUS

UNCLASSIFIED SERVICE

Pursuant to Article VIII of the City Charter and Chapter 2, Section 4 of the City's Municipal Code, the following classifications constitutes the City's Unclassified Service:

- Assistant City Manager
- Assistant to City Manager
- Deputy City Manager
- Development Services Director
- Finance Director
- Human Resources Director
- Library & Community Services Director
- Maintenance Services Director
- Public Works Director
- Technology Services Director
- Fire Chief
- Police Chief

CLASSIFIED SERVICE

Pursuant to Article VIII of the City Charter and Chapter 2, Section 4 of the City's Municipal Code, all positions identified in Appendix A that are not part of the unclassified service shall be included in the City's classified service.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION APPROVING THE EXTENSION AND MODIFICATION OF THE CITY ATTORNEY’S EMPLOYMENT AGREEMENT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE COUNCIL

BE IT RESOLVED by the City Council of the City of Hayward that the Council hereby approves the extension and modification of the City Attorney’s employment agreement on file in the office of the City Clerk, and authorizes the Mayor to execute the agreement on behalf of the City Council.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION APPROVING THE EXTENSION AND MODIFICATION OF THE CITY CLERK'S EMPLOYMENT AGREEMENT AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT ON BEHALF OF THE COUNCIL

BE IT RESOLVED by the City Council of the City of Hayward that the Council hereby approves the extension and modification of the City Clerk's employment agreement on file in the office of the City Clerk, and authorizes the Mayor to execute the agreement on behalf of the City Council.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE SALARY AND BENEFITS RESOLUTION FOR THE UNREPRESENTED MANAGEMENT EMPLOYEES AND TO THE EMPLOYMENT AGREEMENTS FOR THE COUNCIL APPOINTED CITY MANAGER, CITY ATTORNEY, AND CITY CLERK FOR MANDATORY 104-HOUR FURLOUGH FOR FY 2012

WHEREAS, the City of Hayward’s Unrepresented Management Employees consists primarily of the city’s Department Directors and Deputy Department Directors, as well as Assistant and Deputy City Attorneys in the City Attorney’s Office, the Operations Support Director in the Police Department and Human Resources Staff (collectively “Unrepresented”), all of whom are covered by the Salary and Benefits Resolution for the Unrepresented Management Employees; and

WHEREAS, the Council Appointed City Manager, City Attorney, and City Clerk (collectively “Appointees”) have separate employment agreements with the City; and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$ 20 million for FY 2012; and

WHEREAS, the Appointees recognize the fiscal challenges that the City is facing and have agreed in their respective employment agreements to contribute the full thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget, of which five (5) percent is achieved through a mandatory 104 hour furlough; and

WHEREAS, the Unrepresented participated in group discussions, provided feedback and completed a survey to determine how to best meet the need for a thirteen (13) percent reduction in employee services and the results were used in the decision making process and the Salary and Benefits Resolution will be amended to reflect an eight (8) percent contribution in addition to the five (5) percent achieved through a mandatory 104 hour furlough, and

WHEREAS, the incumbent Fire Chief has achieved the thirteen (13) percent by separate agreement through increased contributions to CalPERS and forfeiture of raises; and

NOW, THEREFORE, BE IT RESOLVED that as part of the City’s effort to balance its budget for FY 2012, that the City Council hereby approves the amendment to the Unrepresented Salary and Benefits Resolution and the Appointees employment agreements, excluding the incumbent Fire Chief, and authorizes the adoption of a mandatory 104 hour furlough for FY

2012, which may be implemented pursuant to a set schedule that requires the closure of nonessential City facilities.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE HAYWARD FIRE CHIEFS ASSOCIATION EMPLOYEES

WHEREAS, the Hayward Fire Chiefs Association and its members (collectively “Association”) are covered by a Memorandum of Understanding (“MOU”); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20-\$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, the Association fully recognizes the fiscal challenges that the City is facing and after meeting and conferring in good faith, has agreed to contribute the full thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget for FY 2012 and has agreed to additional concessions beyond the thirteen (13) percent in FY 2013; and

WHEREAS, the Association has agreed to waive and permanently relinquish any rights they may have to any salary adjustments in FY 2012 and FY 2013; and

WHEREAS, the City and the Association agree to memorialize the retiree medical funding practice currently in effect and applicable to Association members since January 1, 2009 by incorporating it into the May 6, 2011 Addendum to the MOU by reference the retiree medical care funding provisions (which describe such practice) as set forth in the May 13, 2008 “Addendum to the Memorandum of Understanding between the City of Hayward and the International Association of Firefighters, AFL-CIO, Local 1909”; and

WHEREAS, the City and the Association modify the referenced retiree medical funding practice during the fiscal years 2012 and 2013, and the City and members of the bargaining unit shall be relieved of their respective obligations under the MOU and previous amendments to the MOU to pay one percent (1%) of employee salaries into an irrevocable trust to fund retiree medical benefits and during FY 2013, the City shall be relieved of the additional 1% provided for in the previous amendments to the MOU to equal a total relief of 2% in FY 2013 for the City; and

WHEREAS, the term of the current MOU, which was originally to expire on December 31, 2012 and was extended through December 31, 2013 shall be extended through December 31, 2014; and

WHEREAS, the Association entered into an amendment to the MOU dated May 6, 2011 with the City setting forth the terms of the MOU amendments for FY 2012 and FY 2013.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012 and FY 2013, that the City Council hereby approves the Side Letter Agreement dated May 6, 2011 between it and the Hayward Fire Chiefs Association to amend the Hayward Fire Chiefs Association MOU.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE HAYWARD FIRE OFFICERS LOCAL 1909 EMPLOYEES

WHEREAS, the Hayward Fire Officers, Local 1909 and its members (collectively “Local 1909”) are covered by a Memorandum of Understanding (“MOU”); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20-\$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, Local 1909 fully recognizes the fiscal challenges that the City is facing and after meeting and conferring in good faith, has agreed to contribute the full thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget for FY 2012 and has agreed to additional concessions beyond the thirteen (13) percent in FY 2013; and

WHEREAS, Local 1909 has agreed to not receive and permanently relinquish their rights to the salary adjustments that were deferred to June 27, 2011 pursuant to previous amendments to the MOU, and shall not receive and permanently relinquish their right to any salary adjustments to which they may be entitled under the MOU and previous amendments to the MOU on January 1, 2012; and

WHEREAS, during FY 2012 and FY 2013, the City and the members of Local 1909 shall be relieved of their respective obligations under the MOU and previous amendments to the MOU to pay one percent (1%) of employee salaries into an irrevocable trust to fund retiree medical benefits and furthermore, during FY 2013, the City shall be relieved of the additional 1% provided for in the previous amendments to the MOU to equal a total relief of 2% in FY 2013 for the City; and

WHEREAS, for calendar year 2013, the dates for completion of the salary survey and implementation of the adjustment shall be modified from January 1, 2013 to July 1, 2013; and

WHEREAS, the term of the current MOU, which was originally to expire on December 31, 2010 and was extended through December 31, 2015 shall be extended through December 31, 2016.

WHEREAS, Local 1909 has entered into an Amendment to the Memorandum of Understanding dated May 6, 2011 with the City setting forth the terms of the MOU amendments for FY 2012 and FY 2013.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012 and FY 2013, that the City Council hereby approves the amendment to the Memorandum of Understanding dated May 6, 2011 between it and Local 1909 to amend the Local 1909 MOU.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE HAYWARD FIREFIGHTERS NON-MANAGEMENT EMPLOYEES BARGAINING UNIT, LOCAL 1909 EMPLOYEES

WHEREAS, the Hayward Firefighters Non-Management Employees Bargaining Unit, Local 1909 and its members (collectively “Local 1909”) are covered by a Memorandum of Understanding (“MOU”); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 20 WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20-\$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, Local 1909 fully recognizes the fiscal challenges that the City is facing and after meeting and conferring in good faith, has agreed to contribute the full thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget for FY 2012 and has agreed to additional concessions in FY 2013; and

WHEREAS, Local 1909 has agreed to not receive and permanently relinquish their rights to the salary adjustments that were deferred to June 27, 2011 (fiscal year savings equivalent to 8.027%) pursuant to previous amendments to the MOU, and shall not receive and permanently relinquish their right to any salary adjustments to which they may be entitled under the MOU and previous amendments to the MOU on January 1, 2012 (fiscal year savings equivalent to 2%); and

WHEREAS, during FY 2012 and FY 2013, the City and the members of Local 1909 shall be relieved of their respective obligations under the MOU and previous amendments to the MOU to pay one percent (1%) of employee salaries into an irrevocable trust to fund retiree medical benefits and furthermore, during FY 2013, the City shall be relieved of the additional 1% provided for in the previous amendments to the MOU to equal a total relief of 2% in FY 2013 for the City; and

WHEREAS, for calendar year 2013, the dates for completion of the salary survey and implementation of the adjustment shall be modified from January 1, 2013 to July 1, 2013; and

WHEREAS, the term of the current MOU, which was originally to expire on December 31, 2010 and was extended through December 31, 2015 shall be extended through December 31, 2016.

WHEREAS, Local 1909 has entered into an Amendment to the Memorandum of Understanding dated May 6, 2011 with the City setting forth the terms of the MOU amendments for FY 2012 and FY 2013.

NOW, THEREFORE, BE IT RESOLVED that as part of the City’s effort to balance its budget for FY 2012 and FY 2013, that the City Council hereby approves the Addendum to the MOU Agreement dated May 6, 2011, between it and Local 1909 to amend the Local 1909 MOU for non-management members.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE HAYWARD POLICE MANAGEMENT UNIT

WHEREAS, the Hayward Police Management Unit and its members (collectively “HPMU”) are covered by a Memorandum of Understanding (“MOU”); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20 - \$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, HPMU fully recognizes the fiscal challenges that the City is facing and after meeting and conferring in good faith, has agreed to contribute toward the thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget for FY 2012 and has agreed to additional concessions beyond the thirteen (13) percent in FY 2013; and

WHEREAS, HPMU members will have a mandatory 40 hour furlough in FY 2012; and

WHEREAS, for the period beginning July 4, 2011 and ending June 30, 2012 HPMU members will receive a flat rate of \$414.02 per pay period in lieu of pay on the actual holiday in recognition of working all scheduled holidays and the provision will be reinstated on July 1, 2012; and

WHEREAS, HPMU has also agreed to waive the salary adjustments due them on June 30, 2012 and June 30, 2013; and

WHEREAS, effective July 1, 2011 the retiree medical benefit is capped at \$280 per month for new members of the HPMU bargaining unit; and

WHEREAS, the City shall be relieved its obligations to pay one (1) percent of employee salaries into an irrevocable trust to fund retiree medical benefits during FY 2012; and

WHEREAS, employees in the HPMU will contribute \$13,305 towards the payment of medical plan premiums at the rate of \$554.38, which will be deducted the first two pay periods of every month during FY 2012; and

WHEREAS, effective July 1, 2012 one (1) paid holiday will be eliminated for HPMU; and

WHEREAS, HPMU will contribute three (3) percent toward the employer share of CalPERS retirement contributions during FY 2012 and FY 2013; and

WHEREAS, effective July 1, 2013 HPMU will pay the entire nine (9) percent of the employee contribution to CalPERS retirement and the City will no longer contribute to the employee share; and

WHEREAS, during FY 2013, the employee contribution to medical shall increase to ten (10) percent of their medical premiums based on the plan and level selected by the employee and the City shall pay a maximum of 90% of the "second highest" plan, which is currently Blue Shield toward medical plan premiums; and

WHEREAS, beginning FY 2014 members of the HPMU shall contribute one (1) percent of their salaries into an irrevocable trust to fund retiree medical benefits; and

WHEREAS, HPMU has entered into a Side Letter Agreement dated June 15, 2011 with the City setting forth the terms of the MOU amendments for FY 2012.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012 and FY 2013, that the City Council hereby approves the Side Letter Agreement between it and HPMU effective July 1, 2011.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE HAYWARD POLICE OFFICERS ASSOCIATION

WHEREAS, the Hayward Police Officers Association and its members (collectively “HPOA”) are covered by a Memorandum of Understanding (“MOU”); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20-\$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, HPOA recognizes the fiscal challenges that the City is facing and after meeting and conferring in good faith, has agreed to contribute the full thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget for FY 2012; and

WHEREAS, for FY 2012, HPOA will contribute three (3) percent towards the employer share of the employer contribution to CalPERS; and

WHEREAS, HPOA has agreed to suspend holidays and holiday pay in their entirety effective July 1, 2011 through and including June 30, 2012, and members will accrue 140 hours leave time in lieu of the holidays and holiday pay for FY 2012, and such accrued leave time must be used no later than June 30, 2014; and

WHEREAS, effective July 1, 2011 HPOA unit members agree that effective July 1, 2011 the first 40 hours of non-grant funded overtime worked shall only be taken in compensatory time and not in pay at an overtime rate of one and one half times the overtime work and to the nearest fifteen (15) minutes; and

WHEREAS, HPOA has agreed to waive the salary adjustments due them on June 30, 2012; and

WHEREAS, HPOA has entered into a Side Letter Agreement dated June 15, 2011 with the City setting forth the terms of the MOU amendments for FY 2012.

NOW, THEREFORE, BE IT RESOLVED that as part of the City’s effort to balance its budget for FY 2012, that the City Council hereby approves the June 15, 2011 Side Letter Agreement between it and HPOA effective July 1, 2011.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE HAYWARD ASSOCIATION OF MANAGEMENT EMPLOYEES

WHEREAS, the Hayward Association of Management Employees and its members (collectively, "HAME") are covered by a Memorandum of Understanding ("MOU"); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20 - \$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, HAME partially recognizes the fiscal challenges that the City is facing and has agreed to contribute five (5) percent toward the thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget for FY 2012; and

WHEREAS, in recognition of the City's effort to balance its budget for FY 2012, and after meeting and conferring in good faith, HAME has agreed to contribute 2.5% through a mandatory 52-hour furlough for FY 2012; and

WHEREAS, HAME has also agreed to pay an additional 2.78% toward the employee share of retirement contributions that is currently paid by the City, and such payment equates to a 2.5% net savings; and

WHEREAS, HAME agrees to waive and permanently relinquish 2.78% of the City's contribution to the employee share of CalPERS retirement to achieve structural savings; and

WHEREAS, HAME has entered into a Side Letter Agreement dated June 15, 2011 with the City.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012, that the City Council hereby approves the Side Letter Agreement between it and HAME dated June 15, 2011 to amend the HAME MOU to include the terms of the side letter to increase the employee share of retirement contributions and authorizing the adoption of a mandatory 52 hour furlough for HAME members for FY 2012, which may be implemented pursuant to a set schedule that requires the closure of nonessential City facilities effective July 1, 2011.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDUM OF UNDERSTANDING FOR THE INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS, LOCAL 21

WHEREAS, the International Federation of Professional and Technical Engineers, Local 21 and its members (collectively, "Local 21") are covered by a Memorandum of Understanding ("MOU"); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$ 20 million for FY 2012; and

WHEREAS, Local 21 partially recognizes the fiscal challenges that the City is facing and has agreed to contribute five (5) percent toward the thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget in FY 2012; and

WHEREAS, in recognition of the City's effort to balance its budget for FY 2012, and after meeting and conferring in good faith, Local 21 has agreed to contribute the five (5) percent through a mandatory 104-hour furlough for FY 2012; and

WHEREAS, Local 21 has entered into a Side Letter Agreement dated May 6, 2011 with the City setting forth the terms of the 104 hour furlough for FY 2012.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012, that the City Council hereby approves the May 6, 2011 Side Letter Agreement between it and to amend the Local 21 MOU authorizing the adoption of a mandatory 104 hour furlough for Local 21 members for FY 2012, which may be implemented pursuant to a set schedule that requires the closure of nonessential City facilities.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE MEMORANDA OF UNDERSTANDING FOR THE SERVICES EMPLOYEES INTERNATIONAL UNION LOCAL 1021 MAINTENANCE, CLERICAL AND RELATED BARGAINING UNITS

WHEREAS, the SEIU Local 1021 Maintenance, Clerical, and Related Bargaining Units and its members (collectively, "Local 1021") are covered by Memoranda of Understanding (collectively, "MOU"); and

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20 - \$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, Local 1021 partially recognizes the fiscal challenges that the City is facing and has agreed to contribute five (5) percent toward the thirteen (13) percent employee services savings goal set by the City to achieve a balanced budget in FY 2012; and

WHEREAS, in recognition of the City's effort to balance its budget for FY 2012, and after meeting and conferring in good faith, Local 1021 has agreed to contribute the five (5) percent through a mandatory 104-hour furlough for FY 2012; and

WHEREAS, Local 1021 has entered into a Side Letter Agreement dated May 5, 2011 with the City setting forth the terms of the 104 hour furlough for FY 2012.

NOW, THEREFORE, BE IT RESOLVED that as part of the City's effort to balance its budget for FY 2012, that the City Council hereby approves the Side Letter Agreement dated May 5, 2011 between it and Local 1021 to amend the Local 1021 MOU authorizing the adoption of a mandatory 104 hour furlough for Local 1021 members for FY 2012, which may be implemented pursuant to a set schedule that requires the closure of nonessential City facilities.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member _____

RESOLUTION AUTHORIZING AMENDMENT TO THE SALARY AND BENEFITS OF THE CITY OF HAYWARD MAYOR AND CITY COUNCIL MEMBERS

WHEREAS, the City of Hayward is facing a projected General Fund deficit of \$20 million for FY 2012 and \$20-\$30 million in future years as projected in the 10 Year Plan; and

WHEREAS, certain salary and benefits are established pursuant to the City of Hayward Municipal Code Chapter 2, Article 1, Section 2-1.10; and

WHEREAS, the Mayor and City Council of the City of Hayward led the effort to balance the City of Hayward’s budget for FY 2012 and 2013 and authorized the City Manager to negotiate with bargaining groups, Unrepresented Management employees, the City Attorney and the City Clerk and also reviewed their salary and benefits to make concessions necessary to achieve the necessary cost savings to offset declining revenues; and

WHEREAS, the Mayor and City Council currently receive medical, dental and vision benefits in the same manner as Unrepresented employees; and

WHEREAS, the Mayor and City Council fully recognize the need to reduce the costs associated with employee salaries and benefits and the need for structural changes and have agreed to make the following changes to their salaries and benefits: 1) Waive any salary increases they are entitled to in FY 2012; 2) Increase employee paid medical premium to 20% of the employee selected plan, with the City contributing a maximum of 80% of the second highest plan, which is currently Blue Shield; 3) Contribute 50% of the cost of dental premiums; 5) Salary reduction of 0.1%; and

NOW, THEREFORE, BE IT RESOLVED that as part of the City’s effort to balance its budget for FY 2012, that the City Council hereby approves the changes to the Mayor and City Council Members salary and benefits effective July 1, 2011.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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
HEART OF THE BAY

DATE: June 21, 2011
TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: New Sidewalk – Bellina Street: Award of Contract

RECOMMENDATION

That Council adopts the attached resolution awarding the contract to AJW Construction in the amount of \$242,933.

