



CITY OF  
**HAYWARD**  
HEART OF THE BAY

**CITY COUNCIL AGENDA**  
**MAY 21, 2013**

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**MAYOR MICHAEL SWEENEY**  
**MAYOR PRO TEMPORE MARVIN PEIXOTO**  
**COUNCIL MEMBER BARBARA HALLIDAY**  
**COUNCIL MEMBER FRANCISCO ZERMEÑO**  
**COUNCIL MEMBER MARK SALINAS**  
**COUNCIL MEMBER GREG JONES**  
**COUNCIL MEMBER AL MENDALL**

## Table of Contents

Agenda . . . . .	2
FY 2014 Proposed Mid-Biennial Budget Update – Work Session #1 (Report from Director of Finance Vesely)	
Staff Report . . . . .	6
Approval of Minutes of the City Council Meeting on April 23, 2013	
Draft Minutes . . . . .	7
Adoption of an Ordinance Amending Hayward Municipal Code Sections 10-1.700-10-1.745 to Prohibit the Conversion of Senior -Only Mobile Home Parks to All-Age Mobile Home Parks in the City’s Mobile Home Park (MH) Zoning District	
Staff Report . . . . .	16
Attachment I . . . . .	17
Centex Sewer Lift Station Upgrade Project: Approval of Plans and Specifications, and Call for Bids	
Staff Report . . . . .	18
Attachment I Resolution. . . . .	21
Water Pollution Control Facility Cogeneration System: Approval of Plans and Specifications, and Call for Bids	
Staff Report . . . . .	22
Attachment I Resolution. . . . .	27
Attachment II Location Map. . . . .	28
Attachment III October 23 2012 Staff Report . . . . .	29
Pavement Reconstruction FY14 – Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue Project, Project Nos. 5144 & 5183: Approval of Plans and Specifications and Call for Bids	
Staff Report . . . . .	37
Attachment I . . . . .	40
Attachment II . . . . .	42
Approval of the Annual Hayward Paratransit Program Plan and Authorization for the City Manager to Execute Service Agreements with MV Transportation, Inc; Alzheimer’s Services of the East Bay (ASEB); Service Opportunities for Seniors (SOS) Meals on Wheels; and Community Resources for Independent Living (CRIL)	
Staff Report . . . . .	44
Attachment I Resolution. . . . .	49
Attachment II Paratransit Plan Executive Summary. . . . .	51
Agreement Regarding Parking Covenant between the City, Oryom Ventures, LLC, and Big 5 Corp. for a Portion of Municipal Lot #6	
Staff Report . . . . .	54
Attachment I Resolution of the City Council Accepting Agreement Regarding Parking Covenant. . . . .	57
Attachment II Site Map . . . . .	59



**CITY COUNCIL MEETING FOR MAY 21, 2013**  
777 B STREET, HAYWARD, CA 94541  
[WWW.HAYWARD-CA.GOV](http://WWW.HAYWARD-CA.GOV)

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**CLOSED SESSION**  
**Closed Session Room 2B – 4:30 PM**

**1. PUBLIC COMMENTS**

2. Conference with Legal Counsel

Pursuant to Government Code 54956.9

- Anticipated Litigation (Two Cases)

3. Conference with Labor Negotiators

Pursuant to Government Code 54957.6

- Lead Negotiators: City Manager David, City Attorney Lawson, Assistant City Manager McAdoo, Human Resources Director Robustelli, Finance Director Vesely, Deputy City Attorney Vashi, Director of Maintenance Services McGrath

Under Negotiation: All Groups

4. Conference with Property Negotiators

Pursuant to Government Code 54956.8

- Property Transaction

Under Negotiation: 22632 Main Street (APN 428-0066-024-00); 22654 Main Street (APN 428-0066-039-00); 22696 Main Street (APN 428-0066-038-02); 1026 C Street (APN 428-0066-037-00); 1026 C Street (APN 428-0066-038-01)

Property Negotiators: City Manager David, Assistant City Manager McAdoo, City Attorney Lawson, Assistant City Attorney Conneely, Deputy City Attorney Brick, Heather Gould and Rafael Yaquian of Goldfarb Lipman (outside legal counsel)

5. Adjourn to City Council Meeting

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**CITY COUNCIL MEETING**  
**Council Chambers – 7:00 PM**

**CALL TO ORDER Pledge of Allegiance** Council Member Mendall

**ROLL CALL**

**CLOSED SESSION ANNOUNCEMENT**

## PRESENTATION

Annual Recycling Poster and Essay Contest Awards

## PUBLIC COMMENTS

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*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.*

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**NON-ACTION ITEMS:** *(Work Session and Informational Staff Presentation items are non-action items. Although the Council may discuss or direct staff to follow up on these items, no formal action will be taken. Any formal action will be placed on the agenda at a subsequent meeting in the action sections of the agenda.)*

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## WORK SESSION (60-Minute Limit)

1. FY 2014 Proposed Mid-Biennial Budget Update – Work Session #1 (Report from Director of Finance Vesely)  
[Staff Report](#)
- 

**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.)*

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## CONSENT

2. Approval of Minutes of the City Council Meeting on April 23, 2013  
[Draft Minutes](#)
3. Adoption of an Ordinance Amending Hayward Municipal Code Sections 10-1.700-10-1.745 to Prohibit the Conversion of Senior-Only Mobile Home Parks to All-Age Mobile Home Parks in the City's Mobile Home Park (MH) Zoning District  
[Staff Report](#)  
[Attachment I](#)
4. Centex Sewer Lift Station Upgrade Project: Approval of Plans and Specifications, and Call for Bids  
[Staff Report](#)

May 21, 2013



**[Attachment I Resolution](#)**

5. Water Pollution Control Facility Cogeneration System: Approval of Plans and Specifications, and Call for Bids

**[Staff Report](#)**

**[Attachment I Resolution](#)**

**[Attachment II Location Map](#)**

**[Attachment III October 23 2012 Staff Report](#)**

6. Pavement Reconstruction FY14 – Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue Project, Project Nos. 5144 & 5183: Approval of Plans and Specifications and Call for Bids

**[Staff Report](#)**

**[Attachment I](#)**

**[Attachment II](#)**

7. Approval of the Annual Hayward Paratransit Program Plan and Authorization for the City Manager to Execute Service Agreements with MV Transportation, Inc; Alzheimer’s Services of the East Bay (ASEB); Service Opportunities for Seniors (SOS) Meals on Wheels; and Community Resources for Independent Living (CRIL)

**[Staff Report](#)**

**[Attachment I Resolution](#)**

**[Attachment II Paratransit Plan Executive Summary](#)**

8. Agreement Regarding Parking Covenant between the City, Oryom Ventures, LLC, and Big 5 Corp. for a Portion of Municipal Lot #6

**[Staff Report](#)**

**[Attachment I Resolution of the City Council Accepting Agreement Regarding Parking Covenant](#)**

**[Attachment II Site Map](#)**

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

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

**ADJOURNMENT**

**NEXT REGULAR MEETING – 7:00 PM, TUESDAY, MAY 28, 2013**

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***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 Card must be completed by each speaker and is available from the City Clerk at the meeting.*

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May 21, 2013



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**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.