BACKGROUND

On April 26, 2011, Council approved the plans and specifications for the New Sidewalk – Bellina Street project and called for bids to be received on May 24, 2011. The project consists of installing sidewalk, curb, and gutter with pavement and driveway conforms on both sides of Bellina Street, from Second Street to Third Street. New five-foot wide concrete sidewalk will be installed to tie into the existing sidewalk.

The proposed improvements will provide safe and continuous pedestrian access. Bellina Street was selected because it is one of the few remaining residential streets that does not have sidewalks in the vicinity of Markham Elementary School, All Saints Catholic Church and School, Bret Harte Middle School, and Hayward High School. The City has received several requests from the neighborhood for sidewalk improvements in this location.

DISCUSSION

On May 24, 2011, the City received eleven bids. AJW Construction of Oakland submitted the low bid in the amount of \$242,933, which is 8.3% below the Engineer's Estimate of \$265,000. Malachi Paving and Grading, Inc., of Oakland submitted the second lowest bid in the amount of \$253,904, which is 4.2% below the Engineer's Estimate. The bids ranged from \$242,933 to \$320,570.

All bid documents and licenses are in order. Staff recommends award of contract to the low bidder, AJW Construction, in the amount of \$242,933.

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

FISCAL AND ECONOMIC IMPACT

The estimated project costs are as follows:

Contract Construction	\$242,933
Design Right-of-Way and Administration	55,000
Construction Survey, Inspection and Testing	<u>52,067</u>
TOTAL	\$350,000

The Recommended FY 2012 Capital Improvement Program includes \$350,000 in the Measure B Tax Fund (Pedestrian and Bicycle) for the New Sidewalk - Bellina Street project.

PUBLIC CONTACT

As discussed above, staff has been in contact with all the affected property owners and has received positive responses from residents. All necessary right-of-way authorizations have been secured. After the project is awarded, staff will send notification letters to all affected residents regarding the project schedule.

SCHEDULE

Award Contract	June 21, 2011
Begin Work	July 18, 2011
Complete Work	September 6, 2011

Prepared by: Morad Fakhrai, Deputy Director of Public Works

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

- Attachment I: Resolution
- Attachment II: Project Location Map
- Attachment III: Bid Summary

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-_____

Introduced by Council Member _____

RESOLUTION AWARDING CONTRACT TO AJW CONSTRUCTION FOR THE NEW SIDEWALK – BELLINA STREET PROJECT, PROJECT NO. 5163

WHEREAS, by resolution on April 26, 2011, the City Council approved the plans and specifications for the New Sidewalk - Bellina Street project, Project No. 5163, and called for bids to be received on May 24, 2011; and

WHEREAS, on May 24, 2011, eleven bids were received ranging from \$242,933 to \$320,570; AJW Construction of Oakland, California submitted the low bid in the amount of \$242,933, which is 8.3 percent below the Engineer’s Estimate of \$265,000.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that AJW Construction is hereby awarded the contract for the New Sidewalk - Bellina Street project, Project No. 5163, in an amount not to exceed \$242,933, in accordance with the plans and specifications adopted therefore and on file in the office of the City Clerk of the City of Hayward at and for the price named and stated in the bid of the hereinabove specified bidder, and all other bids are hereby rejected.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute the contract with AJW Construction Inc., in the name of and for and on behalf of the City of Hayward, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

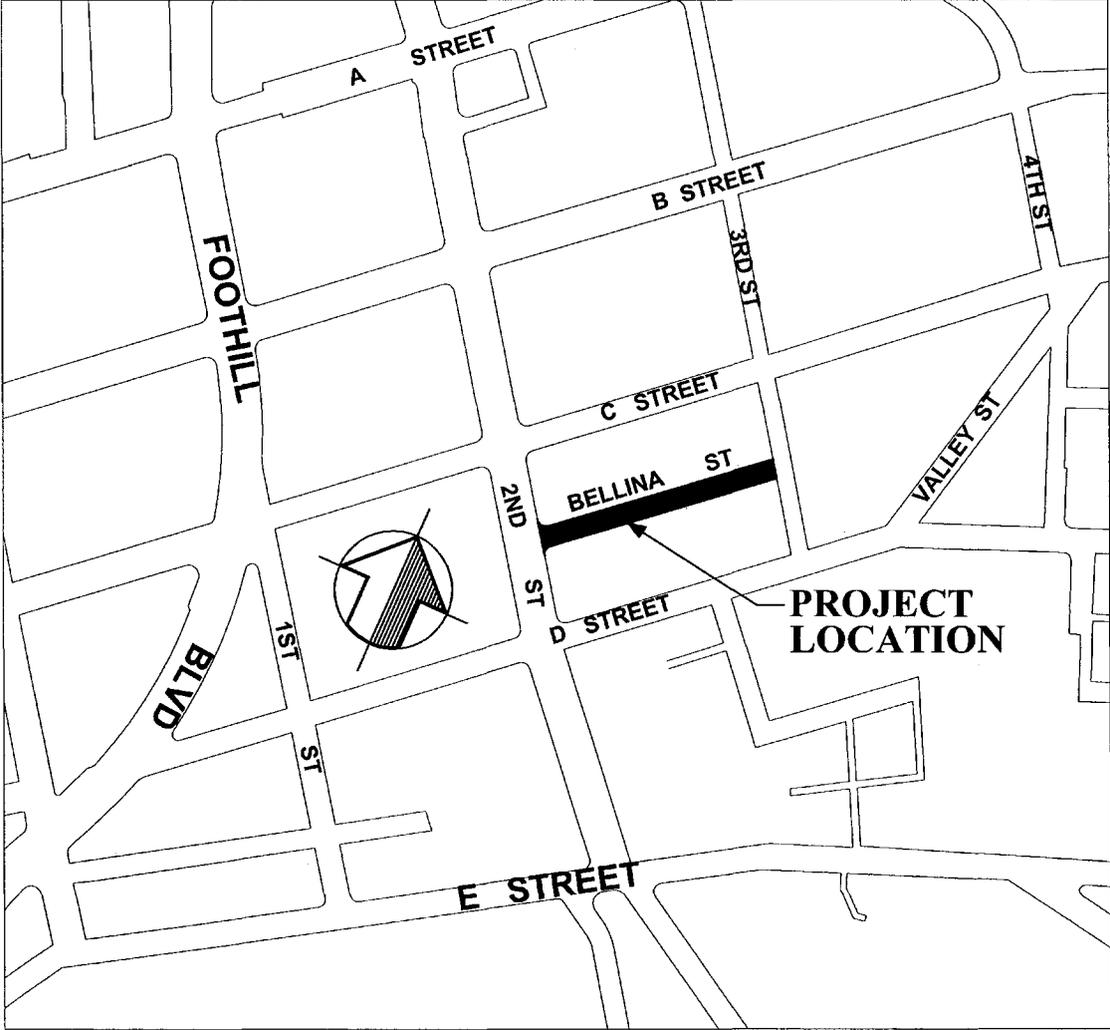
ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



**PROJECT LOCATION MAP
NEW SIDEWALK - BELLINA STREET**

CITY OF HAYWARD
 CONSTRUCTION OF NEW SIDEWALK - BELLINA STREET
 PROJECT NO. 5163
 BIDS OPENED: MAY 24, 2011
 (NUMBER OF BIDS RECEIVED - 11)

BID SUMMARY				ENGINEER'S ESTIMATE		AJW Construction 966 81st Avenue Oakland, CA 94621 (510) 568-2300 (510) 639-1579 Fax		Malachi Paving & Grading, Inc. 3124 Chestnut Street Oakland, CA 94608 (510) 652-5496 (510) 652-5498 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION	7,000.00	7,000.00	2,000.00	2,000.00	7,000.00	7,000.00
2	1	LS	CLEARING AND GRUBBING	5,000.00	5,000.00	3,000.00	3,000.00	2,500.00	2,500.00
3	1	LS	TRAFFIC CONTROL	7,500.00	7,500.00	1,000.00	1,000.00	2,500.00	2,500.00
4	1	EA	RELOCATE EXISTING ROADSIDE SIGN	150.00	150.00	150.00	150.00	350.00	350.00
5	46	LF	REMOVE WOOD FENCE	15.00	690.00	5.00	230.00	20.00	920.00
6	1,395	SF	REMOVE EXISTING CONCRETE	3.00	4,185.00	2.00	2,790.00	5.00	6,975.00
7	430	SF	REMOVE EXISTING ASPHALT CONCRETE	2.00	860.00	2.00	860.00	3.00	1,290.00
8	4	EA	REMOVE METAL BOLLARDS	100.00	400.00	10.00	40.00	200.00	800.00
9	43	LF	INSTALL WOOD FENCE, 6' HIGH	100.00	4,300.00	50.00	2,150.00	50.00	2,150.00
10	4	EA	ADJUST WATER VALVE BOX & COVER TO GRADE	400.00	1,600.00	50.00	200.00	200.00	800.00
11	10	EA	ROOT PRUNE EXISTING TREE & INSTALL ROOT BARRIER	400.00	4,000.00	400.00	4,000.00	175.00	1,750.00
12	269	CY	ROADWAY EXCAVATION	50.00	13,450.00	80.00	21,520.00	65.00	17,485.00
13	304	TON	ASPHALT CONCRETE (6" DEEPLIFT)	115.00	34,960.00	150.00	45,600.00	141.00	42,864.00
14	314	SF	ASPHALT CONCRETE (DRIVEWAY CONFORM)	8.00	2,512.00	6.00	1,884.00	6.00	1,884.00
15	1,161	LF	MINOR CONCRETE (CURB & GUTTER)	26.00	30,186.00	20.00	23,220.00	23.00	26,703.00
16	29	LF	MINOR CONCRETE (RETAINING CURB)	30.00	870.00	15.00	435.00	23.00	667.00
17	5,174	SF	MINOR CONCRETE (SIDEWALK)	6.00	31,044.00	5.00	25,870.00	5.00	25,870.00
18	274	SF	MINOR CONCRETE (CURB RAMP)	15.00	4,110.00	8.00	2,192.00	15.00	4,110.00
19	2,141	SF	MINOR CONCRETE (RESIDENTIAL DRIVEWAY 6" THICK)	8.00	17,128.00	6.00	12,846.00	6.00	12,846.00
20	655	SF	MINOR CONCRETE (DRIVEWAY CONFORM 6" THICK)	8.00	5,240.00	6.00	3,930.00	6.00	3,930.00
21	52	SF	MINOR CONCRETE (WALKWAY CONFORM 4" THICK)	6.00	312.00	8.00	416.00	5.00	260.00
22	10	LF	3-INCH DUCTILE IRON PIPE	45.00	450.00	10.00	100.00	25.00	250.00
23	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	500.00	500.00	2,000.00	2,000.00
24	1	LS	ADMINISTRATIVE CHANGE ORDER	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00
TOTAL					264,947.00		242,933.00		253,904.00

CITY OF HAYWARD
 CONSTRUCTION OF NEW SIDEWALK - BELLINA STREET
 PROJECT NO. 5163
 BIDS OPENED: MAY 24, 2011
 (NUMBER OF BIDS RECEIVED - 11)

BID SUMMARY				ENGINEER'S ESTIMATE		Fanfa, Inc.		Nor-Cal Concrete	
						2401 Grant Avenue San Lorenzo, CA 94580 (510) 278-8410 (510) 278-3095 Fax		PO Box 521 Suisun, CA 94585 (707) 425-6144 (707) 425-5453 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION	7,000.00	7,000.00	4,000.00	4,000.00	2,800.00	2,800.00
2	1	LS	CLEARING AND GRUBBING	5,000.00	5,000.00	3,527.10	3,527.10	4,000.00	4,000.00
3	1	LS	TRAFFIC CONTROL	7,500.00	7,500.00	4,635.00	4,635.00	3,500.00	3,500.00
4	1	EA	RELOCATE EXISTING ROADSIDE SIGN	150.00	150.00	581.00	581.00	200.00	200.00
5	46	LF	REMOVE WOOD FENCE	15.00	690.00	35.00	1,610.00	5.00	230.00
6	1,395	SF	REMOVE EXISTING CONCRETE	3.00	4,185.00	6.00	8,370.00	3.00	4,185.00
7	430	SF	REMOVE EXISTING ASPHALT CONCRETE	2.00	860.00	7.00	3,010.00	2.50	1,075.00
8	4	EA	REMOVE METAL BOLLARDS	100.00	400.00	100.00	400.00	200.00	800.00
9	43	LF	INSTALL WOOD FENCE, 6' HIGH	100.00	4,300.00	75.00	3,225.00	40.00	1,720.00
10	4	EA	ADJUST WATER VALVE BOX & COVER TO GRADE	400.00	1,600.00	300.00	1,200.00	250.00	1,000.00
11	10	EA	ROOT PRUNE EXISTING TREE & INSTALL ROOT BARRIER	400.00	4,000.00	900.00	9,000.00	370.00	3,700.00
12	269	CY	ROADWAY EXCAVATION	50.00	13,450.00	70.00	18,830.00	60.00	16,140.00
13	304	TON	ASPHALT CONCRETE (6" DEEPLIFT)	115.00	34,960.00	105.00	31,920.00	165.00	50,160.00
14	314	SF	ASPHALT CONCRETE (DRIVEWAY CONFORM)	8.00	2,512.00	12.20	3,830.80	11.00	3,454.00
15	1,161	LF	MINOR CONCRETE (CURB & GUTTER)	26.00	30,186.00	20.10	23,336.10	29.00	33,669.00
16	29	LF	MINOR CONCRETE (RETAINING CURB)	30.00	870.00	44.00	1,276.00	30.00	870.00
17	5,174	SF	MINOR CONCRETE (SIDEWALK)	6.00	31,044.00	4.70	24,317.80	4.20	21,730.80
18	274	SF	MINOR CONCRETE (CURB RAMP)	15.00	4,110.00	17.50	4,795.00	10.80	2,959.20
19	2,141	SF	MINOR CONCRETE (RESIDENTIAL DRIVEWAY 6" THICK)	8.00	17,128.00	5.60	11,989.60	6.00	12,846.00
20	655	SF	MINOR CONCRETE (DRIVEWAY CONFORM 6" THICK)	8.00	5,240.00	7.30	4,781.50	6.00	3,930.00
21	52	SF	MINOR CONCRETE (WALKWAY CONFORM 4" THICK)	6.00	312.00	28.80	1,497.60	6.00	312.00
22	10	LF	3-INCH DUCTILE IRON PIPE	45.00	450.00	36.75	367.50	40.00	400.00
23	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	500.00	500.00	1,000.00	1,000.00
24	1	LS	ADMINISTRATIVE CHANGE ORDER	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00
TOTAL					264,947.00		255,000.00		258,681.00

CITY OF HAYWARD
 CONSTRUCTION OF NEW SIDEWALK - BELLINA STREET
 PROJECT NO. 5163
 BIDS OPENED: MAY 24, 2011
 (NUMBER OF BIDS RECEIVED - 11)

BID SUMMARY				ENGINEER'S ESTIMATE		Sposeto Engineering, Inc.		Galedrige Construction, Inc.	
						4301 Bettencourt Way Union City, CA 94587 (510) 487-2424 (510) 487-6210 Fax		PO Box 427 Alviso, CA 95002 (408) 946-7782 (408) 946-7971 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION	7,000.00	7,000.00	7,000.00	7,000.00	5,500.00	5,500.00
2	1	LS	CLEARING AND GRUBBING	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
3	1	LS	TRAFFIC CONTROL	7,500.00	7,500.00	5,000.00	5,000.00	7,500.00	7,500.00
4	1	EA	RELOCATE EXISTING ROADSIDE SIGN	150.00	150.00	225.00	225.00	600.00	600.00
5	46	LF	REMOVE WOOD FENCE	15.00	690.00	18.00	828.00	11.00	506.00
6	1,395	SF	REMOVE EXISTING CONCRETE	3.00	4,185.00	3.00	4,185.00	5.50	7,672.50
7	430	SF	REMOVE EXISTING ASPHALT CONCRETE	2.00	860.00	1.50	645.00	5.75	2,472.50
8	4	EA	REMOVE METAL BOLLARDS	100.00	400.00	100.00	400.00	125.00	500.00
9	43	LF	INSTALL WOOD FENCE, 6' HIGH	100.00	4,300.00	85.00	3,655.00	68.00	2,924.00
10	4	EA	ADJUST WATER VALVE BOX & COVER TO GRADE	400.00	1,600.00	100.00	400.00	325.00	1,300.00
11	10	EA	ROOT PRUNE EXISTING TREE & INSTALL ROOT BARRIER	400.00	4,000.00	320.00	3,200.00	457.00	4,570.00
12	269	CY	ROADWAY EXCAVATION	50.00	13,450.00	52.00	13,988.00	40.00	10,760.00
13	304	TON	ASPHALT CONCRETE (6" DEEPLIFT)	115.00	34,960.00	146.00	44,384.00	100.00	30,400.00
14	314	SF	ASPHALT CONCRETE (DRIVEWAY CONFORM)	8.00	2,512.00	10.00	3,140.00	4.75	1,491.50
15	1,161	LF	MINOR CONCRETE (CURB & GUTTER)	26.00	30,186.00	23.00	26,703.00	21.00	24,381.00
16	29	LF	MINOR CONCRETE (RETAINING CURB)	30.00	870.00	21.00	609.00	27.00	783.00
17	5,174	SF	MINOR CONCRETE (SIDEWALK)	6.00	31,044.00	5.60	28,974.40	7.50	38,805.00
18	274	SF	MINOR CONCRETE (CURB RAMP)	15.00	4,110.00	11.00	3,014.00	18.00	4,932.00
19	2,141	SF	MINOR CONCRETE (RESIDENTIAL DRIVEWAY 6" THICK)	8.00	17,128.00	6.70	14,344.70	8.00	17,128.00
20	655	SF	MINOR CONCRETE (DRIVEWAY CONFORM 6" THICK)	8.00	5,240.00	6.70	4,388.50	9.00	5,895.00
21	52	SF	MINOR CONCRETE (WALKWAY CONFORM 4" THICK)	6.00	312.00	10.00	520.00	11.00	572.00
22	10	LF	3-INCH DUCTILE IRON PIPE	45.00	450.00	19.00	190.00	10.00	100.00
23	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	600.00	600.00	150.00	150.00
24	1	LS	ADMINISTRATIVE CHANGE ORDER	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00
TOTAL					264,947.00		259,393.60		261,942.50

CITY OF HAYWARD
 CONSTRUCTION OF NEW SIDEWALK - BELLINA STREET
 PROJECT NO. 5163
 BIDS OPENED: MAY 24, 2011
 (NUMBER OF BIDS RECEIVED - 11)

BID SUMMARY				ENGINEER'S ESTIMATE		JJR Construction Inc.		Able General Engineering Inc	
						1120 Ninth Avenue San Mateo, CA 94402 (650) 343-6109 (650) 343-6207 Fax		1415 Fulton Rd #205-434 Santa Rosa, CA 95403 (707) 823-1580 (707) 823-1586 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION	7,000.00	7,000.00	1,000.00	1,000.00	10,768.66	10,768.66
2	1	LS	CLEARING AND GRUBBING	5,000.00	5,000.00	3,076.70	3,076.70	5,042.37	5,042.37
3	1	LS	TRAFFIC CONTROL	7,500.00	7,500.00	4,000.00	4,000.00	6,853.10	6,853.10
4	1	EA	RELOCATE EXISTING ROADSIDE SIGN	150.00	150.00	350.00	350.00	161.81	161.81
5	46	LF	REMOVE WOOD FENCE	15.00	690.00	15.00	690.00	6.22	286.12
6	1,395	SF	REMOVE EXISTING CONCRETE	3.00	4,185.00	5.75	8,021.25	5.54	7,728.30
7	430	SF	REMOVE EXISTING ASPHALT CONCRETE	2.00	860.00	2.90	1,247.00	7.50	3,225.00
8	4	EA	REMOVE METAL BOLLARDS	100.00	400.00	150.00	600.00	103.64	414.56
9	43	LF	INSTALL WOOD FENCE, 6' HIGH	100.00	4,300.00	40.00	1,720.00	20.19	868.17
10	4	EA	ADJUST WATER VALVE BOX & COVER TO GRADE	400.00	1,600.00	250.00	1,000.00	145.55	582.20
11	10	EA	ROOT PRUNE EXISTING TREE & INSTALL ROOT BARRIER	400.00	4,000.00	350.00	3,500.00	280.47	2,804.70
12	269	CY	ROADWAY EXCAVATION	50.00	13,450.00	153.80	41,372.20	44.19	11,887.11
13	304	TON	ASPHALT CONCRETE (6" DEEPLIFT)	115.00	34,960.00	140.00	42,560.00	95.64	29,074.56
14	314	SF	ASPHALT CONCRETE (DRIVEWAY CONFORM)	8.00	2,512.00	5.35	1,679.90	6.48	2,034.72
15	1,161	LF	MINOR CONCRETE (CURB & GUTTER)	26.00	30,186.00	17.00	19,737.00	18.64	21,641.04
16	29	LF	MINOR CONCRETE (RETAINING CURB)	30.00	870.00	12.50	362.50	33.17	961.93
17	5,174	SF	MINOR CONCRETE (SIDEWALK)	6.00	31,044.00	4.50	23,283.00	6.33	32,751.42
18	274	SF	MINOR CONCRETE (CURB RAMP)	15.00	4,110.00	8.50	2,329.00	12.92	3,540.08
19	2,141	SF	MINOR CONCRETE (RESIDENTIAL DRIVEWAY 6" THICK)	8.00	17,128.00	6.75	14,451.75	11.97	25,627.77
20	655	SF	MINOR CONCRETE (DRIVEWAY CONFORM 6" THICK)	8.00	5,240.00	7.10	4,650.50	14.63	9,582.65
21	52	SF	MINOR CONCRETE (WALKWAY CONFORM 4" THICK)	6.00	312.00	7.10	369.20	22.89	1,190.28
22	10	LF	3-INCH DUCTILE IRON PIPE	45.00	450.00	50.00	500.00	47.16	471.60
23	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	500.00	500.00	551.85	551.85
24	1	LS	ADMINISTRATIVE CHANGE ORDER	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00
TOTAL					264,947.00		265,000.00		266,050.00

CITY OF HAYWARD
 CONSTRUCTION OF NEW SIDEWALK - BELLINA STREET
 PROJECT NO. 5163
 BIDS OPENED: MAY 24, 2011
 (NUMBER OF BIDS RECEIVED - 11)

BID SUMMARY				ENGINEER'S ESTIMATE		W.R. Forde Associates		Rosas Bros. Construction	
						984 Hensley St Richmond, CA 94801 (510) 215-9338 (510) 215-9867 Fax		4731 Coliseum Way Oakland, CA 94601 (510) 534-1077 (510) 534-5077 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION	7,000.00	7,000.00	10,000.00	10,000.00	2,000.00	2,000.00
2	1	LS	CLEARING AND GRUBBING	5,000.00	5,000.00	8,000.00	8,000.00	2,000.00	2,000.00
3	1	LS	TRAFFIC CONTROL	7,500.00	7,500.00	8,000.00	8,000.00	2,000.00	2,000.00
4	1	EA	RELOCATE EXISTING ROADSIDE SIGN	150.00	150.00	300.00	300.00	400.00	400.00
5	46	LF	REMOVE WOOD FENCE	15.00	690.00	15.00	690.00	20.00	920.00
6	1,395	SF	REMOVE EXISTING CONCRETE	3.00	4,185.00	6.00	8,370.00	3.00	4,185.00
7	430	SF	REMOVE EXISTING ASPHALT CONCRETE	2.00	860.00	6.00	2,580.00	3.00	1,290.00
8	4	EA	REMOVE METAL BOLLARDS	100.00	400.00	200.00	800.00	300.00	1,200.00
9	43	LF	INSTALL WOOD FENCE, 6' HIGH	100.00	4,300.00	80.00	3,440.00	35.00	1,505.00
10	4	EA	ADJUST WATER VALVE BOX & COVER TO GRADE	400.00	1,600.00	250.00	1,000.00	100.00	400.00
11	10	EA	ROOT PRUNE EXISTING TREE & INSTALL ROOT BARRIER	400.00	4,000.00	1,200.00	12,000.00	250.00	2,500.00
12	269	CY	ROADWAY EXCAVATION	50.00	13,450.00	50.00	13,450.00	90.00	24,210.00
13	304	TON	ASPHALT CONCRETE (6" DEEPLIFT)	115.00	34,960.00	115.00	34,960.00	220.00	66,880.00
14	314	SF	ASPHALT CONCRETE (DRIVEWAY CONFORM)	8.00	2,512.00	8.00	2,512.00	8.00	2,512.00
15	1,161	LF	MINOR CONCRETE (CURB & GUTTER)	26.00	30,186.00	23.00	26,703.00	29.00	33,669.00
16	29	LF	MINOR CONCRETE (RETAINING CURB)	30.00	870.00	30.00	870.00	50.00	1,450.00
17	5,174	SF	MINOR CONCRETE (SIDEWALK)	6.00	31,044.00	5.00	25,870.00	7.00	36,218.00
18	274	SF	MINOR CONCRETE (CURB RAMP)	15.00	4,110.00	25.00	6,850.00	14.00	3,836.00
19	2,141	SF	MINOR CONCRETE (RESIDENTIAL DRIVEWAY 6" THICK)	8.00	17,128.00	8.00	17,128.00	8.00	17,128.00
20	655	SF	MINOR CONCRETE (DRIVEWAY CONFORM 6" THICK)	8.00	5,240.00	8.00	5,240.00	8.00	5,240.00
21	52	SF	MINOR CONCRETE (WALKWAY CONFORM 4" THICK)	6.00	312.00	10.00	520.00	10.00	520.00
22	10	LF	3-INCH DUCTILE IRON PIPE	45.00	450.00	30.00	300.00	20.00	200.00
23	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	500.00	500.00	1,000.00	1,000.00
24	1	LS	ADMINISTRATIVE CHANGE ORDER	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00	88,000.00
TOTAL					264,947.00		278,083.00		299,263.00

CITY OF HAYWARD
 CONSTRUCTION OF NEW SIDEWALK - BELLINA STREET
 PROJECT NO. 5163
 BIDS OPENED: MAY 24, 2011
 (NUMBER OF BIDS RECEIVED - 11)

BID SUMMARY				ENGINEER'S ESTIMATE		Spenco Construction, Inc.	
						PO Box 1220 Danville, CA 94526 (925) 984-2581 (925) 984-2583 Fax	
ITEM	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	1	LS	MOBILIZATION	7,000.00	7,000.00	2,000.00	2,000.00
2	1	LS	CLEARING AND GRUBBING	5,000.00	5,000.00	10,000.00	10,000.00
3	1	LS	TRAFFIC CONTROL	7,500.00	7,500.00	2,000.00	2,000.00
4	1	EA	RELOCATE EXISTING ROADSIDE SIGN	150.00	150.00	250.00	250.00
5	46	LF	REMOVE WOOD FENCE	15.00	690.00	9.00	414.00
6	1,395	SF	REMOVE EXISTING CONCRETE	3.00	4,185.00	2.00	2,790.00
7	430	SF	REMOVE EXISTING ASPHALT CONCRETE	2.00	860.00	5.00	2,150.00
8	4	EA	REMOVE METAL BOLLARDS	100.00	400.00	120.00	480.00
9	43	LF	INSTALL WOOD FENCE, 6' HIGH	100.00	4,300.00	85.00	3,655.00
10	4	EA	ADJUST WATER VALVE BOX & COVER TO GRADE	400.00	1,600.00	75.00	300.00
11	10	EA	ROOT PRUNE EXISTING TREE & INSTALL ROOT BARRIER	400.00	4,000.00	150.00	1,500.00
12	269	CY	ROADWAY EXCAVATION	50.00	13,450.00	175.00	47,075.00
13	304	TON	ASPHALT CONCRETE (6" DEEPLIFT)	115.00	34,960.00	130.00	39,520.00
14	314	SF	ASPHALT CONCRETE (DRIVEWAY CONFORM)	8.00	2,512.00	8.00	2,512.00
15	1,161	LF	MINOR CONCRETE (CURB & GUTTER)	26.00	30,186.00	38.00	44,118.00
16	29	LF	MINOR CONCRETE (RETAINING CURB)	30.00	870.00	40.00	1,160.00
17	5,174	SF	MINOR CONCRETE (SIDEWALK)	6.00	31,044.00	8.00	41,392.00
18	274	SF	MINOR CONCRETE (CURB RAMP)	15.00	4,110.00	25.00	6,850.00
19	2,141	SF	MINOR CONCRETE (RESIDENTIAL DRIVEWAY 6" THICK)	8.00	17,128.00	8.00	17,128.00
20	655	SF	MINOR CONCRETE (DRIVEWAY CONFORM 6" THICK)	8.00	5,240.00	8.00	5,240.00
21	52	SF	MINOR CONCRETE (WALKWAY CONFORM 4" THICK)	6.00	312.00	8.00	416.00
22	10	LF	3-INCH DUCTILE IRON PIPE	45.00	450.00	12.00	120.00
23	1	LS	RECYCLING IMPLEMENTATION	1,000.00	1,000.00	1,500.00	1,500.00
24	1	LS	ADMINISTRATIVE CHANGE ORDER	88,000.00	88,000.00	88,000.00	88,000.00
TOTAL					264,947.00		320,570.00



DATE: June 21, 2011
TO: Mayor and City Council
FROM: Director of Public Works
SUBJECT: Pavement Reconstruction FY12 – Chiplay Avenue: Award of Contract

RECOMMENDATION

That Council adopts the attached resolution awarding the contract to Galedrige Construction, Inc., in the amount of \$ 489,957.80.

BACKGROUND

On April 19, 2011, Council approved the plans and specifications for the Pavement Reconstruction FY12 – Chiplay Avenue project and called for bids to be received on May 17, 2011. This project is a continuation of the City's ongoing program to repair failed pavement sections that have deteriorated to the point where the pavement needs to be reconstructed. To satisfy the requirements of the Americans with Disabilities Act (ADA), accessible ramps will be installed at the curb returns of street intersections located within the limits of the project.

DISCUSSION

The selection of City streets for reconstruction is based on staff's analysis of the pavement condition indices identified through the City's computerized Pavement Management Program (PMP), field examination, and the functional classification of each street. Originally, only Chiplay Avenue was programmed for this year's reconstruction project. However, cost savings resulting from a pavement reconstruction method that reuses existing aggregate material made it possible to add Chiplay Court, Cabrini Drive, and Magnolia Street to the list of streets to be reconstructed as part of this project. Attachment II identifies the streets.

On May 17, 2011, staff received nine bids. Galedrige Construction, Inc. of Alviso submitted the low bid in the amount of \$489,957.80, which is 2% below the Engineer's Estimate of \$499,958.95. G. Bortolotto & Co., Inc. of San Carlos submitted the second lowest bid in the amount of \$499,193.39, which is about equal to the Engineer's Estimate. The bids ranged from \$489,957.80 to \$597,027.65.

All bid documents and licenses are in order. Staff recommends award of contract to the low bidder, Galedrige Construction, Inc., in the amount of \$489,957.80.

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

FISCAL & ECONOMIC IMPACT

The estimated project costs are as follows:

Contract Construction	\$ 489,958
Striping (by City forces)	15,000
Design and Administration	39,042
Inspection and Testing	<u>56,000</u>
TOTAL	\$ 600,000

The Recommended FY 2012 Capital Improvement Program includes \$600,000 in the Street System Improvements Fund for the Pavement Reconstruction FY12 project.

PUBLIC CONTACT

Because of the temporary inconvenience the pavement work will cause, immediately after award of the construction contract, a preliminary notice explaining the pavement reconstruction project will be distributed to all residents and businesses along the affected streets. After the construction work is scheduled, signs on barricades will be posted seventy-two hours prior to the commencement of work, indicating the date and time of work for each street.

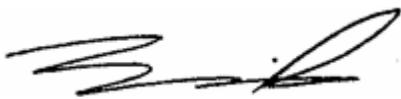
SCHEDULE

Award Contract	June 21, 2011
Begin Work	July 18, 2011
Complete Work	September 27, 2011

Prepared by: Morad Fakhrai, Deputy Director of Public Works

Recommended by: Robert A. Bauman, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

- Attachment I: Resolution
- Attachment II: Project Location Map
- Attachment III: Bid Summary

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-_____

Introduced by Council Member _____

RESOLUTION AWARDDING CONTRACT TO GALEDRIGE CONSTRUCTION, INC., FOR THE PAVEMENT RECONSTRUCTION FY12 – CHIPLAY AVENUE PROJECT, PROJECT NO. 5137

WHEREAS, by resolution on April 19, 2011, the City Council approved the plans and specifications for the Pavement Reconstruction FY12 – Chiplay Avenue project, Project No. 5137, and called for bids to be received on May 17, 2011; and

WHEREAS, on May 17, 2011, nine bids were received ranging from \$489,957.80 to \$597,027.65; Galedrige Construction, Inc., of Alviso, California submitted the low bid in the amount of \$489,957.80, which is 2.0 percent below the Engineer’s Estimate of \$499,958.98.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that Galedrige Construction, Inc., is hereby awarded the contract for the Pavement Reconstruction FY12 – Chiplay Avenue Project, Project No. 5137, in an amount not to exceed \$489,957.80, in accordance with the plans and specifications adopted therefor and on file in the office of the City Clerk of the City of Hayward at and for the price named and stated in the bid of the herein above specified bidder, and all other bids are hereby rejected.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute the contract with Galedrige Construction, Inc., in the name of and for and on behalf of the City of Hayward, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