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\*\*\*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, 4<sup>th</sup> Floor, Hayward, during normal business hours. An online version of this agenda and staff reports are available on the City's website. Written comments submitted to the Council in connection with agenda items will be posted on the City's website. All Council Meetings are broadcast simultaneously on the website and on Cable Channel 15, KHRT. \*\*\*

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

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*Please visit us on:*





**DATE:** May 21, 2013  
**TO:** Mayor and City Council  
**FROM:** Director of Finance  
**SUBJECT:** FY 2014 Proposed Mid-Biennial Budget Update – Work Session #1

**RECOMMENDATION**

That Council reviews and comments on the 2014 Proposed Mid-Biennial Budget Update, particularly as it relates to the presenting departments.

**DISCUSSION**

On May 7, 2013, the City Manager presented to City Council the 2014 Proposed Mid-Biennial Operating Budget Update for Council consideration over the next six weeks prior to adopting the budget on June 25, 2013.

Tonight marks the first of four work sessions on the proposed budget update. Staff will present to Council for discussion and feedback key budget and program elements for each City department program area.

Presentations scheduled for tonight include:

- Hayward Fire Department
- Hayward Police Department

Depending on available time, it is possible that the following departments will also present:

- Maintenance Services
- Development Services

The budget document is available to the public electronically at [Proposed FY 2014 Mid-Biennial Operating Budget Update](#).

*Prepared and Recommended by:* Tracy Vesely, Director of Finance

*Approved by:*

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Fran David, City Manager



**MINUTES OF THE CITY COUNCIL MEETING  
OF THE CITY OF HAYWARD  
City Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, April 23, 2013, 7:00 p.m.**

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

**ROLL CALL**

Present: COUNCIL MEMBERS Zermeño, Jones, Halliday, Peixoto, Salinas,  
Mendall  
MAYOR Sweeney  
Absent: None

**CLOSED SESSION ANNOUNCEMENT**

Mayor Sweeney announced that Council met with labor negotiators concerning all groups pursuant to Government Code 54957.6, and also met regarding public employment for City Manager and City Attorney pursuant to Government Code 54957. Council took no reportable action.

**PRESENTATION**

Mayor Sweeney announced the 2013 Environmental Achievement Awards noting the recognition honored residents, property managers of multi-family dwellings, schools, and businesses for their participation in City-sponsored recycling programs. Mayor Sweeney also acknowledged the efforts of community members in recognition of Earth Day - April 22, 2013. Council Member Halliday, also a Council Sustainability Committee member, announced the 2013 School Awards and recognized staff and students from Bowman Elementary School, Lea's Christian School, and Stonebrae Elementary School for implementing activities that protect and enhance the environment. Ms. Halliday noted that the 2013 Neighborhood Awards recognized residents and property managers of multi-family complexes. President of the Hayward Chamber of Commerce, Mr. Kim Huggett, announced the 2013 Business Awards recognized Baxter Healthcare, Buon Appetito, CEC Print Solutions, Community of Grace, Harvest Food Products, Hayward Nissan, Pilot Freight Services, Serpico Landscaping, and TPC Stonebrae Country Club for their participation in the City's commercial recycling and collection of organics programs. All participants in attendance were congratulated and presented with giveaway items and plaques.

**PROCLAMATION**

Mayor Sweeney proclaimed April 23, 2013, as World Book Night in the City of Hayward and urged Hayward residents to participate in World Book Night in 2014 to promote literacy throughout the community. Mr. Carl Baker-Madsen, owner of the B Street Book Shop, and Sally Thomas from the Hayward Public Library, accepted the proclamation and thanked Council for such special recognition.

## **PUBLIC COMMENTS**

Mr. Steve Sommers, Sommers Employment Law Group attorney representing SEIU Local 1021, presented a Financial and Compensation Analysis conducted by his firm claiming that the need for concessions was based on the City's under-projected revenues, the City's over-projected deficits, "top brass" salary increases, and new management positions. Mr. Sommers added the City had substantial general fund reserves.

Ms. Duce O'Bayley, City of Hayward employee, noted she had been a dedicated City employee and was distressed to learn that the City was proposing to reduce her salary and taking away her seniority. Ms. O'Bayley spoke about City employees' hardships as result of past employee concessions.

Mr. Tony Guerra, City of Hayward employee, noted City employees deserved the opportunity to a fair contract and for the City and employee groups to negotiate in good faith. Mr. Guerra asked the Council to look after City employees.

Ms. Ann Marie Havlicek, Lemay Way resident and treasurer of the Mt. Eden Instrumental Program, provided an update of the orchestra's participation at recent events where it achieved first and second places. Ms. Havlicek invited everyone to upcoming events throughout the month of May.

Mr. Jim Drake, Franklin Avenue resident, expressed concern about a shooting that occurred on Franklin Avenue. Mr. Drake thanked Council Member Jones for considering the public's safety first when he favored the termination of the Red Light Camera Program. Mr. Drake asked Council to implement a Gang Injunction Program to deter the incoming gang activity from other cities.

Mr. Charlie Peters, with Clean Air Performance Professionals on Main Street, submitted a copy of a Los Angeles Times article, dated August 2, 2012, about Shell opening a new station in Newport Beach where hydrogen would be available at no charge. Mr. Peters noted that the legislature was considering AB8 (Perea) and SB11 (Pavley) to tax motorists to build hydrogen stations and noted these would negatively impact the economy and the environment.

## **WORK SESSION**

### **1. Discussion of Council Priorities and Related Processes**

Staff report submitted by City Manager David, dated April 23, 2013, was filed.

City Manager David provided a synopsis of the report.

Mayor Sweeney suggested there should be one document for Council to work from and for a more focused approach. Mayor Sweeney noted the Economic Development Strategic Plan should be under "Fiscal Stability." Mayor Sweeney commented that public safety was the main priority for residents and suggested metrics be established that measured success such as reducing all types of crime by 30% in each fiscal year and putting gang groups out of existence in the next fiscal year.