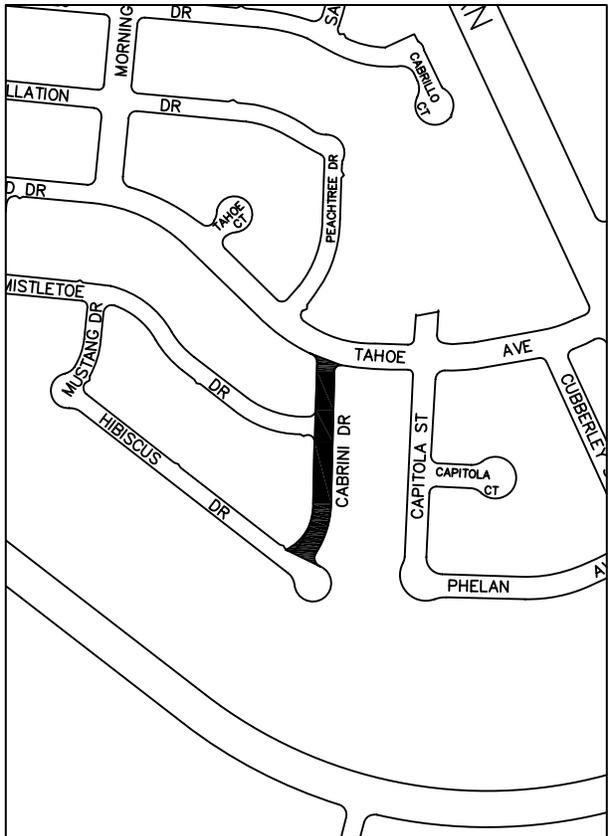
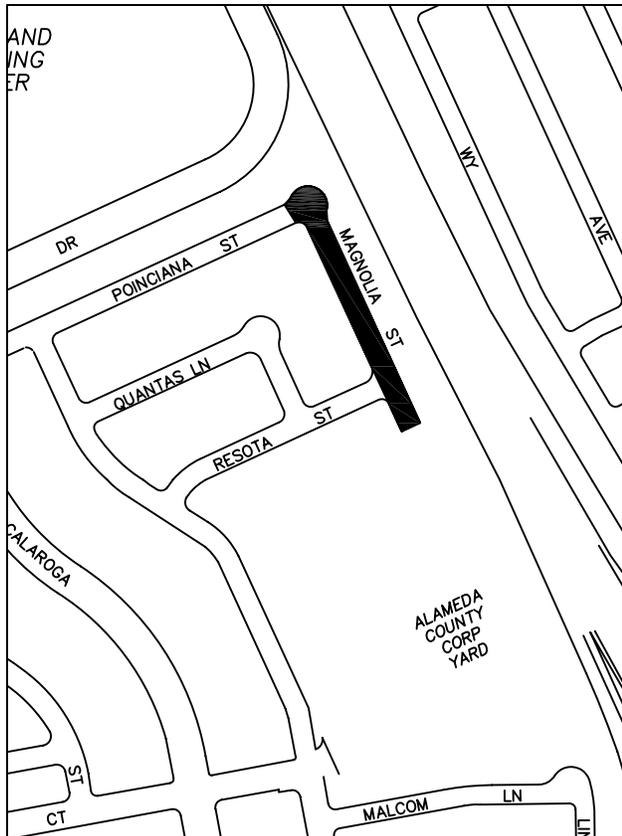
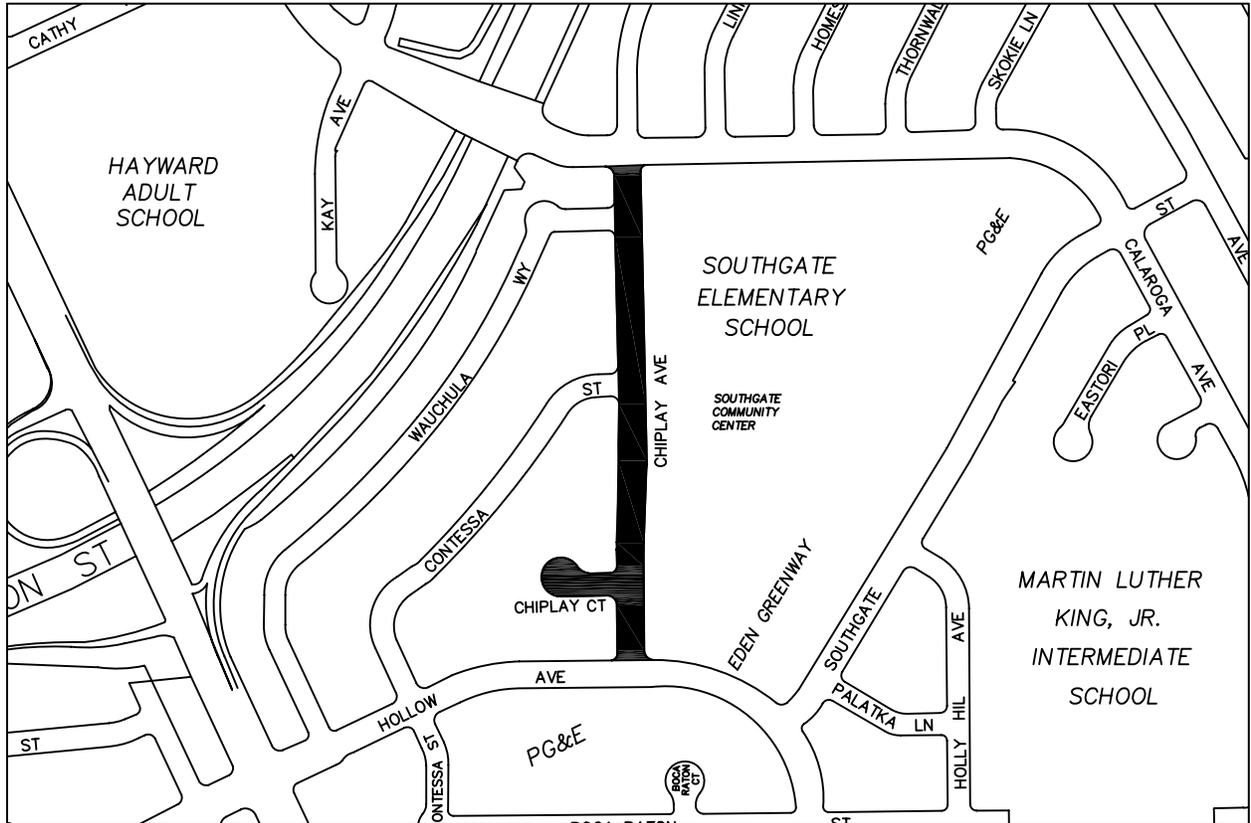
ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



PAVEMENT RECONSTRUCTION FY12-PROJECT NO. 5137

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137

BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		Galedrige Construction, Inc. PO Box 427 Alviso, CA 95002 (408) 946-7782 (408) 946-7971 Fax		G Bortolotto & Company 582 Bragato Rd San Carlos, CA 94070 (650) 595-2591 (650) 595-0718 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	10-1.06A	1	LS	Mobilization	10,000.00	10,000.00	11,500.00	11,500.00	5,010.10	5,010.10
2	10-1.07A 10-1.07B	1	LS	Traffic Control	10,000.00	10,000.00	8,500.00	8,500.00	3,973.00	3,973.00
3	10-1.08A	1	LS	Utility Location (Potholing)	2,500.00	2,500.00	3,278.00	3,278.00	3,000.00	3,000.00
4	10-1.11	810	CY	Roadway Excavation	35.00	28,350.00	29.60	23,976.00	29.39	23,805.90
5	10-1.16	1	LS	Crack Sealing	5,000.00	5,000.00	6,270.00	6,270.00	5,300.00	5,300.00
6	10-1.17 10-1.18B	26,285	SF	Full Depth Asphalt Concrete Spot Repairs	4.00	105,140.00	3.80	99,883.00	4.08	107,242.80
7	10-1.08C	2,373	SY	Plane Pavement (Wedge Grinding)	2.50	5,932.50	3.10	7,356.30	2.01	4,769.73
8	10-1.18C	8,076	SY	Pavement Reinforcing Fabric	2.25	18,171.00	2.05	16,555.80	2.11	17,040.36
9	10-1.17 10-1.18 10-1.18D	1,703	TON	Asphalt Concrete Paving (6" Full Depth, Full Width)	80.00	136,240.00	77.50	131,982.50	85.00	144,755.00
10	10-1.17 10-1.18 10-1.18D	926	TON	Asphalt Concrete Paving (2" Overlay)	80.00	74,080.00	80.50	74,543.00	81.00	75,006.00
11	10-1.17 10-1.18 10-1.18D	13	TON	Asphalt Concrete Paving (1/2" Thick Leveling Course)	90.00	1,170.00	80.00	1,040.00	88.00	1,144.00
12	10-1.08H	2	EA	Remove and Replace Asphalt Concrete Speed Hump	3,500.00	7,000.00	2,000.00	4,000.00	1,900.00	3,800.00
13	10-1.08E	7	EA	Adjust Manhole Frame and Cover to Grade	275.00	1,925.00	200.00	1,400.00	301.00	2,107.00
14	10-1.08E	3	EA	Adjust Water Valve Box and Cover to Grade	150.00	450.00	200.00	600.00	180.00	540.00
15	10-1.08E	26	EA	Replace Water Valve Box and Cover to Grade	200.00	5,200.00	150.00	3,900.00	180.00	4,680.00
16	10-1.08E	2	EA	Adjust Survey Monument Box and Cover to Grade	150.00	300.00	200.00	400.00	180.00	360.00

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137

BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		Galedrige Construction, Inc.		G Bortolotto & Company	
							PO Box 427 Alviso, CA 95002 (408) 946-7782 (408) 946-7971 Fax		582 Bragato Rd San Carlos, CA 94070 (650) 595-2591 (650) 595-0718 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
17	10-1.08E	8	EA	Replace Survey Monument Box and Cover to Grade	200.00	1,600.00	200.00	1,600.00	180.00	1,440.00
18	10-1.08E	3	EA	Adjust Sewer Riser to Grade	250.00	750.00	250.00	750.00	180.00	540.00
19	10-1.19A	109	LF	Minor Concrete (Curb & Gutter)	30.00	3,270.00	35.00	3,815.00	47.00	5,123.00
20	10-1.19A 10-1.20	2,279	SF	Curb Ramp with Detectable Warning Surface	13.55	30,880.45	15.80	36,008.20	16.50	37,603.50
21	10-1.19A 10-1.20	2	EA	Retrofit Curb Ramp With Detectable Warning Surface	500.00	1,000.00	1,250.00	2,500.00	588.00	1,176.00
22	10-1.12	1	LS	Recycling Implementation	1,000.00	1,000.00	100.00	100.00	777.00	777.00
23	10-1.23	1	LS	Administrative Change Orders	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL						499,958.95		489,957.80		499,193.39

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137

BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		C.F. Archibald Paving Inc.		O'Grady Paving, Inc.	
							3624 Haven Avenue Redwood City, CA 94064 (650) 364-3045 (650) 366-8777 Fax		2513 Wyandotte St Mountain View, CA 94043 (650) 966-1926 (650) 966-1946 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	10-1.06A	1	LS	Mobilization	10,000.00	10,000.00	16,500.00	16,500.00	6,000.00	6,000.00
2	10-1.07A 10-1.07B	1	LS	Traffic Control	10,000.00	10,000.00	16,000.00	16,000.00	5,000.00	5,000.00
3	10-1.08A	1	LS	Utility Location (Potholing)	2,500.00	2,500.00	5,500.00	5,500.00	1,500.00	1,500.00
4	10-1.11	810	CY	Roadway Excavation	35.00	28,350.00	38.00	30,780.00	42.00	34,020.00
5	10-1.16	1	LS	Crack Sealing	5,000.00	5,000.00	6,000.00	6,000.00	5,700.00	5,700.00
6	10-1.17 10-1.18B	26,285	SF	Full Depth Asphalt Concrete Spot Repairs	4.00	105,140.00	3.60	94,626.00	4.10	107,768.50
7	10-1.08C	2,373	SY	Plane Pavement (Wedge Grinding)	2.50	5,932.50	1.77	4,200.21	2.00	4,746.00
8	10-1.18C	8,076	SY	Pavement Reinforcing Fabric	2.25	18,171.00	1.98	15,990.48	2.00	16,152.00
9	10-1.17 10-1.18 10-1.18D	1,703	TON	Asphalt Concrete Paving (6" Full Depth, Full Width)	80.00	136,240.00	81.50	138,794.50	80.00	136,240.00
10	10-1.17 10-1.18 10-1.18D	926	TON	Asphalt Concrete Paving (2" Overlay)	80.00	74,080.00	79.20	73,339.20	78.00	72,228.00
11	10-1.17 10-1.18 10-1.18D	13	TON	Asphalt Concrete Paving (1/2" Thick Leveling Course)	90.00	1,170.00	79.20	1,029.60	100.00	1,300.00
12	10-1.08H	2	EA	Remove and Replace Asphalt Concrete Speed Hump	3,500.00	7,000.00	2,000.00	4,000.00	3,500.00	7,000.00
13	10-1.08E	7	EA	Adjust Manhole Frame and Cover to Grade	275.00	1,925.00	150.00	1,050.00	700.00	4,900.00
14	10-1.08E	3	EA	Adjust Water Valve Box and Cover to Grade	150.00	450.00	100.00	300.00	300.00	900.00
15	10-1.08E	26	EA	Replace Water Valve Box and Cover to Grade	200.00	5,200.00	200.00	5,200.00	350.00	9,100.00
16	10-1.08E	2	EA	Adjust Survey Monument Box and Cover to Grade	150.00	300.00	150.00	300.00	300.00	600.00

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137
 BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		C.F. Archibald Paving Inc.		O'Grady Paving, Inc.	
							3624 Haven Avenue Redwood City, CA 94064 (650) 364-3045 (650) 366-8777 Fax		2513 Wyandotte St Mountain View, CA 94043 (650) 966-1926 (650) 966-1946 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
17	10-1.08E	8	EA	Replace Survey Monument Box and Cover to Grade	200.00	1,600.00	200.00	1,600.00	350.00	2,800.00
18	10-1.08E	3	EA	Adjust Sewer Riser to Grade	250.00	750.00	150.00	450.00	300.00	900.00
19	10-1.19A	109	LF	Minor Concrete (Curb & Gutter)	30.00	3,270.00	34.00	3,706.00	45.00	4,905.00
20	10-1.19A 10-1.20	2,279	SF	Curb Ramp with Detectable Warning Surface	13.55	30,880.45	15.15	34,526.85	16.00	36,464.00
21	10-1.19A 10-1.20	2	EA	Retrofit Curb Ramp With Detectable Warning Surface	500.00	1,000.00	1,125.00	2,250.00	600.00	1,200.00
22	10-1.12	1	LS	Recycling Implementation	1,000.00	1,000.00	500.00	500.00	1,000.00	1,000.00
23	10-1.23	1	LS	Administrative Change Orders	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL						499,958.95		506,642.84		510,423.50

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137

BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		Bay Cities Paving & Grading, Inc. 5029 Forni Rd Concord, CA 94520 (925) 687-6666 (925) 687-2122 Fax		Interstate Grading & Paving Inc. 128 So. Maple Avenue So. San Francisco, CA 94080 (650) 952-7333 (650) 952-6851 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	10-1.06A	1	LS	Mobilization	10,000.00	10,000.00	9,200.00	9,200.00	10,000.00	10,000.00
2	10-1.07A 10-1.07B	1	LS	Traffic Control	10,000.00	10,000.00	6,450.00	6,450.00	8,000.00	8,000.00
3	10-1.08A	1	LS	Utility Location (Potholing)	2,500.00	2,500.00	2,250.00	2,250.00	2,000.00	2,000.00
4	10-1.11	810	CY	Roadway Excavation	35.00	28,350.00	38.50	31,185.00	36.00	29,160.00
5	10-1.16	1	LS	Crack Sealing	5,000.00	5,000.00	6,000.00	6,000.00	5,700.00	5,700.00
6	10-1.17 10-1.18B	26,285	SF	Full Depth Asphalt Concrete Spot Repairs	4.00	105,140.00	4.10	107,768.50	4.00	105,140.00
7	10-1.08C	2,373	SY	Plane Pavement (Wedge Grinding)	2.50	5,932.50	1.95	4,627.35	1.75	4,152.75
8	10-1.18C	8,076	SY	Pavement Reinforcing Fabric	2.25	18,171.00	2.06	16,636.56	2.25	18,171.00
9	10-1.17 10-1.18 10-1.18D	1,703	TON	Asphalt Concrete Paving (6" Full Depth, Full Width)	80.00	136,240.00	79.00	134,537.00	82.00	139,646.00
10	10-1.17 10-1.18 10-1.18D	926	TON	Asphalt Concrete Paving (2" Overlay)	80.00	74,080.00	79.66	73,765.16	82.00	75,932.00
11	10-1.17 10-1.18 10-1.18D	13	TON	Asphalt Concrete Paving (1/2" Thick Leveling Course)	90.00	1,170.00	125.00	1,625.00	82.00	1,066.00
12	10-1.08H	2	EA	Remove and Replace Asphalt Concrete Speed Hump	3,500.00	7,000.00	2,850.00	5,700.00	2,500.00	5,000.00
13	10-1.08E	7	EA	Adjust Manhole Frame and Cover to Grade	275.00	1,925.00	470.00	3,290.00	800.00	5,600.00
14	10-1.08E	3	EA	Adjust Water Valve Box and Cover to Grade	150.00	450.00	259.00	777.00	375.00	1,125.00
15	10-1.08E	26	EA	Replace Water Valve Box and Cover to Grade	200.00	5,200.00	343.00	8,918.00	450.00	11,700.00
16	10-1.08E	2	EA	Adjust Survey Monument Box and Cover to Grade	150.00	300.00	259.00	518.00	375.00	750.00

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137
 BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		Bay Cities Paving & Grading, Inc.		Interstate Grading & Paving Inc.	
							5029 Forni Rd Concord, CA 94520 (925) 687-6666 (925) 687-2122 Fax		128 So. Maple Avenue So. San Francisco, CA 94080 (650) 952-7333 (650) 952-6851 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
17	10-1.08E	8	EA	Replace Survey Monument Box and Cover to Grade	200.00	1,600.00	343.00	2,744.00	450.00	3,600.00
18	10-1.08E	3	EA	Adjust Sewer Riser to Grade	250.00	750.00	470.00	1,410.00	450.00	1,350.00
19	10-1.19A	109	LF	Minor Concrete (Curb & Gutter)	30.00	3,270.00	34.00	3,706.00	44.00	4,796.00
20	10-1.19A 10-1.20	2,279	SF	Curb Ramp with Detectable Warning Surface	13.55	30,880.45	17.00	38,743.00	14.00	31,906.00
21	10-1.19A 10-1.20	2	EA	Retrofit Curb Ramp With Detectable Warning Surface	500.00	1,000.00	790.00	1,580.00	800.00	1,600.00
22	10-1.12	1	LS	Recycling Implementation	1,000.00	1,000.00	825.00	825.00	250.00	250.00
23	10-1.23	1	LS	Administrative Change Orders	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL						499,958.95		512,255.57		516,644.75

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137

BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		MCK Services, Inc. PO Box 5697 Concord, CA 94524 (925) 957-9200 (925) 957-9292 Fax		Redgwick Construction Company 8150 Enterprise Drive Newark, CA 94560 (510) 792-1727 (510) 792-1728 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	10-1.06A	1	LS	Mobilization	10,000.00	10,000.00	12,000.00	12,000.00	19,800.00	19,800.00
2	10-1.07A 10-1.07B	1	LS	Traffic Control	10,000.00	10,000.00	6,600.00	6,600.00	21,000.00	21,000.00
3	10-1.08A	1	LS	Utility Location (Potholing)	2,500.00	2,500.00	2,640.00	2,640.00	200.00	200.00
4	10-1.11	810	CY	Roadway Excavation	35.00	28,350.00	34.00	27,540.00	33.50	27,135.00
5	10-1.16	1	LS	Crack Sealing	5,000.00	5,000.00	5,700.00	5,700.00	3,500.00	3,500.00
6	10-1.17 10-1.18B	26,285	SF	Full Depth Asphalt Concrete Spot Repairs	4.00	105,140.00	5.00	131,425.00	4.70	123,539.50
7	10-1.08C	2,373	SY	Plane Pavement (Wedge Grinding)	2.50	5,932.50	1.50	3,559.50	3.80	9,017.40
8	10-1.18C	8,076	SY	Pavement Reinforcing Fabric	2.25	18,171.00	2.00	16,152.00	1.90	15,344.40
9	10-1.17 10-1.18 10-1.18D	1,703	TON	Asphalt Concrete Paving (6" Full Depth, Full Width)	80.00	136,240.00	86.00	146,458.00	85.00	144,755.00
10	10-1.17 10-1.18 10-1.18D	926	TON	Asphalt Concrete Paving (2" Overlay)	80.00	74,080.00	84.00	77,784.00	82.00	75,932.00
11	10-1.17 10-1.18 10-1.18D	13	TON	Asphalt Concrete Paving (1/2" Thick Leveling Course)	90.00	1,170.00	120.00	1,560.00	175.00	2,275.00
12	10-1.08H	2	EA	Remove and Replace Asphalt Concrete Speed Hump	3,500.00	7,000.00	4,200.00	8,400.00	2,000.00	4,000.00
13	10-1.08E	7	EA	Adjust Manhole Frame and Cover to Grade	275.00	1,925.00	445.00	3,115.00	325.00	2,275.00
14	10-1.08E	3	EA	Adjust Water Valve Box and Cover to Grade	150.00	450.00	245.00	735.00	105.00	315.00
15	10-1.08E	26	EA	Replace Water Valve Box and Cover to Grade	200.00	5,200.00	325.00	8,450.00	240.00	6,240.00
16	10-1.08E	2	EA	Adjust Survey Monument Box and Cover to Grade	150.00	300.00	245.00	490.00	105.00	210.00

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137
 BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		MCK Services, Inc.		Redgwick Construction Company	
							PO Box 5697 Concord, CA 94524 (925) 957-9200 (925) 957-9292 Fax		8150 Enterprise Drive Newark, CA 94560 (510) 792-1727 (510) 792-1728 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
17	10-1.08E	8	EA	Replace Survey Monument Box and Cover to Grade	200.00	1,600.00	325.00	2,600.00	320.00	2,560.00
18	10-1.08E	3	EA	Adjust Sewer Riser to Grade	250.00	750.00	445.00	1,335.00	290.00	870.00
19	10-1.19A	109	LF	Minor Concrete (Curb & Gutter)	30.00	3,270.00	32.00	3,488.00	38.00	4,142.00
20	10-1.19A 10-1.20	2,279	SF	Curb Ramp with Detectable Warning Surface	13.55	30,880.45	15.00	34,185.00	16.00	36,464.00
21	10-1.19A 10-1.20	2	EA	Retrofit Curb Ramp With Detectable Warning Surface	500.00	1,000.00	600.00	1,200.00	1,125.00	2,250.00
22	10-1.12	1	LS	Recycling Implementation	1,000.00	1,000.00	500.00	500.00	100.00	100.00
23	10-1.23	1	LS	Administrative Change Orders	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL						499,958.95	*	545,916.50		551,924.30

* Total Bid Correction

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137

BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		Ransome Company 1933 Williams St San Leandro, CA 94577 (510) 686-9900 (510) 686-9906 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	10-1.06A	1	LS	Mobilization	10,000.00	10,000.00	27,500.00	27,500.00
2	10-1.07A 10-1.07B	1	LS	Traffic Control	10,000.00	10,000.00	7,000.00	7,000.00
3	10-1.08A	1	LS	Utility Location (Potholing)	2,500.00	2,500.00	2,500.00	2,500.00
4	10-1.11	810	CY	Roadway Excavation	35.00	28,350.00	30.00	24,300.00
5	10-1.16	1	LS	Crack Sealing	5,000.00	5,000.00	7,500.00	7,500.00
6	10-1.17 10-1.18B	26,285	SF	Full Depth Asphalt Concrete Spot Repairs	4.00	105,140.00	5.25	137,996.25
7	10-1.08C	2,373	SY	Plane Pavement (Wedge Grinding)	2.50	5,932.50	4.00	9,492.00
8	10-1.18C	8,076	SY	Pavement Reinforcing Fabric	2.25	18,171.00	2.65	21,401.40
9	10-1.17 10-1.18 10-1.18D	1,703	TON	Asphalt Concrete Paving (6" Full Depth, Full Width)	80.00	136,240.00	92.00	156,676.00
10	10-1.17 10-1.18 10-1.18D	926	TON	Asphalt Concrete Paving (2" Overlay)	80.00	74,080.00	95.00	87,970.00
11	10-1.17 10-1.18 10-1.18D	13	TON	Asphalt Concrete Paving (1/2" Thick Leveling Course)	90.00	1,170.00	125.00	1,625.00
12	10-1.08H	2	EA	Remove and Replace Asphalt Concrete Speed Hump	3,500.00	7,000.00	2,000.00	4,000.00
13	10-1.08E	7	EA	Adjust Manhole Frame and Cover to Grade	275.00	1,925.00	375.00	2,625.00
14	10-1.08E	3	EA	Adjust Water Valve Box and Cover to Grade	150.00	450.00	200.00	600.00
15	10-1.08E	26	EA	Replace Water Valve Box and Cover to Grade	200.00	5,200.00	265.00	6,890.00
16	10-1.08E	2	EA	Adjust Survey Monument Box and Cover to Grade	150.00	300.00	200.00	400.00

CITY OF HAYWARD
 CONSTRUCTION OF PAVEMENT RECONSTRUCTION FY12 - CHIPLAY AVE, CHIPLAY CT,
 CABRINI DR, AND MAGNOLIA ST

PROJECT NO. 5137
 BIDS OPENED: MAY 17, 2011

(NUMBER OF BIDS RECEIVED - 9)

BID SUMMARY					ENGINEER'S ESTIMATE		Ransome Company	
							1933 Williams St San Leandro, CA 94577 (510) 686-9900 (510) 686-9906 Fax	
ITEM	SPEC. SECTION	QTY.	UNIT	DESCRIPTION	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
17	10-1.08E	8	EA	Replace Survey Monument Box and Cover to Grade	200.00	1,600.00	350.00	2,800.00
18	10-1.08E	3	EA	Adjust Sewer Riser to Grade	250.00	750.00	250.00	750.00
19	10-1.19A	109	LF	Minor Concrete (Curb & Gutter)	30.00	3,270.00	47.50	5,177.50
20	10-1.19A 10-1.20	2,279	SF	Curb Ramp with Detectable Warning Surface	13.55	30,880.45	15.50	35,324.50
21	10-1.19A 10-1.20	2	EA	Retrofit Curb Ramp With Detectable Warning Surface	500.00	1,000.00	1,000.00	2,000.00
22	10-1.12	1	LS	Recycling Implementation	1,000.00	1,000.00	2,500.00	2,500.00
23	10-1.23	1	LS	Administrative Change Orders	50,000.00	50,000.00	50,000.00	50,000.00
TOTAL						499,958.95		597,027.65

DATE: June 21, 2011

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adoption of 2010 Urban Water Management Plan and Urban Water Use Targets

RECOMMENDATION

That Council adopts the attached resolutions:

1. Approving the 2010 Urban Water Management Plan; and
2. Approving Method 3, 95% of Applicable State Hydrologic Region Target, to Determine the City of Hayward's 2015 and 2020 Urban Water Use Targets, pursuant to the Water Conservation Act of 2009

SUMMARY

The City is required to prepare and adopt an Urban Water Management Plan (UWMP) every five years. The 2010 UWMP has been prepared in accordance with guidance from the State of California Department of Water Resources (DWR) and includes information on:

- Hayward's projected water use through 2035;
- Planned water supply sources;
- Water supply reliability;
- Water shortage contingency plans; and
- Current and planned water conservation programs

In addition to the above elements, recent legislation, known as the Water Conservation Act of 2009 (also known as SB7), requires agencies to adopt water use reduction targets in their UWMPs. Using the State's prescribed methodology, Hayward's target would be a reduction of 4% over recent gross per-capita water usage, from 127 gallons per capita per day (gpcd) to 122 gpcd. For reasons discussed later in this report, staff is projecting a growth in water use during the 2010 UWMP planning period that is inconsistent with the water use reductions required by the Water Conservation legislation.

BACKGROUND

The 1983 Urban Water Management Planning Act and subsequent additional legislation requires all California water agencies that supply 3,000 or more acre feet of water per year, or have 3,000 or

more service connections, to prepare an UWMP every five years. With more than 30,000 service connections and annual water deliveries of close to 20,000 acre feet of water annually, Hayward is subject to the provisions of the Act. The purpose of the UWMP is to comprehensively and systematically review water usage trends, projected water use, water supply availability and reliability, water shortage contingency plans, and water conservation programming. The planning period for the 2010 UWMP is 2010 through 2035.

The State Department of Water Resources (DWR) issued a guidance document in March 2011 to help agencies ensure that all required elements are included in their 2010 UWMPs. Staff has prepared the draft in accordance with the guidance document, and in cooperation with the City's wholesale water supplier, San Francisco Public Utilities Commission (SFPUC).

In November 2009, Senate Bill 7 (SB7), formally known as the Water Conservation Act of 2009, was signed into law. This law is intended to reduce state-wide urban per-capita water consumption by 20% by 2020 by requiring urban water purveyors, such as Hayward, to set and achieve per-capita water use targets. The 20% reduction is a state-wide goal and the actual required local targets will vary by agency, depending on a variety of factors such as current per-capita usage and climate conditions. SB7 identifies UWMPs as the mechanism for reporting on water use reduction targets and achievements. The 2010 UWMP must include a discussion of water use reduction targets. Subsequent UWMPs will address progress towards achieving the targets. SB7 requires that the City Council conduct a public hearing to consider and adopt a methodology for calculating water use targets.

UWMPs are typically due to the State by the end of calendar years ending in zero and five; thus, the 2010 UWMP would normally have been submitted by the end of December 2010. However, an extension to July 1, 2011 was granted to allow agencies time to address the requirements of SB7. The 2010 Urban Water Management Plan can be viewed at: [Urban Water Management Plan](#)

DISCUSSION

The 2010 UWMP addresses a full range of issues related to water supply demand and reliability. The following paragraphs highlight the information contained in the document.

Projected Water Demand: Hayward's current per-capita water use is among the lowest among agencies that purchase water from SFPUC, despite the presence of a state university, community college, two major hospitals, and a large and varied industrial sector. This section describes the basis for future water use demand projections and the challenges involved in maintaining, or even further reducing, Hayward's already low per-capita consumption

Projecting future water demand is more of an art than a science, particularly looking beyond the next five to ten years. As a starting point, it is helpful to review water usage patterns in the recent past. Water consumption varies from year to year, depending on precipitation, economic conditions, housing growth, and other factors. In the last few years, there has been a region-wide decline in the amount of water used. While the reasons for this decrease are not fully understood, contributing factors likely include the fact that several years of drought conditions, resulting in voluntary rationing, were followed by very wet conditions, as well as a continued economic

downturn. It is not yet known whether what portion, if any, of this decrease will be permanent and how much recovery there will be when weather and economic conditions normalize. For the purpose of projecting water use, staff conservatively assumed normal economic and climate conditions would exist during the UWMP planning period.

Looking forward, staff considered such factors as:

- Known potential residential and commercial development, including Route 238 right-of-way properties, South Hayward BART station redevelopment, and the recently annexed Mt. Eden area
- Population and employment estimates from the Association of Bay Area Governments (ABAG)
- City Council’s desire to attract industrial businesses, some of which may be water intensive uses, such as biotech, technology, and food processing
- City Council priorities and General Plan policies and strategies to improve neighborhoods, encourage home renovations, including installation of water efficient landscaping where little or no landscaping currently exists
- California State University and Chabot College Master Plans, which envision growth in student population and facilities

The projections were developed using a detailed model, which established base-year demand conditions and forecasted future water demand based on anticipated growth and taking into account the preceding factors. The model also incorporated the water savings that could be achieved with continued aggressive water conservation programming, as well as expected savings from more stringent plumbing code standards and market-driven water efficient appliances.

Taking into account all of these factors, Hayward’s water use could increase to 33.9 million gallons per day (mgd) in 2035. A portion of this demand would be met with recycled water, but the majority would need to come from the SFPUC regional water system. The following table summarizes projected water usage in five-year increments through 2035. These projections represent the maximum potential usage.

Projected Demand (in mgd)					
2010	2015	2020	2025	2030	2035
17.4	24.7	26.8	28.8	31.1	33.9

Whether Hayward actually reaches this level of use by 2035, and how closely the increases align with the five-year increments, will depend largely on economic activity, development patterns, implementation of CSU and Chabot College plans, changes in water using appliances and fixtures, participation in water conservation programming, water pricing and other factors over which the City may have little control. However, for planning purposes, it is prudent to identify the maximum potential water usage.

Unlike Hayward’s current per-capita water use, the City’s projected total additional water usage, in terms of volume, is on the higher end of the spectrum among communities in the Bay Area that purchase water from SFPUC. There are several reasons for this, including the fact that Hayward

currently has one of the lowest residential per capita usages in the Bay Area. In part, Hayward's low use reflects the reality that a number of properties are not landscaped or have a minimal amount of landscaped area. As neighborhood improvement strategies are implemented, and as Hayward's relatively affordable homes come under new ownership, staff anticipates that residential outdoor water use will increase. Even with water efficient landscaping, water is needed for plant establishment, with a lower amount needed for maintenance. There are several other distinguishing features that staff considered in developing the projections, such as, the expectation that, unlike some other Bay Area communities, Hayward will continue to continue to grow in terms of both population and jobs.

For residential water use, the significant projected increase in population, from the current approximately 149,000 residents to 184,600 in 2035 (per ABAG's *Projections 2009*) is a major factor in projected total water demand. Residential water usage will be affected by the number of dwelling units constructed and the resulting increases in population, as well as by rehabilitation of existing homes and installation of landscaping where none currently exists. New homes also have the potential to use more water than older homes, even with the installation of low-flow fixtures and water efficient landscaping, because of lot size, landscaping, and number of water using devices and amenities such as pools and hot tubs. With the Council's desire to improve the overall appearance of the City and to encourage property owners to renovate their homes, water usage can reasonably be expected to increase accordingly.

Regarding non-residential water use, while employment projections are common indicators of future commercial and industrial water demand, staff believes that Hayward's non-residential use will be affected, not only by the number of businesses, but also the types of businesses that locate in Hayward. There is potential for underutilized warehouses and distribution space to be converted to manufacturing and research and development uses, which typically use more water. Hayward offers relatively affordable space, Class A industrial structures, access to freeways, a qualified workforce, and public transportation. The industrial and commercial projections account realistically for these changes in the makeup of Hayward's business sector. Staff also considered the fact that Hayward is home to a State university and community college, both of which have recently undergone facility master planning efforts to accommodate substantial growth in student population in the coming years.

It may be useful to briefly compare Hayward's projected water demand in the 2010 UWMP with projected demand in the 2005 UWMP. As noted earlier, water use throughout the region has declined for the last two years, due to a variety of factors, and the water use that was estimated for 2010 did not materialize. In 2005, no one could have anticipated the length and magnitude of the economic downturn, the collapse of the housing market, and the drought conditions. Going forward, staff expects that potable water use will be lower than projected in the 2005 UWMP, by as much as 1.2 mgd in the early years of the planning horizon. The gap gets smaller towards the end of the planning period, and in 2030 (the last year reflected in the 2005 UWMP), the estimated use is about 200,000 gpd lower than was projected in the 2005 UWMP. However, the projected demand is lower despite the fact that the population in 2030 is now expected to be 8.4% higher than was projected five years ago, recently identified significant development opportunities now exist along the Route 238 right-of-way, and student populations at both CSUEB and Chabot College are projected to grow in a magnitude not anticipated in 2005.

Comparison of estimates in 2005 and 2010 suggests two things. First, planning numbers are based on the best information available at the time, and there is no certainty that the projected usage will be realized. More than likely, over the course of the next 25 years, climatic and economic conditions will impact water usage; however, given the difficulty of assessing the nature and magnitude of these conditions, it would not be prudent to speculate and take the risk of planning for usage that is too low. Second, continued implementation of water conservation and regular reassessment of resulting anticipated water demand indicates that Hayward is taking a responsible approach to resource planning and lowering its projections in a reasoned manner.

Water Supply Sources: The projected demand described in the previous section is expected to be met through a combination of potable and recycled water. Since 1963, Hayward has obtained its potable water supply from the SFPUC regional water system. This water supply is based on an agreement between Hayward and SFPUC that provides Hayward with the water it needs as long as such supplies are within SFPUC’s ability to deliver, that is, as long as water supply conditions are normal. The SFPUC meets its water supply obligations with an integrated system of imported water from Hetch Hetchy and local watershed facilities.

Recycled water will be used primarily to meet the water demands from the Russell City Energy Center (RCEC), which are expected to average about 3.1 mgd. In addition, staff is working with the project owner, Calpine Corporation, to obtain an average of 300,000 gallons per day of recycled water to deliver to other customers within a two-mile radius of the treatment facility. This drought-proof water supply can be used for irrigation and industrial use. The RCEC use was never included in potable water demand projections, so the delivery of recycled water to this facility will not result in a net reduction in the amount of SFPUC water that Hayward envisions purchasing. However, the additional 300,000 gallons would offset water supplies that, in the absence of recycled water, would need to be obtained from SFPUC.

The following table summarizes the water supply sources expected to be available to Hayward through 2035.