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Council Member Peixoto expressed he had expected a report on the progress of a Gang Injunction Program as part of the FY 2013 accomplishments, and noted this priority should be listed under the suggested FY 2014 priorities under “Safe,” unless the Council decided to remove it from the list of priorities.

Mayor Sweeney suggested moving the priority to “eliminate long-term homelessness” from “Green” to the “Fiscal Stability” priority.

Council Member Halliday supported the suggested process and schedule for developing Council priorities for the FY 2015 and FY 2016 biennial budget. Ms. Halliday appreciated the report on the FY 2013 accomplishments and noted Council needed to set measurable goals in order to measure accomplishments.

Council Member Zermeño appreciated the report on the FY 2013 accomplishments. Mr. Zermeño supported linking the Council priorities to other strategic documents such as the General Plan, Climate Action Plan and the City budget. He said the City would eventually have a Gang Injunction Program that would prove defensible in court. Mr. Zermeño agreed with the suggested process and schedule for the next biennial budget.

Council Member Jones noted the top Council priorities, as communicated by the residents, were “Safe” and “Clean.” Mr. Jones noted the process for impacting the priorities needed to be staff-driven, straight forward and simple so Council may relay them to the community. He suggested using benchmarks and data collected from the citizen survey to drive the priorities and measure outcomes. When revisiting the Council priorities, he suggested having a less structured noticed meeting. Mr. Jones said the Council priorities should be more outcome oriented and less process oriented.

Council Member Salinas noted the top priorities were “Safe” and “Clean” and favored a shortened and concise process for developing the Council priorities. Mr. Salinas agreed that there should be measurable outcomes when setting the priorities. He appreciated that the Council priorities were connected to the Economic Development Strategic Plan and the City budget.

Council Member Mendall supported the proposed process and schedule for developing Council priorities outlined in Table III, because it would give Council the opportunity to review data and set the metrics for the next budget cycle. Mr. Mendall looked forward to a discussion on metrics for FY 2014 related to public safety and crime. Mr. Mendall supported the proposed consolidation of priorities and suggested listing economic development and growth under “Fiscal Stability.” He also suggested moving the overarching metric for schools and the Library programs to the detailed metrics. He agreed with having public meetings in a less formal setting to discuss the Council’s priorities in the fall.

Mayor Sweeney noted the Council priorities document needed to be simple and straightforward as it was a document to be shared with the community and suggested using FY12-13 Council Priority document as a model. He commented on the good consolidation of priorities, but noted there needed to be metrics in place, especially in the areas of crime and safety. Mayor Sweeney added that the Council priorities should be more about outcomes than process. In response to Mayor Sweeney, City Manager David noted staff would be coming back on May 21, 2013, to adopt the Council priorities.

Consent Item No. 7 was pulled for discussion.

## **CONSENT**

### **2. Approval of Minutes of the City Council Meeting on April 2, 2013**

It was moved by Council Member Zermeño, seconded by Council Member Halliday, and unanimously carried, to approve the minutes of the City Council Meeting of April 2, 2013.

### **3. Resignation of Lloyd Clifton from the Keep Hayward Clean and Green Task Force**

Staff report submitted by City Manager David and City Clerk Lens, dated April 23, 2013, was filed.

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

Resolution 13-048, "Resolution Accepting the Written Resignation of Lloyd Clifton from the Keep Hayward Clean and Green Task Force"

### **4. B Street Pavement Repair – Approval of Plans and Specifications and Call for Bids**

Staff report submitted by Assistant City Engineer Owusu, dated April 23, 2013, was filed.

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

Resolution 13-049, "Resolution Approving Plans and Specifications for the B Street Pavement Repair Project, Project No. 5107, and Call for Bids"

### **5. Pavement Rehabilitation VRF FY14 (Districts 6, 10, 15, 19, 20) - Approval of Addendum and Award of Contract**

Staff report submitted by Assistant City Engineer Owusu, dated April 23, 2013, was filed.

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



**MINUTES OF THE CITY COUNCIL MEETING  
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Resolution 13-050, “Resolution Approving Addendum No. 1, Increasing the Administrative Change Order Amount for the Pavement Rehabilitation VRF FY14 (Districts 6, 10, 15, 19, 20) Project, Project No. 5196, and Awarding the Contract to Graham Contractors, Inc.”

6. Annual Sewer Line Replacement FY13 Project: Approval of Plans and Specifications, and Call for Bids

Staff report submitted by Associate Civil Engineer Lam, dated April 23, 2013, was filed.

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

Resolution 13-051, “Resolution Approving Plans and Specifications for the Annual Sewer Line Replacement FY13 Project, Project No. 7543, and Call for Bids”

7. Annual Update Administrative Rule 3.9 – Environmentally Preferred Purchasing Policy

Staff report submitted by Administrative Analyst I Ferreyra, dated April 23, 2013, was filed.

Council Member Halliday commented on the item and how all departments in the City had worked together to reduce waste and taken steps to be environmentally conscious. Ms. Halliday moved the item per staff recommendation and Council Member Mendall seconded the motion.

Mayor Sweeney acknowledged the contributions of former Council Member Henson on the policy.

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

8. Banking and Cash Management Services Agreement Extension

Staff report submitted by Director of Finance Vesely, dated April 23, 2013, was filed.

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

Resolution 13-052, “Resolution Authorizing the City Manager to Execute a Two-Year Extension to the Existing Banking and Cash Management Contract with Bank of the West to August 1, 2015”

9. Adoption of a Resolution Accepting the Report and Adopting Findings Confirming the City’s Compliance with the Mitigation Fee Act, Related to Fees Collected for Development Projects

Staff report submitted by Accounting Manager Pustelnik and Administrative Analyst II Strojny, dated April 23, 2013, was filed.

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

Resolution 13-053, “Resolution Accepting the Report and Adopting Findings Related to Fees Collected for the Development Projects Subject to the Requirements of the Mitigation Fee Act”

10. Adoption of Resolution Approving an Amendment to the City of Hayward Salary Plan for Fiscal Year 2013

Staff report submitted by Human Resources Analyst II Collins, dated April 23, 2013, was filed.

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

Resolution 13-054, “Resolution Approving the Amended Fiscal Year 2013 Salary Plan Designating Positions of Employment in the City Government of the City of Hayward and Salary Range; and Superseding Resolution No. 12-164 and All Amendments Thereto”

11. Approve a Contract Amendment with Bryce Consulting, Inc. (“Bryce”) to Provide Classification and Compensation Related Services Through June 30, 2013

Staff report submitted by Director of Human Resources Robustelli, dated April 23, 2013, was filed.