Source	Water Supplies (in mgd)					
	2010	2015	2020	2025	2030	2035
SFPUC	17.5	21.6	23.4	25.4	27.7	30.5
Recycled Water	0.0	3.1	3.4	3.4	3.4	3.4

Water Supply Reliability: SFPUC has verified its intent to deliver at least 184 mgd to wholesale customers through 2035 during years of normal precipitation, and is implementing the Water System Improvement Program (WSIP) to increase the reliability of the regional water system in both normal and drought years. It is expected, however, that the combined demand from all of the wholesale customers will exceed 184 mgd by the end of the planning period. In recognition of this fact, the Bay Area Water Supply and Conservation Agency (BAWSCA), which is comprised of 26 water agencies that purchase SFPUC water, including Hayward, is developing a long-term reliable water supply strategy to help meet the needs of its member agencies through 2035. The strategy may include implementation of potable and recycled water supply projects to increase water supply

reliability. While Hayward's ability to receive sufficient quantities of water from SFPUC is protected by the City's contract with SFPUC, staff remains engaged with the long-term water supply reliability efforts.

SFPUC has imposed an Interim Supply Allocation (ISA) to all agencies until at least 2018 as part of its adoption of the WSIP in 2008. In general, the allocations were based on the lesser of the projected fiscal year 2018 purchase projections or Individual Supply Guarantees. Since Hayward's purchases are not limited by an Individual Supply Guarantee, its ISA is based on projected purchases of 22.9 mgd in 2018. This quantity was based on Hayward's own projected purchases in 2018 after the demand projections for all wholesale agencies were updated in 2009. SFPUC determined this projection was a reasonable basis for Hayward's interim supply allocation. Staff does not anticipate that the City will exceed its ISA in any year before 2018.

Short-term emergency water supplies are available to Hayward through five wells, which can theoretically provide up to 13.6 mgd, as well as emergency interties with Alameda County Water District and East Bay Municipal Utility District (EBMUD). In addition to interties between Hayward and neighboring agencies, SFPUC and EBMUD completed a regional intertie facility with a capacity of 30 mgd. The facility is located in Hayward and substantially relies on Hayward's infrastructure for water delivery.

Water Shortage Allocations and Contingency Plans: Under drought conditions, all purchasers of SFPUC water including Hayward would be required to reduce usage. The extent of the reductions would depend on available water supplies and seasonal usage by Hayward and other agencies. In December 2010, the City Council approved the Drought Implementation Plan, developed in coordination with all BAWSCA agencies, which allocates water among wholesale customers based on a formula that accounts for variation in seasonal (outdoor) usage in the years preceding the drought, as well as Individual Supply.

Although the Drought Implementation Plan expires in 2018, staff has used its formula to forecast available water supplies in dry years in 2020 and beyond, in the absence of any other available methodology. Hayward's increased demand in these years, coupled with the fact that staff used the same allocation factor (i.e., the percentage of water supply that would be available to Hayward) absent a more realistic method at this time, causes the UWMP to show significant gaps between supply and demand in the later years, exceeding 40% in multiple dry years. In other words, these unrealistically high percentage cutbacks result from the fact that, as the projections move beyond 2018, anticipated demand continues to increase without the benefit of adjusting the available supplies. There will be an opportunity in 2018, when the current Drought Implementation Plan expires, to revisit the allocation formula and address the disparity between the drought supplies and anticipated demands. It is also important to keep in mind that these are theoretical numbers only, based on assumptions and factors that may or may not be realized.

Hayward's success in managing previous water shortages largely shapes the water shortage contingency plans outlined in the UWMP. The City would most likely implement a rationing program, which, depending on the severity of the shortage, could include restrictions on vehicle washing, serving water in restaurants, washing outdoor structures and pavement, and other non-essential activities. Equitable water allotments would be developed for all customers, with excess

use charges assessed for usage above the allocation. All elements of a rationing program, including excess use rates, would be subject to approval by the City Council.

Water Conservation: Hayward is among the lowest per-capita water users compared to other agencies that purchase water from SFPUC. This is partially due to the fact that, as one of the original signatories to the California Urban Water Conservation Council Memorandum of Understanding, Hayward has long been committed to effective water conservation. The UWMP includes a discussion of Hayward's water conservation program, including the status of implementation of water conservation best management practices.

Hayward currently offers a variety of water conservation programs to customers, including rebates for high efficiency washing machines and toilets, distribution of low-flow showerheads and faucet aerators at no cost to customers, a variety of public and school education programs, and water efficient landscaping classes. In addition to these customer-focused programs, Hayward has implemented conservation water pricing and indoor and outdoor water use efficiency ordinances. Recently, a comprehensive effort was undertaken to identify the sources of water loss, and projects were included in the Capital Improvement Program to address the most significant causes of system water loss once they are identified.

Over the years, through a combination of factors, Hayward's water demand has bottomed out in that achieving further water use reductions will be challenging. However, staff anticipates that existing programs will continue as long as they are cost effective, and that, in addition, new conservation measures will be assessed and implemented, possibly including rebates for weather-based irrigation controllers and water use surveys, and rebates aimed at commercial and industrial customers.

Water Conservation Act of 2009 -Water Use Reduction Targets: As described in the Background section, the Water Conservation Act of 2009, commonly referred to as SB7, requires water agencies to develop per-capita water use targets for 2015 and 2020 based on one of four methods, or a minimum reduction requirement, whichever is lower. Per-capita use refers to *gross* water use by all customers: residential, commercial, institutional, and industrial. Staff reviewed with the Council Sustainability Committee the details of SB7 and its impact on Hayward at the Committee's April meeting. SB7 requires that the City Council adopt a methodology for determining water use targets.

The major provisions of SB7 require water agencies to do the following:

- Calculate ten-year base gross per capita water usage.
- Determine per-capita water use targets for 2015 (interim target) and 2020 (final target), using one of four methods described in the legislation.
- Compare the calculated per-capita water use targets to minimum reduction requirements. (Note this provision does not apply to agencies whose base per capita use is 100 gallons per day or lower.)
- Set interim and final per capita water use targets at either the targets calculated by one of the four methods or at the minimum reduction requirements, whichever is lower.
- Document the calculations, as well as the interim and final per capita water use targets in the 2010 UWMP, and report on progress made towards achieving the targets in the 2015 and 2020 UWMPs.

Calculation of Water Use Targets

SB7 identifies four methods for calculating water use targets, and agencies may select whichever method is most favorable. The following table briefly describes the four methods.

No.	Brief Description
1	Water use target is set at 80 percent of base daily per capita daily water use.
2	Water use target is based on achievement of certain performance standards: a) indoor residential water use of 55 gpcd; b) landscape water use efficiency equivalent to the Water Efficient Landscape Ordinance standards; and c) 10 percent reduction in baseline commercial/industrial/ institutional water use
3	Water use target is set at 95 percent of the applicable state hydrologic region target.
4	Water use target is set in accordance with a provisional method that totals savings from installation of water meters, specific indoor residential and commercial/industrial savings, and landscape and water loss savings

Staff reviewed the four methods and prepared analyses for Methods 1 and 3. These were selected because data was readily available and the targets appeared to be most beneficial to Hayward. Method 2, which bases water use targets on performance measures, would impact commercial and industrial development, in that significant reductions in water used by this sector would be needed. Method 4 would likewise not benefit Hayward because of the considerable savings required in commercial and industrial water use, and because of the fact that Hayward is already fully metered and thus could not realize further savings from installation of meters.

Method 1 resulted in per-capita water use targets of 117 gallons per capita per day (gpcd) and 104 gpcd in 2015 and 2020 respectively. These targets are based on an average ten-year base daily per-capita use of 130 gpcd, during the period of 1996 to 2005.

Method 3, which would establish Hayward's target at 95% of its hydrological region target, results in per-capita water use targets of 137 gpcd and 124 gpcd in 2015 and 2020 respectively. Hayward is located in the San Francisco Bay Area hydrological region, which is distinguished by its moderate climate. Method 3 clearly provides the optimal target for Hayward, taking into account the community's already low per-capita use and climate zone. Thus, staff recommends that the City Council approve Method 3 as the methodology for calculating Hayward's water use targets.

Comparison of Water Use Targets to Minimum Reduction Requirement

SB7 further requires agencies to calculate a minimum reduction target by determining average per capita use during a recent five-year period and reducing that average by 5%, unless gross per-capita use is already 100 gpcd or less. The minimum reduction requirement is then compared to the calculated water use target, and the final water use target is set at the lower of the two numbers. For Hayward, the most favorable five-year period was from FY 2004 through FY 2008, when per-capita

use averaged 128 gpcd. Reducing this number by 5% results in a target of 122 gpcd, which is lower than the usage under Method 3. This means that Hayward’s final water use target must be set in accordance with the minimum reduction requirement.

For reference, the following table summarizes the 2015 and 2020 water use targets for Hayward under Methods 1 and 3, and the minimum reduction.

Calculation Method	2015 Interim Target (in gpcd)	2020 Final Target (in gpcd)
Method 1 – 80% of Baseline	117	104
Method 3 – 95% of San Francisco Bay Region Target	137	124
→Minimum Water Use Reduction	126*	122

*Midpoint between the ten-year baseline usage (130 gpcd) and the 2020 target.

Comparison of Water Use Targets to UWMP Projections

Hayward’s current gross per-capita use is very low, averaging 127 gpcd during the last ten years, excluding an unusually low usage in FY2010. The minimum water use reduction to 122 gpcd would require a 4% reduction in current per-capita usage. While this reduction appears to be modest percentage-wise, it would be a challenge to further reduce Hayward’s already low usage, even if the City were built out and static. However, in that Hayward is looking ahead to future economic growth and development, a further challenge will be to comply with SB7 while pursuing other City goals of business attraction and retention, improved community appearance, continued development of a vibrant and engaged university and community college, and neighborhood revitalization. Staff balanced these priorities with sustainable future water use in preparing the water demand projections for the UWMP.

As a result, the projections discussed earlier in this report are not consistent with the water use targets identified in this section. In other words, projected usage is somewhat higher than would be the case if the estimated population in 2015 and 2020 were simply multiplied by the water use target. In reviewing draft UWMPs from other nearby agencies, including Bay Area Water Supply and Conservation (BAWSCA) member agencies, it appears that Hayward may be one of the few agencies in this geographic region to be projecting usage that exceeds its SB7 water use targets. However, there are at least several important considerations that bear further discussion.

First, while Hayward’s current per-capita use is already among the lowest in the Bay Area, it is not quite low enough to benefit from the provision in SB7 that exempts agencies from the minimum water use reduction if base per capita use is 100 gpcd or less. Such agencies can increase their per-capita usage substantially and still meet their targets. For example, an agency with base per-capita use of, 100 gpcd may, like Hayward, choose Method 3, with targets of 137 and 124 gpcd in 2015 and 2020 respectively. However, unlike Hayward, this agency does not need to compare its target to a minimum reduction requirement and may set its target in accordance with Method 3, and could thus increase their per-capita usage by 24% in 2020 and still meet their target.

Second, unlike some agencies, Hayward did not experience very high water use during the base period, with a subsequent significant decline. Some nearby agencies will benefit from the fact that their base period usage was very high, in some cases due to business activity that is no longer located within their service areas and is not expected to return. Therefore, there is room for their per-capita water use to increase over current usage while still meeting SB7 targets. Hayward's water use pattern, which has not seen the significant increases and decreases of other agencies, makes it far more difficult to achieve the SB7 targets without impacts on community development.

Third, SB7 includes a provision that allows for consideration of substantial changes in commercial and industrial water use in evaluating compliance with the water use target. This provision was added, in part, to acknowledge the differences between agencies in terms of local economic development and the presence of institutions such as colleges, which have a high daytime population. While the specifics of how this provision will be applied are yet to be determined by the State, staff believes that it may be appropriate to deduct some of Hayward's industrial and institutional usage in future years for the purposes of complying with SB7, given that a significant portion of the projected increased use is related to growth in the industrial sector and development of the CSUEB and Chabot Colleges campuses.

Finally, it is important to recognize that the UWMP is a planning document only, based on the best information available at this time. While actual usage may or may not reach the projected usage, it is important that, for planning purposes, Hayward fully identifies all potential water use.

Staff understands the importance of striving to achieve SB7 goals as part of the City Council's overall commitment to sustainability and efficient use of resources. To this end, the City's current water conservation programming, current and future water efficiency standards, and water pricing will play key roles in keeping Hayward's per-capita use as low as possible, while working towards other important community goals.

Currently, the legislation states that agencies not in compliance with SB7 targets after 2015 will not be eligible for state water grants or loans until the target is achieved. No financial penalties or other punitive actions are identified in the legislation; however, it is possible that, in the future, the State could impose more severe penalties for SB7 non-compliance. As a point of information, the Hayward Water System currently does not have any State water grants or loans, nor are any incorporated into the Capital Improvement Program.

ECONOMIC IMPACT

There are no direct fiscal impacts associated specifically with the adoption of the UWMP. The costs of developing future water supplies, including recycled water, would need to be fully assessed prior to implementation to ensure that the costs do not outweigh the benefits.

Compliance with SB7 would require additional, potentially costly, water conservation programming, and said costs would need to be recovered through water rates. To that extent, there would be an economic impact to the community. Actual costs would depend on the types of programs, participation levels, and other factors.

FISCAL IMPACT

There are no direct fiscal impacts associated with adoption of the UWMP and the SB7 targets. Future costs for water conservation programs, recycled water development, and other water supply options would be evaluated at the time of implementation.

PUBLIC CONTACT

Public contact for this item has consisted of postings on the City's website and two public hearing notices published in the *Daily Review*. A draft copy of the UWMP has been available for review on the City's website, at the Hayward public libraries, and in the City Clerk's Office. Staff also coordinated with SFPUC and BAWSCA to ensure accurate and complete information on water sources. Other BAWSCA agencies were notified of Hayward's intent to prepare and adopt the 2010 UWMP, as were EBMUD and the County of Alameda.

Going forward, staff is mindful of the need to listen and respond to the public in terms of the types of water conservation programming that would be effective and desired in Hayward, both for residential and non-residential customers. Through staff's presence at community and business events, one-on-one discussions, participation in regional water conservation efforts, and other activities, staff will continue to evaluate potential programs and bring them to City Council for consideration.

NEXT STEPS

Assuming that the 2010 UWMP and SB7 water use targets are approved by City Council, staff will finalize the document and submit it to the State in accordance with required deadlines. The final UWMP will be posted on the City's website. This document will serve as a planning tool for water resource planning, water conservation programming, and water supply development.

Prepared by: Alex Ameri, Deputy Director of Public Works
Marilyn Mosher, Administrative Analyst III

Recommended by: Robert Bauman, Director of Public Works

Approved by:



Fran David, City Manager

Attachments:

Attachment I - Resolution (Adoption of 2010 UWMP)

Attachment II - Resolution (Urban Water Use Target)

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-_____

Introduced by Council Member _____

RESOLUTION ADOPTING THE 2010 URBAN WATER MANAGEMENT PLAN FOR THE CITY OF HAYWARD

WHEREAS, the 1983 Urban Water Management Act, amended through 2010, requires all California urban water agencies that supply more than 3,000 acre feet of water per year or have more than 3,000 connection to prepare an Urban Water Management Plan every five years; and

WHEREAS, the next Urban Water Management Plan must be adopted by July 1, 2011; and

WHEREAS, preparation of this document involves comprehensive review and assessment of water usage data, projected water demand, water resources, water supply reliability, and water conservation; and

WHEREAS, the City of Hayward has prepared the 2010 Urban Water Management Plan in accordance with provisions of the Urban Water Management Planning Act in cooperation with the City’s wholesale water supplier; and

WHEREAS, the Director of Public Works has submitted to the City Council for review a copy of the draft 2010 Urban Water Management Plan and staff report dated June 21, 2011, and has made available for public review the draft 2010 Urban Water Management Plan in its entirety; and

WHEREAS, a public hearing was held on June 21, 2011, in the manner prescribed by law.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the plan entitled “2010 Urban Water Management Plan,” a copy of which is on file in the office of the Department of Public Works and office of the City Clerk, is hereby adopted as the urban water management plan for the City of Hayward.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-_____

Introduced by Council Member _____

RESOLUTION APPROVING THE USE OF METHOD 3: 95 PERCENT OF APPLICABLE STATE HYDROLOGIC REGION TARGET TO DETERMINE THE CITY OF HAYWARD’S 2015 AND 2020 URBAN WATER USE TARGET

WHEREAS, the City of Hayward recognizes the importance of water conservation and is committed to sustainable use of water resources; and

WHEREAS, the California Legislature enacted Senate Bill 7, the Water Conservation Act of 2009, which requires State-wide reduction of urban per-capita water use by 20 percent by 2020 and further requires urban water suppliers that supply at least 3,000 acre feet of water per year or have 3,000 connections to develop an interim urban water use target for 2015 and an urban water use target for 2020; and

WHEREAS, the City of Hayward must adopt one of the four methods described in the legislation for determining interim urban water use targets and urban water use targets; and

WHEREAS, the City of Hayward considered each of the four methods; and

WHEREAS, Method 3, 95 percent of the applicable State hydrologic region target is appropriate for the City of Hayward; and

WHEREAS, a public hearing was held on June 21, 2011, in the manner prescribed in the legislation.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City of Hayward adopts Method 3, 95 percent of the Applicable State Hydrologic Region Target, to determine the City’s urban water use target.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2011

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

DATE: June 21, 2011

TO: Mayor and City Council

FROM: Human Resources Director

SUBJECT: Introduction and Adoption of an Emergency Ordinance to Approve an Amendment to the City of Hayward Contract with the California Public Employees Retirement System (CalPERS) and Authorizing Staff to Execute the Contract

RECOMMENDATION

That the City Council introduces and adopts an emergency Ordinance approving an amendment to the City of Hayward's contract with CalPERS and authorizing the City Manager to execute said amendment to add:

1. Section 20516 "Employee Sharing Cost of Additional Benefits" for sworn members of both the Police and Fire Departments;
2. Section 21547.7 (Alternative Death Benefit for Local Fire Members with 20 or More Years of Service); and
3. Section 20965 (Credit for Unused Sick Leave) for sworn members of the Fire Department.

BACKGROUND

On May 31, 2011, the City Council adopted a Resolution of Intent to amend its contract with CalPERS to add: Section 20516 "Employee Sharing Cost of Additional Benefits" for sworn members of both the Police and Fire Departments; Section 21547.7 (Alternative Death Benefit for Local Fire Members with 20 Or More Years of Service); and Section 20965 (Credit for Unused Sick Leave) for sworn members of the Fire Department. This action was taken to begin implementing the cost savings agreements reached during recent discussions with International Association of Fire Fighters (IAFF), LOCAL 1909 (Firefighters) and the Hayward Fire Chief's Association (together, the "Fire Units"); the Hayward Police Officers' Association (HPOA) and the Police Management unit (together, the "Police Units").

To implement any changes to the retirement program, it is necessary to amend the City's existing contract with CalPERS. The next step is the City Council's adoption of the amendment and authorization for the City Manager to execute the amendment by emergency Ordinance. This action is proposed as an emergency ordinance because it is essential that its provisions be in effect during the first payroll period at the beginning of FY2012 to meet the terms of the agreements and realize

the full savings of the concession. Pursuant to City Charter Sections 617 and 620 (d), the Emergency Ordinance takes effect upon adoption by the City Council if passed by five(5) affirmative votes. The City Charter also requires the ordinance contain a statement of the reasons for its urgency, and in this case, such statement is set forth in Section 1 of the Emergency Ordinance (Attachment I). The urgency statement provides that the Ordinance, as an emergency measure, is necessary to preserve the public peace, health, and safety by reducing employee benefit costs and achieving cost savings starting with FY2012, assisting the City to reach a balanced budget in FY2012.

DISCUSSION

The following information was previously discussed in the staff report for the Resolution of Intent. It is repeated in this report to ensure that noticing requirements are met.

In response to the City's request to discuss employee salary and benefit cost savings, the Police and Fire Units have negotiated proposed amendments to the City's contract with CalPERS. These proposed amendments are outlined below:

Section 20516 - "Employee Sharing of Cost of Additional Benefits"

The City of Hayward currently provides the "3% at age 50" retirement benefit for public safety employees, which requires contributions into the retirement system by both employees and employers. The current employee rate is set at 9% of salaries and remains fixed. The rate for employers is variable and is set on an annual basis by CalPERS, and is comprised of two components that make up the final required employer contribution in any given year. The first component represents the normal cost of the benefit and the second represents the current unfunded liability of the benefit.

For the current fiscal year (FY2011), the City's employer contribution is 27.493% of salaries for sworn Fire employees and 30.005% of salaries for sworn Police employees. In FY2012, these amounts increase to 33.454% for Fire and 36.493% for Police, after any contract amendments.

In accordance with Government Code Section 20516, employees may share the cost with the employer of optional retirement benefits, which are in addition to the fixed employee contribution of 9%. Optional benefits are defined as those benefit enhancements implemented by amendment to the original contract.

This Government Code section is applicable to Hayward because the original public safety contract provided for a benefit calculated at a rate of "2% at age 50" for every year of service, with a three year average final compensation calculation. This was "enhanced" through contract negotiations over the years to a rate of "3% at age 50," with a one year final highest compensation calculation, which became effective by contract amendment on January 1, 2001.

An amendment to allow for cost sharing provides an opportunity for the employee to share in both 1) the normal cost of a retirement formula enhancement for an indefinite period of time, and 2) the unfunded liability portion of the benefit for a period not to exceed twenty years from the date in

which a retirement formula enhancement was approved. Provided a cost sharing amendment is part of the collective bargaining agreement between the City and the Fire/Police Units, CalPERS would allow members of the sworn Fire service to contribute up to a maximum of 15.607%, and members of the sworn Police service up to a maximum of 13.887% toward the City's employer contribution.

The members of HPOA and the Police Management unit have agreed to contribute 3% towards the employer's contribution during FY2012. With this agreement, the City's CalPERS contribution for FY2012 will be reduced from 36.493% to 33.493% and the employees' contribution will increase from 9% to 12%. The projected annual savings of the Police Units cost sharing arrangement for FY2012 is approximately \$745,000.

The members of IAFF Local 1909 and the Hayward Fire Chiefs Association, including the Fire Chief, have agreed to contribute 6% towards the employer's contribution during both FY2012 and FY2013. With this agreement, the City's CalPERS contribution for FY2012 will be reduced from 33.454% to 27.454%. The employees' contribution will increase from 9% to 15% for IAFF Local 1909 – Firefighters. The employees' contribution will increase from 0% to 6% for members of IAFF Local 1909 – Fire Officers, the Hayward Fire Chiefs Association, and the Fire Chief. The reason for the difference of contribution levels amongst members of the Fire Units is due to the fact that the City currently pays the employees' 9% contribution for the Officers and Chiefs of the Fire Unit as a result of a previously negotiated agreement. The projected annual savings of the cost sharing arrangement with the Fire Units for FY2012 is approximately \$987,000.

Section 21547.7 (Alternative Death Benefit For Local Members with 20 Or More Years Of Service) and Section 20965 (Credit for Unused Sick Leave)

Under the current contract with CalPERS, members do not receive credit for unused sick leave toward service time at the time of retirement. As an optional benefit, Government Code Section 20965 allows employees within four months of separation from employment to receive sick leave credit at the rate of 0.004 year of service credit for each unused day of sick leave certified by the employer.

Additionally, Government Code Section 21547.7 provides for survivor benefits to a Firefighter member who, upon death, is employed by a CalPERS agency, has reached the minimum age required for voluntary retirement (fifty), and has twenty years or more of service. This benefit allows the eligible spouse or eligible children to receive a monthly allowance in lieu of the basic death benefit, which is a one-time payment of the accumulated contributions of the member (Section 21532).

The City is proposing that its contract with CalPERS be amended to include credit for sick leave and survivor benefits for sworn Fire Units. The cost of these two contract amendments has been calculated as part of a larger concession package from members of the sworn Fire service that includes, among other items, implementation of the 6% cost sharing arrangement outlined above and permanent forfeiture of salary increases originally committed to the unit in FY2012 and FY2013. The Fire Units were alone in exceeding the 13% and offering their concessions for both FY2012 and FY2013, including foregoing raises and the other requested structural changes resulting in estimated two-year savings for the Fire Unit of approximately \$6.5M. The estimated

annual cost of the above survivor benefit is \$173,000, which is being paid for by Fire Unit employees in FY2012 and FY2013, and is part of the overall financial package.

ECONOMIC IMPACT

The proposed cost sharing agreement has a positive economic impact for the Hayward community because it reduces City costs and contributes to a preservation of service levels for the residents.

FISCAL IMPACT

Although there is an overall expected savings based on the entire scope of the concession agreements with the sworn Fire service, Government Code Section 7507 requires the future annual costs of any proposed contract amendments be made public at a public meeting two weeks prior to the adoption of the final Ordinance. The following discussion is a bit complex, but follows the required CalPERS language.

The change in the employer contribution rate associated with adding the unused sick leave credit and alternate death benefit provisions for the Fire unit members is an additional on-going 1.053% to the employer’s CalPERS rate (\$173,000 in FY2012) and is already included in the employer rates stated above. The Fire Units are paying for this enhancement as part of permanent concessions of previous contractual agreements, which exceed the 13% request from the City. The following two paragraphs and Table 1 explain the costs associated with the present value and accrued liability for the addition of the unused sick leave credit and alternate death benefit provisions.

The increase in normal costs is calculated based on an actuarial estimate of the change in present value of benefits. The present value of benefits represents the total dollars needed today to fund all future benefits for current members of the plan. The actuarial study estimated the change in cost to the overall retirement plan to fund all future benefits to be \$1,671,621. The percentage of the increase to the employer rate that accounts for funding these future benefits is 0.388% of the total increase of 1.053%.

The change in accrued liability represents the increase in costs that members have already earned, but that have not been paid for. The actuarial study estimated the change in cost to the overall retirement plan to fund all past earned benefits to be \$1,115,319. The percentage of the increase to the employer rate that accounts for funding the benefits for past service is 0.665% of the total increase of 1.053%. The increase to accrued liability due to the two amendments will be separately identified from the normal costs and will be paid off in twenty years (Table 1).

Table 1 – Cost of Contract Amendment in Percentages

	Credit for Unused Sick Leave	Alternate Death Benefit	Total of each Cost Type
Normal Cost	0.210%	0.178%	0.388%
Accrued Liability	0.401%	0.264%	0.665%
Total Current Cost	0.611%	0.442%	1.053%

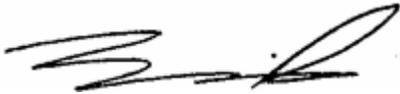
Government Code Section 7507 also requires an actuary to be present to provide information as needed at the Council's public meeting at which the adoption of a benefit change will be considered. Pursuant to Section 7507, an actuary was present at the meeting on May 31, 2011 to answer any questions about the actuarial impact of the charges.

SCHEDULE

The Emergency Ordinance takes effect upon its adoption by at least five (5) affirmative votes. Within one week after its adoption, the City must comply with the publication requirements for the Emergency Ordinance as set forth in City Charter Section 617.

Prepared and Recommended by: Fran Robustelli, Human Resources Director

Approved by:



Fran David, City Manager

Attachments:

- Attachment I: Emergency Ordinance Authorizing an Amendment to the Contract between the City and CalPERS
- Attachment II: Exhibit to the Ordinance - Amendment to CalPERS contract

ORDINANCE NO. 11-

AN EMERGENCY ORDINANCE AUTHORIZING AN
 AMENDMENT TO THE CONTRACT BETWEEN THE CITY
 OF HAYWARD AND THE BOARD OF ADMINISTRATION
 OF THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT
 SYSTEM

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

Section 1. The City Council of the City of Hayward hereby determines that it is necessary as an emergency measure for preserving the public peace, health and safety that an amendment to the contract between the City of Hayward and the Board of Administration, California Public Employees' Retirement System is hereby authorized, a copy of said amendment being attached hereto, marked "Exhibit," and by such reference made a part hereof as though herein set out in full. In support of said emergency measure, the City Council finds and determines that: the City of Hayward is projecting budget deficits in its General Fund of approximately \$20 million in FY 2012 and \$27 million in FY 2013. Further, employee salaries and benefits comprise approximately 89 percent of the General Fund operating budget. The fire and police bargaining units have participated in discussions with the City related to the budget deficits, and those discussions have resulted in cost sharing agreements which provide for sworn police and fire employees to pay a portion of the employer's retirement contributions. Those agreements will help to reduce employee benefit costs. By authorizing the contract amendment to be effective immediately, the City Council will enable it to be finalized this fiscal year so that the cost savings start with FY 2012.

Section 2. The City Manager of the City of Hayward is hereby authorized, empowered and directed to execute said amendment for and on behalf of said Agency.

Section 3. Severance. Should any part of this ordinance be declared by a final decision by a court or tribunal of competent jurisdiction to be unconstitutional invalid or beyond the authority of the City such decision shall not affect the validity of the remainder of this ordinance which shall continue in full force and effect provided that the remainder of the ordinance absent the unexcised portion can be reasonably interpreted to give effect to the intentions of the City Council

Section 4. Effective Date. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective immediately upon adoption. Pursuant to Section 617 of the City Charter, a notice indicating the emergency ordinance's title, a subject matter index, the date of its introduction, the date, time and place it was considered for final adoption, the vote thereon, and that copies of the full text thereof are available for examination

by the public in the office of the City Clerk, shall be published in the Daily Review, a newspaper of general circulation within the City, once within one week of its adoption.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the ____ day of _____, 2008, by Council Member_____.

ADOPTED at a regular meeting of the City Council of the City of Hayward held the ____ day of _____, 2008, by the following votes of members of said City Council.

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

APPROVED: _____
Mayor of the City of Hayward

DATE: _____

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward



EXHIBIT

California
Public Employees' Retirement System



AMENDMENT TO CONTRACT

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



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

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective May 23, 2008, and hereby replaced by the following paragraphs numbered 1 through 14 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for local miscellaneous members and age 50 for local safety members.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

2. Public Agency shall participate in the Public Employees' Retirement System from and after October 1, 1950 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorneys fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
 - (d) Public Agency's election to file for bankruptcy under Chapter 9 (commencing with section 901) of Title 11 of the United States Bankruptcy Code and/or Public Agency's election to reject this Contract with the CalPERS Board of Administration pursuant to section 365, of Title 11, of the United States Bankruptcy Code or any similar provision of law.
 - (e) Public Agency's election to assign this Contract without the prior written consent of the CalPERS' Board of Administration.
 - (f) The termination of this Contract either voluntarily by request of Public Agency or involuntarily pursuant to the Public Employees' Retirement Law.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- (g) Changes sponsored by Public Agency in existing retirement benefits, provisions or formulas made as a result of amendments, additions or deletions to California statute or to the California Constitution.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Local Fire Fighters (herein referred to as local safety members);
 - b. Local Police Officers (herein referred to as local safety members);
 - c. Employees other than local safety members (herein referred to as local miscellaneous members).
 5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **PERSONS EMPLOYED AFTER JANUARY 16, 1952 AS CROSSING GUARDS; AND**
 - b. **PERSONS EMPLOYED AFTER JANUARY 30, 1959 AS PART-TIME LIFEGUARDS AND PART-TIME LIBRARY AIDES.**
 6. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment before and not on or after August 26, 2002 shall be determined in accordance with Section 21354 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1956, the effective date of Social Security coverage, and prior to December 30, 1980, termination of Social Security, for members whose service has been included in Federal Social Security (2% at age 55 Full and Modified).
 7. The percentage of final compensation to be provided for each year of credited prior and current service for local miscellaneous members in employment on or after August 26, 2002 shall be determined in accordance with Section 21354.4 of said Retirement Law, subject to the reduction provided therein for service on and after January 1, 1956, the effective date of Social Security coverage, and prior to December 30, 1980, termination of Social Security, for members whose service has been included in Federal Social Security (2.5% at age 55 Full and Modified).
 8. The percentage of final compensation to be provided for each year of credited prior and current service as a local safety member shall be determined in accordance with Section 21362.2 of said Retirement Law (3% at age 50 Full).

PLEASE DO NOT SIGN "EXHIBIT ONLY"

9. Public Agency elected and elects to be subject to the following optional provisions:
- a. Section 21573 (Third Level of 1959 Survivor Benefits) for local safety members only.
 - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance) for local safety members only.
 - c. Section 20042 (One-Year Final Compensation).
 - d. Section 21635 (Post-Retirement Survivor Allowance to Continue After Remarriage) for local safety members only.
 - e. Section 21024 (Military Service Credit as Public Service).
 - f. Section 21027 (Military Service Credit for Retired Persons).
 - g. Section 21551 (Continuation of Pre-Retirement Death Benefits After Remarriage of Survivor).
 - h. Section 21022 (Public Service Credit for Periods of Lay-Off) for local miscellaneous members only.
 - i. Section 21574 (Fourth Level of 1959 Survivor Benefits) for local miscellaneous members only.
 - j. Section 20903 (Two Years Additional Service Credit).
 - k. Section 20965 (Credit for Unused Sick Leave) for local fire members only.
 - l. Section 21547.7 (Alternate Death Benefit for Local Fire Members Credited with 20 or More Years of Service).
 - m. Section 20516 (Employees Sharing Cost of Additional Benefits):

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

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

10. Public Agency, in accordance with Government Code Section 20790, ceased to be an "employer" for purposes of Section 20834 effective on June 1, 1978. Accumulated contributions of Public Agency shall be fixed and determined as provided in Government Code Section 20834, and accumulated contributions thereafter shall be held by the Board as provided in Government Code Section 20834.
11. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.
12. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local safety members.
 - b. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.
 - c. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.

- d. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
- 13. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 14. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

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

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF HAYWARD

BY _____
DARRYL WATSON, CHIEF
CUSTOMER ACCOUNT SERVICES DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
PRESIDING OFFICER

Witness Date

Attest:

Clerk

DATE: June 21, 2011

TO: Mayor and City Council
Redevelopment Agency Board of Directors
Housing Authority Board of Directors

FROM: Interim Director of Finance
Public Works Director

SUBJECT: Approval and Appropriations of the Operating and Capital Budgets for FY2012;
Approval and Appropriations of the FY2012 Hayward Redevelopment Agency
Budget; Approval and Appropriations of the FY2012 Hayward Housing
Authority Budget; Approval of the FY2012 Gann Appropriations Limit

RECOMMENDATION

That the City Council, Redevelopment Agency Board of Directors, and the Housing Authority Board of Directors approve their respective FY2012 budgets as presented and recommended by the City Manager; with the adjustments to the recommended budget specified in this agenda report: and adopt their respective attached resolutions related to FY2012:

1. Approving and Appropriating the Operating Budget;
2. Approving and Appropriating the Redevelopment Agency Budget;
3. Approving and Appropriating the Housing Authority Budget;
4. Approving and Appropriating the Capital Improvement Program Budget;
5. Approving the Gann Appropriations Limit

BACKGROUND

The City Council, Agency Board, and Housing Authority Board held budget work sessions on May 31, June 7 and June 14, 2011 to discuss and receive input on the FY2012 Recommended Operating Budget, Redevelopment Agency Budget, Housing Authority Budget, and the Capital Improvement Program Budget. On June 14, 2011, the Council also conducted a public hearing to receive public input on the aforementioned budgets.

DISCUSSION

City, Redevelopment Agency, and Housing Authority FY2012 Operating Budget

On May 31, June 7 and June 14, 2011, Council received presentations, public input, and held discussions on the recommended City, Agency, and Housing Authority operating budgets for Fiscal Year 2012. On June 14, Council also received and discussed updates to the recommended operating budget.