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

Resolution 13-055, “Resolution Approving Execution of a Contract Amendment for a Total Not to Exceed Amount of \$80,000 with Bryce Consulting to Provide Classification and Compensation Services Through June 30, 2013”



**MINUTES OF THE CITY COUNCIL MEETING  
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Tuesday, April 23, 2013, 7:00 p.m.**

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**PUBLIC HEARING**

12. FY 2014 Master Fee Schedule/Fine and Bail Update

Staff report submitted by Finance Technician Amaral and Director of Finance Vesely, dated April 23, 2013, was filed.

Director of Finance Director Vesely provided a synopsis of the report.

Council Member Salinas was pleased that the Fire Prevention fee for day care centers for residential was proposed to be reduced from \$791/facility to \$384/facility and for commercial from \$843/facility to \$436/facility.

Council Member Halliday commended staff for reducing the Fire Prevention fee for day care facilities. Ms. Halliday was glad that two separate permit fees were combined into one fee for a simple tub/shower wall surround repair. In response to Ms. Halliday, City Manager David noted that since the implementation of the illegal dumping ordinance, the illegal dumping activity had decreased by 60%.

Council Member Zermeño commended staff for reducing the Fire Prevention fee for day care centers and was glad that education was provided as part of the inspection.

There being no public comments Mayor Sweeney opened and closed the public hearing at 9:03 p.m.

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

Resolution 13-056, "Resolution Adopting a Revised Master Fee Schedule for FY 2014, Including a Revised Fine and Bail Schedule, Relating to Fees and Charges for Departments in the City of Hayward and Rescinding Resolution No. 12-062 and All Amendments Thereto"

**LEGISLATIVE BUSINESS**

13. Support for California Senate Bill 407: Local Agency Executive Compensation

Staff report submitted by Management Fellow Thomas, dated April 23, 2013, was filed.

Assistant City Manager McAdoo provided a synopsis of the report noting the item was continued from April 16, 2013.

Council Member Halliday noted the proposed Senate Bill 407 was another State mandate that would not provide the City with funds for implementation and noted the City already exercised transparency and preferred to not take a position.

Council Member Zermeño stated Senate Bill 407 was another mandate to meddle in local affairs and indicated that studies show that residents have more confidence in local government than in regional, county, state and federal government.

Council Member Salinas noted Senate Bill 407 was in response to what transpired in the City of Bell where elected officials and administrators looted the City and were now being prosecuted. Mr. Salinas added that government employees' salaries were already posted on the internet. He hoped that Council would not take a position.

There being no public comments, Mayor Sweeney opened and closed the public hearing at 9:12 p.m.

Council Member Mendall offered a motion to take no position on Senate Bill 407 and Council Member Halliday seconded the motion.

It was moved by Council Member Mendall, seconded by Council Member Halliday, and unanimously carried to take no position on Senate Bill 407.

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

Council Member Zermeño announced that the Asian Business Alliance would meet at Snappy's Café on April 25, 2013, to discuss strategies for a strong local economy. He also announced there would be a Hayward Chamber of Commerce Latino Business Roundtable meeting on April 26, 2013.

Council Member Halliday announced the Southgate Swim Club would be celebrating its 50<sup>th</sup> Anniversary on May 4, 2013, and invited all to attend. Ms. Halliday added the swim pool was recently renovated.

Council Member Salinas announced this summer was the third year of the "Let's Do Lunch and Breakfast Too" campaign and he mentioned that the organizers were looking for site sponsors to host the event.

### **ADJOURNMENT**

Mayor Sweeney adjourned the meeting at 9:18 p.m.

### **APPROVED:**

Michael Sweeney  
Mayor, City of Hayward

**DRAFT**



**MINUTES OF THE CITY COUNCIL MEETING  
OF THE CITY OF HAYWARD  
City Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, April 23, 2013, 7:00 p.m.**

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**ATTEST:**  
Miriam Lens  
City Clerk, City of Hayward

**DATE:** May 21, 2013

**TO:** Mayor and City Council

**FROM:** City Clerk

**SUBJECT:** Adoption of an Ordinance Amending Hayward Municipal Code Sections 10-1.700-10-1.745 to Prohibit the Conversion of Senior-Only Mobile Home Parks to All-Age Mobile Home Parks in the City's Mobile Home Park (MH) Zoning District

**RECOMMENDATION**

That the City Council adopts the Ordinance introduced on May 7, 2013.

**BACKGROUND**

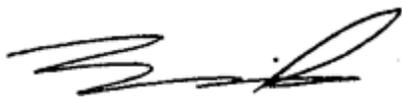
The Ordinance was introduced by Mayor Sweeney at the May 7, 2013, meeting of the City Council with the following vote:

AYES:	Council Members:	Zermeño, Jones, Halliday, Peixoto, Salinas, Mendall
	Mayor:	Sweeney
NOES:	Council Members:	None
ABSENT:	Council Members:	None
ABSTAIN:	Council Members:	None

The summary of the Ordinance was published in the Hayward Daily Review on Saturday, May 11, 2013. Adoption at this time is therefore appropriate.

*Prepared and Recommended by:* Miriam Lens, City Clerk

Approved by:



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Fran David, City Manager

Attachments:

Attachment I Summary of Ordinance Published on 05/11/13

**PUBLIC NOTICE OF AN INTRODUCTION OF ORDINANCE  
BY THE CITY COUNCIL OF THE CITY OF HAYWARD**

ORDINANCE AMENDING HAYWARD MUNICIPAL CODE SECTIONS 10-1.700-10-1.745 TO PROHIBIT THE CONVERSION OF SENIOR-ONLY MOBILE HOME PARKS TO ALL-AGE MOBILE HOME PARKS IN THE CITY'S MOBILE HOME PARK (MH) ZONING DISTRICT

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

Section 1. Upon adoption of this Ordinance, Sections 10-1.700 through 10-1.745, of the Hayward Municipal Code, relating to the City's Mobile Home Park (MH) Zoning District, are hereby amended to read in full as follows:

SEC. 10-1.700 MOBILE HOME PARK DISTRICT (MH)

Sections:

- Section 10-1.705 Purpose.
- Section 10-1.710 Senior-Only Mobile Home Parks.
- Section 10-1.715 Uses Permitted.
- Section 10-1.720 Conditionally Permitted Uses.
- Section 10-1.725 Lot Requirements.
- Section 10-1.730 Yard Requirements.
- Section 10-1.735 Height Limit.
- Section 10-1.740 Site Plan Review Required.
- Section 10-1.745 Minimum Design and Performance Standards.

Section 2. 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 3. Effective Date. In accordance with the provisions of Section 620 of the City Charter, this ordinance shall become effective immediately upon adoption.

Introduced at the meeting of the Hayward City Council held May 7, 2013, the above-entitled Ordinance was introduced by Mayor Sweeney.

This Ordinance will be considered for adoption at the regular meeting of the Hayward City Council, to be held on May 21, 2013, at 7:00 p.m., in the Council Chambers, 777 B Street, Hayward, California. A copy of this Ordinance is available for examination by the public in the Office of the City Clerk.

Dated: May 11, 2013  
Miriam Lens, City Clerk  
City of Hayward



**DATE:** May 21, 2013

**TO:** Mayor and City Council

**FROM:** Director of Public Works – Utilities & Environmental Services

**SUBJECT:** Centex Sewer Lift Station Upgrade Project: Approval of Plans and Specifications, and Call for Bids

### **RECOMMENDATION**

That Council approves the plans and specifications for the Centex Sewer Lift Station Upgrade Project and calls for bids to be received on June 18, 2013.

### **BACKGROUND**

The Centex Sewer Lift Station was constructed in 1978 to serve the homes in the Centex Homes Development along Dobbel Avenue. This lift station temporarily collects and stores wastewater from the surrounding area in a wet well. The wastewater is then pumped into a sewer main and transmitted by gravity to the City's Water Pollution Control Facilities, for treatment.

The mechanical and electrical equipment at the Centex Lift Station are almost thirty-five years old and outdated. Maintenance has been difficult since some replacement parts are no longer available. This project will replace the existing sewer pumps, piping, valves, electrical panels, and miscellaneous equipment.

In November 2012, the City entered into a professional service agreement with consultant A.T.E.E.M. Electrical Engineering Inc., for electrical-related design and support during construction. Civil and mechanical engineering design and construction administration will be completed by City staff.

### **DISCUSSION**

This project involves replacing existing electrical and mechanical equipment at the Centex Sewer Lift Station. The major equipment being replaced is: two sewer pumps, piping, valves, electrical motor control center, and automatic transfer switch.

The scope of work includes installing a new human machine interface panel and modifications to the programmable logic controller at the lift station's Supervisory Control and Data Acquisition (SCADA) system control panel. Currently, the sewer pumps are turned on and off locally, based on the wastewater level at the station's wet well. With the upgrade, the pumps and other equipment can be monitored and controlled remotely from the Utilities building, by the City's SCADA system.

A qualified consultant will be retained to program the SCADA system as needed, once the mechanical and electrical equipment upgrade is complete.

Also, PG&E will be changing the electrical service for the Centex Sewer Lift Station due to the new electrical equipment. Staff is currently working with PG&E on this service change and will have a final design in place by the time construction starts.

The project is categorically exempt from environmental review under the California Environmental Quality Act (CEQA). The Public Resources code states that CEQA does not apply to any project involving the maintenance, repair, restoration, reconditioning, replacement, removal, or demolition of an existing pipeline or sewer facility.

### **FISCAL AND ECONOMIC IMPACT**

The estimated project costs are as follows:

Electrical Design and Construction Administration Services – Consultant	\$ 40,000
Programming for SCADA Upgrade	20,000
Change of Electrical Service - PG&E	35,000
Design Administration – City Staff	45,000
Construction Contract	400,000
Inspection and Testing	<u>60,000</u>
Total:	\$ 600,000

The FY2013 Capital Improvement Program includes \$600,000 for the Centex Sewer Lift Station Upgrade Project in the Sewer Collection System Replacement Fund. After bids are received, an additional appropriation from the fund balance will be requested, if necessary, to complete this project.

### **PUBLIC CONTACT**

All the installation work will be done inside the Centex Sewer Lift Station property; there will be minimal impact to the residents in the area as far as construction activities and traffic interruptions. However, temporary pumps and an electrical generator may create above normal noise level during the daytime. Prior to construction, notices will be provided to affected residents and property owners to inform them of the nature and purpose of the work, potential impacts, work schedule, and City contact for additional information.

### **SCHEDULE**

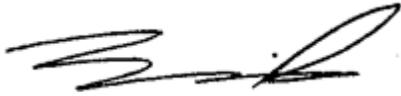
The estimated schedule for this project is summarized as follows:

Receive Bids	June 18, 2013
Award Construction Contract	July 16, 2013
Begin Construction	August 2013
End Construction	February 2014

*Prepared by:* Thomas Lam, Associate Civil Engineer

*Recommended by:* Alex Ameri, Director of Public Works – Utilities & Environmental Services

Approved by:



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Fran David, City Manager

Attachments:

Attachment I - Draft Resolution

HAYWARD CITY COUNCIL

RESOLUTION NO. 13-

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

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE CENTEX SEWER LIFT STATION UPGRADE PROJECT, PROJECT NO. 7549, AND CALL FOR BIDS

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

1. That those certain plans and specifications for the Centex Sewer Lift Station Upgrade Project, Project No. 7549, on file in the Office of the City Clerk, are hereby adopted as the plans and specifications for the project; and
2. That the City Clerk is hereby directed to cause a notice calling for bids for the required work and material to be made in the form and manner provided by law; and
3. That sealed bids therefore will be received by the City Clerk's office at City Hall, 777 B Street, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, June 18, 2013, and immediately thereafter publicly opened and declared by the City Clerk in Conference Room 4D, City Hall, Hayward, California; and
4. That the City Council will consider a report on the bids at a regular meeting following the aforesaid opening and declaration of same.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2013

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:** May 21, 2013

**TO:** Mayor and City Council

**FROM:** Director of Public Works – Utilities & Environmental Services

**SUBJECT:** Water Pollution Control Facility Cogeneration System: Approval of Plans and Specifications, and Call for Bids.

### **RECOMMENDATION**

That Council approves the plans and specifications for the Water Pollution Control Facility (WPCF) Cogeneration System and calls for bids to be received on June 18, 2013.

### **SUMMARY**

The WPCF cogeneration system, which utilizes bio-gas to provide power to the WPCF, has been in operation since 1982 and has reached the end of its useful life. The existing combined heat and power (CHP) internal-combustion powered cogenerators will be replaced by a generator capable of producing 1,137 kW (kilowatts) of power (with a provision to add a second unit in the future). The Cogeneration Upgrade Project will increase the average cogeneration power by over 150 percent. The project will also include gas conditioning that will remove contaminants such as siloxane, hydrogen sulfide, and moisture prior to the biogas being fed to the cogenerator. This increase in power will not only depend upon the increased efficiency of the new generating unit, but also an increase in production of biogas from the anaerobic digesters that result from introduction of fats, oil, and grease (FOG) transported by tanker trucks to the WPCF for disposal.