A. Summary of Operating Budget Changes

General Fund Outlay

Net Staffing Expense Decreased by \$326,000

a) Fire Department Added 2 Positions	\$ 330,000
b) Fire Department Decreased Overtime	(330,000)
c) Police Department Decreased Overtime	(690,000)
d) Police Department Add 2 Sworn Positions	<u>364,000</u>
Net Staffing Expense Change	\$ (326,000)

Supplies & Services Increased by \$50,000

a) Social Services Program / Eden 211 I&R	<u>\$ 50,000</u>
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Net Change to General Fund Outlay: \$ (276,000)

Enterprise Funds Outlay

Reduction to Airport Transfers Out	\$ (200,000)
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Redevelopment Agency Outlay

Increased Community Promotions	\$ 68,851
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B. The City's operating budget, adjusted as noted above, will reflect the following expenditures and transfers:

	<u>FY2012</u>
General Fund	\$ 121,883,682
Special Revenue Funds (excluding Housing Authority)	7,115,968
Debt Service Funds (excluding Agency debt service)	3,872,751
Enterprise Funds	69,997,416
Internal Service Funds	<u>23,403,222</u>
	\$ 226,273,039

C. The Redevelopment Agency's operating budget, adjusted as noted above, will reflect the following expenditures & transfers:

	<u>FY2012</u>
Redevelopment Operating Fund	\$ 8,378,335
Low & Moderate Housing Fund	n/a
Low & Moderate Homeownership Fund	n/a
Redevelopment Debt Service	<u>4,016,158</u>
	\$ 12,394,493

D. The Housing Authority's operating budget reflects the following expenditures & transfers:

	<u>FY 2012</u>
Housing Authority Low & Moderate Fund	\$ 2,396,967
Housing Authority Low & Moderate Homeownership Fund	<u>600,000</u>
	\$ 2,996,967

Gann Appropriation Limit

The State of California Constitution, Article XIII B, more commonly known as the Gann Appropriations Limit, requires that an appropriations limit be established annually by the City Council. As approved by the California voters in November 1979, this places limits on the amount of revenue that can be spent by government agencies. The limit is based on actual appropriations during FY 1979 (the "base" year) and is increased each year using population and inflation growth factors. The City of Hayward's limit for FY2012 is \$215,163,426. The City's FY2012 budgeted appropriations subject to the limit total \$76,362,500, which means the City's appropriations are \$138,800,926 below the limit.

Capital Improvement Program (CIP)

On April 27, the Council Budget and Finance Committee reviewed and discussed the CIP. On May 12, the Planning Commission held a public hearing and found the document in conformance with the General Plan. On June 7, the Council reviewed the CIP along with the operating budget in work session. The highlights of this year's proposal can be found in the City Manager's letter in the front of the document and also in the June 7 report to Council available on line at:

[June 7 Council Meeting Agenda](#)

FISCAL IMPACT

The General Fund operating budget for FY2012 includes a total appropriation of \$121.9 million, of which \$112.1 million is derived from General Fund revenues and \$5.6 million from transfers in, with use of reserves in the amount of \$4.1 million. Both the operating and capital budgets submitted for approval and adoption are balanced.

The Redevelopment Agency budget includes a total appropriation of approximately \$12.4 million for operations and debt service for FY2012. These funds do not impact the General Fund.

The Housing Authority budget includes a total appropriation of approximately \$2.9 million for low and moderate housing and homeownership in FY2012. These funds also do not impact the General Fund.

PUBLIC CONTACT

On May 31, June 7, and June 14, 2011, the Council held work sessions to discuss and receive input on the FY2012 budgets. On June 14, 2011, the Council conducted a public hearing to discuss and

receive further public input. A public notice was published in The Bay Area News Group – Daily Review on June 4 and June 9, 2011 announcing the date, time, location, and subject matter of the public hearing held on June 14, 2011.

A notice advising residents about the Planning Commission’s public hearing on the CIP was published in the *Daily Review* newspaper more than the requisite 10 days in advance. Furthermore, staff members from Alameda County Transportation Commission (ACTC) were contacted in the event that any members from the organization’s Measure B Citizen Watchdog Committee were interested in learning more about City projects funded through Measure B.

The FY 2012 Recommended Operating Budget is currently available for public review in the City Clerk’s Office at City Hall, at the Main Library and the Weekes Branch Library, and on the City’s website at:

<http://www.hayward-ca.gov/departments/finance/sfinanceFY2012ROB.shtm>

A schedule of the FY 2012 Recommended Operating Budget work sessions, including a tentative schedule of departments to be discussed at each session, was made available for public information on the City’s website at:

<http://www.hayward-ca.gov/departments/finance/sfinanceFY2012ROB.shtm>

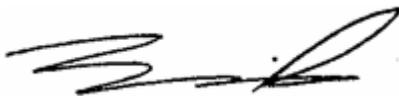
The Recommended Capital Improvement Program FY2012 Update is currently available for public review in the Engineering and Transportation Division and City Clerk’s Office at City Hall, at the Main Library and the Weekes Branch, and on the City’s website at:

http://www.hayward-ca.gov/departments/publicworks/documents/2011/FY12_CIP.pdf

Prepared by:

Robert Bauman, Public Works Director
Susan M. Stark, Interim Director of Finance

Approved by:



Fran David, City Manager

Attachments:

- I. FY2012 Operating Budget Resolution
- II. FY2012 Redevelopment Agency Budget Resolution
- III. FY2012 Housing Authority Budget Resolution
- IV. FY2012 Gann Appropriations Limit Resolution
- V. FY2012 Capital Improvement Program Budget Resolution

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-

Introduced by Council Member

RESOLUTION APPROVING THE OPERATING BUDGET OF THE CITY OF HAYWARD FOR FISCAL YEAR 2012; ADOPTING APPROPRIATIONS FOR FISCAL YEAR 2012

WHEREAS, the City Manager has submitted to the City Council of the City of Hayward estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the City of Hayward for fiscal year 2012 contained in those documents entitled "City of Hayward Recommended Operating Budget FY2012" with adjustments to the Recommended Budget as specified in the budget report of June 21, 2011; and

WHEREAS, a public hearing was held by the City Council of the City of Hayward, on June 14, 2011, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the budget recommended by the City Manager; and

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

- 1. That the budget for FY2012 presented by the City Manager in the documents entitled City of Hayward Recommended Operating Budget, FY2012 with adjustments to the Recommended Budget as outlined in the June 21, 2011 budget report are hereby approved and adopted as the budget of the City of Hayward for FY2012. Copies of the budget documents and the staff reports presented by the City Manager are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.

Fiscal Year 2012 Budget
General Fund \$ 121,833,682
Special Revenue \$ 7,115,968
Debt Service \$ 3,872,751
Enterprise \$ 69,997,416
Internal Services \$ 23,403,222
Total \$ 226,273,039

- 2. All expenditures relating to the objectives described in the budget are hereby approved and authorized and payments therefore may be made by the City Manager or her/his designee without further action of Council.

3. The City Manager shall have the authority to bind and prepay all coverage and to negotiate and execute all documents necessary to obtain the insurance, third party administration services, loss fund stabilization and defense of claims budgeted for in the Liability Insurance Fund. In consultation with the City Attorney, the City Manager and/or City Attorney shall be authorized to represent the City on the board of the Exclusive Risk Management Authority of California and take any and all actions necessary or appropriate to advance the City's interests in connection with risk management services and procuring of insurance coverages.
4. The balances in each fund that are not otherwise appropriated are hereby appropriated to Contingency Reserves in those funds. Expenditures from Reserves or Designated Fund Balances shall require the approval of the City Council.
5. The City Manager or her/his designee is hereby authorized and directed to distribute the appropriations, transfers, and reserves to the various accounts of the City in accordance with generally accepted accounting principles and consistent with the purposes and objectives as outlined in the recommended budget as adjusted by the budget report of June 21, 2011.
6. Any monies received during fiscal year 2012 as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the City Manager or her/his designee to make payments therefore in accordance with the terms and conditions and for the purposes of the grant.
7. The City Manager or her/his designee is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the City's financial records. In addition, the City Manager or her/his designee is authorized to make such changes to the budget as are required by GASB 31.
8. Any contract for professional service included in the annual budget that will cost more than \$25,000 shall be executed by the City Manager only upon approval of the contract by the City Council given at a meeting of the City Council.

IN COUNCIL, HAYWARD, CALIFORNIA, June 21, 2011

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

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

HAYWARD REDEVELOPMENT AGENCY

RESOLUTION NO. 11-

Introduced by Council Member

RESOLUTION CONFIRMING THE PROPOSED
HAYWARD REDEVELOPMENT AGENCY BUDGET FOR
FISCAL YEAR 2012

WHEREAS, the Executive Director has submitted to the Hayward Redevelopment Agency Board of Directors estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the Hayward Redevelopment Agency for fiscal year 2012 contained in those documents entitled "Hayward Redevelopment Agency Recommended Budget FY2012" with adjustments to the Recommended Budget as specified in the budget report of June 21, 2011; and

WHEREAS, a public hearing was held by the Redevelopment Agency Board of Directors, on June 14, 2011, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the budget recommended by the Executive Director; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hayward Redevelopment Agency as follows:

1. That the budget for FY2012 presented by the Executive Director in the documents entitled Hayward Redevelopment Agency Recommended Budget, FY2012 with adjustments to the Recommended Budget as outlined in the June 21, 2011 budget report are hereby accepted and confirmed as the budget of the Hayward Redevelopment Agency for FY2012. Copies of the budget documents and the staff reports presented by the Executive Director are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.

Fiscal Year 2012 Budget

Fund 451	\$ 8,378,335
Redevelopment Operating Fund	
Fund 452	\$ 0
Low & Moderate Housing Fund	
Fund 453	\$ 0
Low & Moderate Homeownership Fund	
Fund 311	\$ 4,016,158
Redevelopment Debt Service	
Total	\$ 12,394,493

ATTACHMENT II

2. The Director of Finance is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the Redevelopment Agency's financial records. In addition, the Director of Finance is authorized to make such changes to the budget as are required by GASB 31.

IN COUNCIL, HAYWARD, CALIFORNIA, June 21, 2011

ADOPTED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ATTEST:

City Clerk of the Hayward Redevelopment Agency

APPROVED AS TO FORM:

City Attorney of the Hayward Redevelopment Agency

HAYWARD HOUSING AUTHORITY

RESOLUTION NO. 11-

Introduced by Board Member

RESOLUTION CONFIRMING THE PROPOSED
HAYWARD HOUSING AUTHORITY BUDGET FOR
FISCAL YEAR 2012

WHEREAS, the Executive Director has submitted to the Hayward Housing Authority Board of Directors estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the Hayward Housing Authority for fiscal year 2012 contained in those documents entitled "Hayward Housing Authority Recommended Budget FY2012" with adjustments to the Recommended Budget as specified in the budget report of June 21, 2011; and

WHEREAS, a public hearing was held by the Housing Authority Board of Directors, on June 14, 2011, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the budget recommended by the Executive Director; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hayward Housing Authority as follows:

1. That the budget for FY2012 presented by the Executive Director in the documents entitled Hayward Housing Authority Recommended Budget, FY2012 with adjustments to the Recommended Budget as outlined in the June 21, 2011 budget report are hereby accepted and confirmed as the budget of the Hayward Housing Authority for FY2012. Copies of the budget documents and the staff reports presented by the Executive Director are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.

Fiscal Year 2012 Budget	
Fund 241	\$ 2,396,967
Housing Authority Fund	
Fund 247	\$ 600,000
Housing Authority-Home	
Ownership Loans	
Total	\$ 2,996,967

2. The Director of Finance is directed to comply with GASB 31 (Unrealized investment gains and losses) and is authorized to make such entries as are required to the

ATTACHMENT III

Housing Authority's financial records. In addition, the Director of Finance is authorized to make such changes to the budget as are required by GASB 31.

IN BOARD, HAYWARD, CALIFORNIA, June 21, 2011

ADOPTED BY THE FOLLOWING VOTE:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

ATTEST:

City Clerk of the Hayward Housing Authority

APPROVED AS TO FORM:

City Attorney of the Hayward Housing Authority

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-_____

Introduced by Council Member _____

RESOLUTION ESTABLISHING THE APPROPRIATION
LIMIT FOR FISCAL YEAR 2012

WHEREAS, by Resolutions Nos. 11-_____, the City Council approved the budgets and appropriated funds for operating expenses and capital projects for fiscal year 2012.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the appropriations limit for fiscal year 2012 is hereby established as \$215,163,426. In accordance with the requirements of state law regarding the appropriations limit, the annual adjustment factors for 2012 are hereby selected as follows: For change in population, the factor shall be the City of Hayward population growth factor and for the change in the cost of living, the factor shall be the California per capita income factor. When adopted, the vote on this resolution shall constitute the recorded vote of the City Council for purposes of complying with the applicable procedural requirement of state law.

IN COUNCIL, HAYWARD, CALIFORNIA, June 21, 2011.

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:

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

HAYWARD CITY COUNCIL

RESOLUTION NO. 11-_____

Introduced by Council Member _____

RESOLUTION APPROVING CAPITAL IMPROVEMENT
PROJECTS FOR FISCAL YEAR 2012

WHEREAS, the City Manager has submitted to the City Council of the City of Hayward estimates of revenues from all sources and estimates of expenditures required for the proper conduct of the activities of the City of Hayward for Fiscal Year 2012 contained in those documents entitled "City of Hayward Fiscal Year 2012 Recommended Budget" and "Capital Improvement Program FY2012 Update"; and

WHEREAS, a public hearing was held by the City Council of the City of Hayward on June 14, 2011, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the Capital Improvement Program budget recommended by the City Manager; and

WHEREAS, by Resolution No.11-_____, dated June 21, 2011, the City Council adopted the budget and appropriated funds for operating expenses for Fiscal Year 2012.

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

1. That the Capital Improvement Projects for Fiscal Year 2012, as embodied in the Capital Improvement Program FY2012 Update document, are hereby adopted as the Capital Improvement Program for Fiscal Year 2012. Copies of the budget documents and the staff reports presented by the City Manager are on file in the office of the City Clerk and are hereby referred to, incorporated herein, and made a part of this resolution as though set forth in full.
2. That except as may be otherwise provided, any and all expenditures relating to the objectives described in the Capital Improvement Program budget are hereby approved and authorized and payments therefore may be made by the Director of Finance without further action of Council.
3. That for the purposes of determining whether the City Manager is authorized to execute a contract for a commodity or service pursuant to City Charter section 701 subsection 8, the City Manager shall have the authority to expend such funds and enter into and execute any and all contracts and documents necessary to carry

out the objectives of the Council's appropriations as set forth in this Capital Improvement Program budget.

4. The following are hereby approved for expenditure:

I. CAPITAL PROJECTS EXPENDITURE APPROPRIATIONS

Gas Tax Fund (210)	1,533,000
Measure B Tax Fund [Local Transportation] (211)	1,890,000
Measure B Tax Fund [Pedestrian & Bicycle] (212)	520,000
Housing Authority Capital Fund (242)	1,400,000
Capital Improvement Fund (410)	530,000
Street System Improvement Fund (413)	9,577,000
Police Capital Project (415)	178,000
Fire Capital Project (416)	885,000
Maintenance Services Capital (417)	10,000
Transportation System Improvement Fund (420)	728,000
Route 238 Fund (430)	18,565,000
Sewer Capital Improvement Fund (613)	17,688,000
Sewer Replacement Fund (614)	690,000
Wastewater Treatment Plant Replacement Fund (616)	8,438,000
Water Improvement Fund (622)	4,762,000
Water Replacement Fund (623)	6,435,000
Regional Water Intertie Capital Fund (627)	250,000
Airport Capital Fund (632)	5,648,000
Facilities Internal Service Fund (721)	1,080,000
Technology Services Internal Service Fund (726)	3,600,000
Fleet Management General Fund (731)	918,000
Fleet Management Enterprise (732)	561,000
TOTAL: ALL CAPITAL FUNDS	85,886,000

5. The Director of Finance is hereby authorized to transfer the following amounts from one fund to another as indicated below at such time as she may determine, giving consideration to the intended purposes for which the transfers are made and available balances in each of the funds.

II. FUND TRANSFERS

FROM FUND:	TO FUND:	AMOUNT:
Gas Tax (210)	General (100)	1,691,000
Gas Tax (210)	Street System Improvements (413)	1,486,000
Route 238 (430)	Gas Tax (210)	200,000

ATTACHMENT V

Housing Authority (241)	Housing Authority Capital (242)	1,100,000
Route 238 (430)	Street System Improvements (413)	250,000
General (100)	Police Capital Project (415)	145,000
General (100)	Fire Capital Project (416)	429,000
General (100)	Maintenance Services Capital (417)	10,000
General (100)	Transp System Improvement (420)	50,000
Sewer Operations (611)	Sewer Capital (613)	2,000,000
Technology Svcs Operating (725)	Sewer Capital (613)	413,000
WPCF Replacement (616)	Sewer Capital (613)	2,550,000
Sewer Operations (611)	Sewer Replacement (614)	1,000,000
Sewer Operations (611)	WPCF Replacement (616)	2,000,000
Sewer Capital (613)	Water System Capital (622)	650,000
Water Operations (621)	Water System Replacement (623)	2,000,000
Airport Operations (631)	Airport Capital (632)	1,000,000
Capital Improvement (410)	Tech. Services Internal Service (726)	100,000
Facilities Operating (720)	Facilities Capital (721)	80,000
Facilities Operating (720)	Facilities Capital (721)	887,000
General (100)	Tech Svcs Capital (726)	2,137,000
Fleet Operating (730)	Fleet Capital (731)	814,000
Stormwater Operating (602)	Fleet Management Enterprise (732)	85,000
Sewer Operating (612)	Fleet Management Enterprise (732)	240,000
Water Operating (621)	Fleet Management Enterprise (732)	286,000
Airport Operations (631)	Fleet Management Enterprise (732)	71,000

In order to provide for completion of work on projects previously authorized but not completed as of June 30, 2010, in addition to the above appropriations for capital expenditures, appropriation balances remaining as of June 30, 2011, for capital projects previously authorized but uncompleted, are hereby appropriated for expenditure in fiscal year 2012.

6. Any monies received during fiscal year 2012 as a consequence of a grant application approved by the City Council are hereby appropriated for the purposes for which the grant has been approved. Such appropriation includes authorization for the City Manager to expend such monies and for the Finance Director to make payments therefore in accordance with the terms and conditions and for the purposes of the grant.
7. The Director of Finance is hereby authorized and directed to distribute the above appropriations to the various accounts of the City in accordance with generally accepted accounting practices and consistent with the purposes and objectives as outlined in the approved budget.
8. The budget for capital projects for fiscal year 2012, as contained in the document entitled "Capital Improvement Program FY2012 Update," is hereby approved.

ATTACHMENT V

9. Any contract for professional service included in the annual budget that will cost more than \$25,000 shall be executed by the City Manager only upon approval of the contract by the City Council given at a meeting of the City Council.

IN COUNCIL, HAYWARD, CALIFORNIA

June 21, 2011

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