In addition to design, bid, and construction processes for the new cogeneration system, staff is concurrently working on related regulatory requirements, which include the following:

- Self Generation Incentive Program (SGIP) to attain available grant monies for the upgrade
- Generation Facility Interconnection Agreement (GFIA) to allow a new type of interconnection (interface) with the PG&E grid that will allow exporting excess energy from the cogenerator
- Migration from the existing WPCF electric rate schedule from Net Energy Metering (NEM) to Renewable Energy Self-Generation Bill Credit Transfer (RES-BCT) that will allow credit to “Benefiting Accounts” of the same local government
- CEQA Environmental Review
- Bay Area Air Quality Management District (BAAQMD) permit

City staff has already pre-purchased the upgrade project cogenerator, which is an internal combustion engine generator. The pre-purchase was necessary in order to meet the project completion deadline mandated by SGIP grant funding timeline.

## **BACKGROUND**

Co-generated power, named for simultaneous generation of electric power and heat, is a process whereby biogas, generated at the digesters and captured as part of the treatment process at the WPCF, is utilized as fuel. Methane is a major component of biogas, and biogas is considered a renewable energy resource. Like most wastewater treatment plants in the Bay Area, the WPCF has utilized biogas for many years to fuel internal combustion engines to provide electric energy and reduce the need to purchase energy from PG&E. In addition to the cost saving benefit, there are significant environmental advantages to cogeneration in that the alternatives for disposing of biogas are to discharge it to the atmosphere or to flare (burn) it off as a large open-air flame.

The WPCF cogeneration system, which utilizes bio-gas to provide power to the WPCF, has been in operation since 1982 and has reached the end of its useful life. The existing combined heat and power (CHP) internal-combustion powered cogenerators will be replaced by a generator capable of producing 1,137 kW (kilowatts) of power with a provision to add a second unit in the future. The existing cogeneration engine generators will be decommissioned as part of the new cogeneration system project, and they will not operate concurrently with the new cogeneration generator.

For each unit of energy of biogas fed to the cogenerator, about forty percent is mechanically converted to electrical energy. The remaining sixty percent is waste heat. The cogeneration system will consist of the cogenerator and peripheral equipment to redeem some, but not all of the “waste heat” for heating the digesters that actually produce the biogas for cogeneration. More than one-half of the waste heat will be captured into a hot water loop for digester heating (thus resulting in a combined heat and power system). The rest will be dissipated.

Initially, staff evaluated alternative technologies and recommended that the City consider new, efficient conventional internal combustion engines as well as fuel cells, the latter being a new clean and green method of converting methane to electric power. After completing a design-build request-for-proposal process, and based on the fuel cells’ promise of cleaner energy production, the City entered into negotiations with the sole provider of these systems to design, build, and maintain a fuel cell cogeneration system. After three months of discussions and negotiations, staff was not able to reach agreement on mutually acceptable terms and thus, negotiations were terminated.

At the October 23, 2012 City Council meeting (see Attachment III), City Council took action to authorize and direct the City Manager to negotiate and execute a contract with Carollo Engineers for design of a new cogeneration power system utilizing an internal combustion engine system. This type of design is tried and true technology and is almost universally used by waste treatment plants throughout the world.

An advantage of upgrading with internal combustion instead of fuel cell technology is that WPCF staff can assume operation and performance maintenance management and will be able to competitively contract for specialized services. Expensive and frequent replacement of fuel cell plates will be avoided, thus significantly reducing maintenance costs. While this co-generation

system is designed to serve the WPCF’s need in the foreseeable future, staff will track the progress in the innovations and improvements of newer technologies, including fuel cell technology. If, at some point in the future, the need arises for adding to the WPCF’s cogeneration system, staff will evaluate all new technology options existing at that time, including improvements in fuel cell technology.

**DISCUSSION**

The annual energy budget for the WPCF considers three sources of energy: WPCF solar; WPCF cogeneration; and purchases from the PG&E grid. The upgraded cogeneration system will allow the plant to be self-sufficient and will also provide excess energy to the grid. The upgrade will allow for most of the solar energy to be exported and used in combination with the energy from the new cogeneration system. Most of the cogenerated energy will be used by WPCF operations, thus offsetting purchases from PG&E.

Annual Energy Budget (kilowatt hours)

	<u>Present Operation</u>	<u>After New COGEN</u>
Cogeneration	3,350,000	8,460,000
Solar	1,600,000	1,600,000
PG&E	<u>3,450,000</u>	<u>&lt;1,660,000&gt;</u>
Total WPCF Demand:	8,400,000	8,400,000

On November 16, 2011, staff submitted an application to PG&E for a SGIP rebate for cogeneration. The Self Generation Incentive Program (SGIP) administered by PG&E, provides rebates for qualifying distributed energy systems installed on the customer's side of the utility meter. A cogenerator that uses biofuel qualifies for rebates totaling \$2.50 per watt (W). Using this formula, the amount of the grant is expected to be \$2,842,500. Grant monies are paid in two phases: 1) upon initial performance demonstration, fifty percent of the grant would be paid to the City, and 2) the remaining fifty percent would be paid over a five-year period, based upon the cogenerator’s performance. To qualify for this grant, the project must be substantially complete with performance demonstrated to PG&E by June 6, 2014. The application has been conditionally approved contingent upon the City adhering to defined milestones. The approval of plans and specifications, and call for bids adheres to the milestone schedule.

City staff has pre-purchased a cogenerator manufactured by GE Jenbacher after considering three proposals that also included Caterpillar and Cummins products. Two other Bay-Area treatment plants including the Union Sanitary District serving the Tri-City area are also in the process of purchasing Jenbacher units as have other municipal entities such as the City of Chico. Proof of purchase of the cogenerator was required before March 3, 2013 in order to meet the PG&E grant milestones discussed above. The bidding documents will require that the successful bidder sign a contract assignment that will make the selected contractor pay for the unit at a pre-negotiated price and be responsible for its inclusion in the project as if it was purchased by the contractor.

On March 26, 2013, staff submitted an application to PG&E to migrate from the existing electric schedule of Net Energy Metering (NEM) to Renewable Energy Self-Generation Bill Credit Transfer

(RES-BCT). The RES-BCT rate schedule is a program whereby any exported energy will be credited to “Benefiting Accounts” of the same local government. Studies indicated that the City will benefit by migrating away from the NEM at the plant to the electric rate schedule RES-BCT. The City of Hayward will be the first local government, in the PG&E service area, to pursue this rate schedule that allows the City to apply the generated excess energy to other City-owned meters. The monthly bill credit of the exported energy will be proportionally allocated to four other meters in the Enterprise Fund, used for sewer and water pumping.

PG&E has required that the City submit an application for a new Generating Facility Interconnection Agreement (GFIA) in order to allow export of energy generated by both the upgraded cogeneration and the existing solar photovoltaic system into the PG&E grid. The design and operation of the interface, as well as the impacts upon the PG&E grid, are now being reviewed and considered by PG&E, and they will be incorporated into the finished project.

Pursuant to the California Environmental Quality Act (CEQA), an Initial Study is being prepared to determine whether the project may have a significant effect on the environment. Staff anticipates that there will be no substantial evidence that the project may have a significant effect on the environment, and thus a Negative Declaration will be prepared. A Notice of Intent to adopt the Negative Declaration will then be prepared and posted in accordance with CEQA regulations, allowing for the appropriate public review period prior to awarding the construction contract for the project. CEQA review is not required by PG&E in order to qualify for the SGIP rebate.

On February 22, 2013, staff applied to the Bay Area Air Quality Management District (BAAQMD) for an Application for Authority to Construct and Permission to operate the new cogeneration engine. The permit is currently being reviewed by BAAQMD and is anticipated to be issued at a time that will continue to allow the project to meet the PG&E grant milestone calendar.

## **ECONOMIC IMPACT**

Existing sufficient sewer capital improvement funds have already been budgeted to cover the installation cost of the new cogeneration system and construction would not initially result in an additional sewer rate increase. Operation and regular maintenance of the new cogeneration system, however, would eventually require modest sewer service rate increases. Taking into consideration reductions in PG&E costs, the increase is expected to be up to 3% per year range, over the next ten years. The impact of the new cogeneration system on rates would be offset, in part, by reductions in purchased power in the range of \$250,000 to \$300,000 annually. Since RES-BCT has never been used in this service area by PG&E, exact dollar projections are not possible at this time.

## **FISCAL IMPACT**

The estimated project costs to design and construct a cogeneration system for ICE technology are as follows:

Prior Project Costs (Pre-Design Services)	\$ 250,000
Design	880,000
Design Services During Construction	370,000
Co-Generator Pre-purchase	1,885,542

Construction	6,600,000
City Administration	100,000
Construction Management	<u>300,000</u>
Total:	\$10,385,542

The adopted FY2013 Capital Improvement Program (CIP) includes a total of \$12.5 million in the Sewer Capital Improvement Fund for design and construction of the cogeneration system.

**PUBLIC CONTACT**

No public contact is planned for the project. All work will be done inside the Water Pollution Control Facility boundary, which is located in an industrial or commercial area. There will be no impact to the neighbors or the public.

**SCHEDULE**

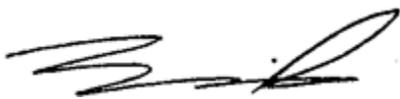
The estimated schedule for completing the project is summarized as follows:

Approval of plans and specification and call to bid	May 21, 2013
City Council approve construction contract	June 25, 2013
Construction Notice to Proceed	July 16, 2013
Substantial Completion to meet SGIP Requirements	June 5, 2014
Construction Completion	July 23, 2014

*Prepared by:* Don Clark, Senior Utilities Engineer

*Recommended by:* Alex Ameri, Director of Public Works –Utilities & Environmental Services

Approved by:




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Fran David, City Manager

Attachments:

- Attachment I - Resolution
- Attachment II - Project Location Map
- Attachment III - Agenda Report - October 23, 2012

HAYWARD CITY COUNCIL  
RESOLUTION NO. \_\_\_\_ - \_\_\_\_

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

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE WATER  
POLLUTION CONTROL FACILITY UPGRADE PROJECT, PROJECT NO. 7508, AND  
CALL FOR BIDS

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

1. That those certain plans and specifications for the Water Pollution Control Cogeneration Upgrade, Project No. 7508, on file in the office of the City Clerk, are hereby adopted as the plans and specifications for the project;
2. That the City Clerk is hereby directed to cause a notice calling for bids for the required work and material to be made in the form and manner provided by law;
3. That sealed bids therefor will be received by the City Clerk's office at City Hall, 777 B Street, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, June 18, 2013, and immediately thereafter publicly opened and declared by the City Clerk in Conference Room 4D, City Hall, Hayward, California;
4. That the City Council will consider a report on the bids at a regular meeting following the aforesaid opening and declaration of same.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2013

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:  
MAYOR:

NOES: COUNCIL MEMBERS:

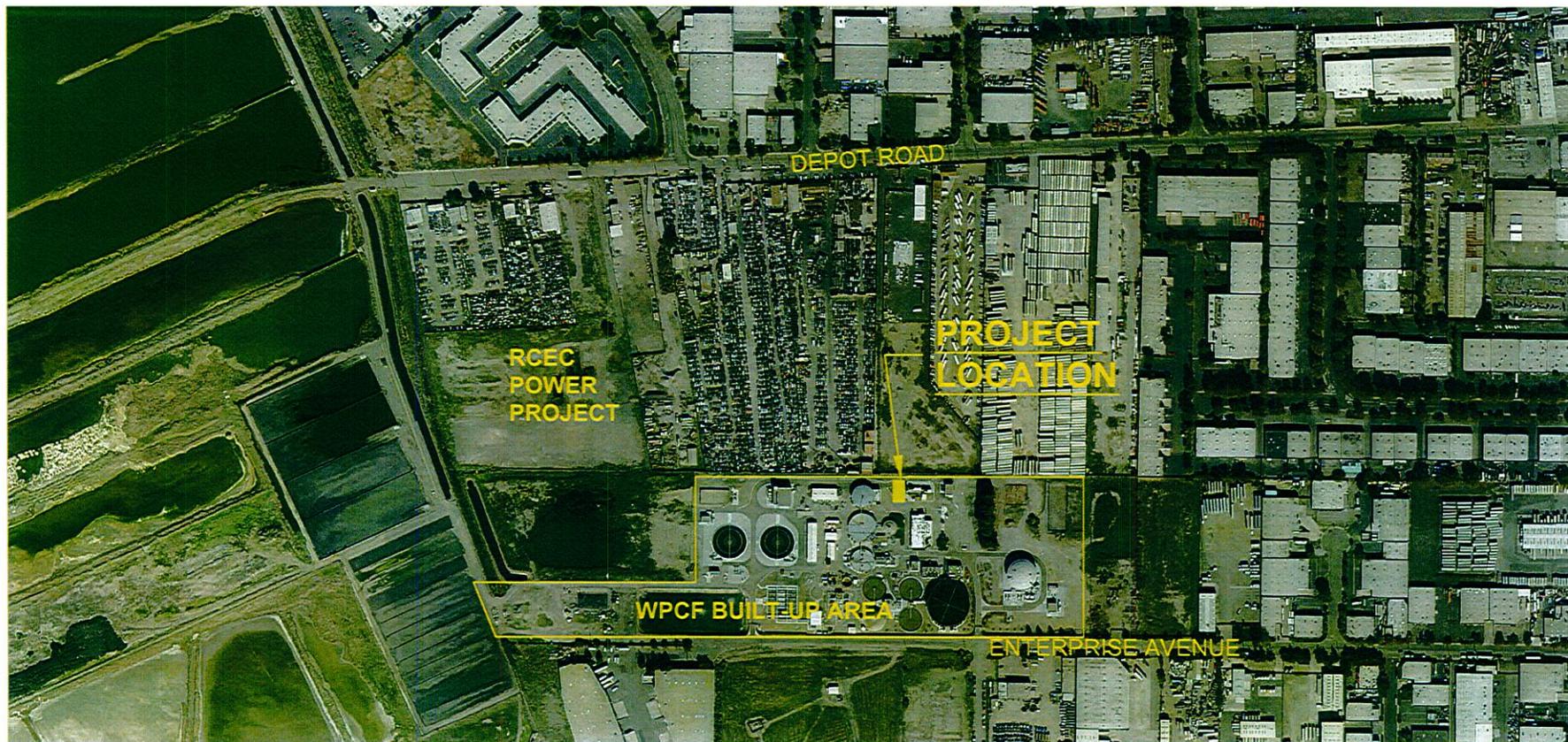
ABSTAIN: COUNCIL MEMBERS:

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



**DATE:** October 23, 2012

**TO:** Mayor and City Council

**FROM:** Director of Public Works – Utilities & Environmental Services

**SUBJECT:** New Cogeneration Power System at the Water Pollution Control Facility:  
Authorization for the City Manager to Negotiate and Execute a Professional Services Agreement for Design

### **RECOMMENDATION**

That Council adopts the attached resolution that authorizes the City Manager to negotiate and execute a contract with Carollo Engineers for design of a new cogeneration power system at the Water Pollution Control Facility (WPCF), in an amount not to exceed \$880,000.

### **SUMMARY**

The WPCF cogeneration system, which utilizes bio-gas to provide power to the WPCF, has been in operation since 1982 and has reached the end of its useful life. The existing system is unable to meet current emission standards without severe reductions in energy output. In addition, the system has much lower power generation efficiency. These factors result in power output from the engines to be well below one-half of what a modern replacement system can produce. This has both a financial impact on the City in lost energy generation and an environmental impact by producing more air pollution.

Staff evaluated replacement alternative technologies and recommended that the City consider both conventional internal combustion engines (ICE) and fuel cells, a new clean and green method of converting methane to electric power. After completing a design-build request-for-proposal process, and based on the fuel cells' promise of cleaner energy production, the City entered into negotiations with the sole provider of these systems to design, build, and maintain a fuel cell cogeneration system. After three months of discussions and negotiations, staff was not able to reach agreement on mutually acceptable terms and thus, negotiations were terminated.

Staff is now recommending consideration of the alternative technology, the conventional internal combustion engines, using ultra clean, efficient, modern ICE technology. Furthermore, staff believes that the project development approach with three distinct phases of design, bid, and build would best serve the City's interests for this technology. Staff recommends that Carollo Engineers be retained to prepare the design and construction documents at a cost not-to-exceed \$880,000.

Staff expects the total initial cost for project development to be about \$8.8million. The needed capital funding is appropriated in the Sewer Capital Improvement Fund.

## BACKGROUND

The WPCF is the largest City-owned consumer of electric energy purchased from Pacific Gas and Electric (PG&E). The WPCF used a total of 8,271,097 kilowatt hours (kWh) of energy in CY 2011, which is equivalent to the electrical demand for 1,170 average residential units in California. In CY 2011, three sources supplied electric energy to the WPCF: PG&E, local cogeneration using bio-gas, and solar power in the amounts shown below:

	<u>Annual Energy (kWh)</u>	<u>Energy Contribution</u>
Cogeneration	3,356,837	41%
Solar <sup>(1)</sup>	1,593,838	19%
PG&E	<u>3,320,422</u>	<u>40%</u>
Total WPCF Demand:	8,271,097	100%

(1) Total solar energy production was about 50% higher; however, some energy was sold to PG&E.

Co-generated power, named for simultaneous generation of electric power and heat, is a process whereby biogas, generated at the digesters and captured as part of the treatment process at the WPCF, is utilized as fuel. Methane is a major component of biogas, and biogas is considered a renewable energy resource. Like most wastewater treatment plants in the Bay Area, the WPCF has utilized biogas for many years to fuel internal combustion engines to provide electric energy and reduce the need to purchase energy from PG&E. In addition to the cost saving benefit, there are significant environmental advantages to cogeneration in that the alternatives for disposing of biogas are to discharge it to the atmosphere or to flare (burn) it off as a large open-air flame. Methane is a greenhouse gas; releasing it into the air is contrary to the City's policies, including the Climate Action Plan. Flaring the gas would also produce harmful gases and waste a good energy resource.

The WPCF purchased and installed the existing co-generation engines in 1982. The engines have undergone numerous rebuilds over the years and are practically at the end of their useful life. Additionally, emission control technology used at that time is now considered outdated, inefficient, more polluting, and thus, unacceptable. Installation of emission control systems that meet the requirements of the Bay Area Air Quality Management District (BAAQMD) has caused the efficiency rating (conversion of biogas to electrical energies) to be degraded to around 20%, a very low value. In addition, BAAQMD regulations regarding air emissions have become exceedingly stringent, and the existing co-generation emission technology will not meet regulatory permit limits in 2012 and beyond, unless their power output is severely curtailed or major investments are made for devices to capture exhaust pollutants.

Two technologies emerged for consideration in replacing the existing cogeneration system: internal combustion engine generators (ICE) and fuel cells. While both technologies emit the same amount of greenhouse gases, fuel cells offer a higher-efficiency (more electric power for each unit volume of biogas consumed) and do not emit nitrous oxides (NOx). However, the emission of NOx from ICE generators would be below the requirement of the Bay Area Air Quality Board limits, and design of the cogeneration building will include space for future installation of equipment to convert NOx to inert gas if such requirement is mandated.

The City issued requests for proposal (RFP) in October 2011 to design-build entities (teams of contractors, engineers and suppliers) to design and construct a replacement for the existing cogeneration system utilizing either fuel cells or ICE. Specific criteria were identified for air emissions and operating efficiencies. The City received four proposals, one for fuel cells and three for ICEs. Based on a cost-benefit analysis, staff recommended and Council approved entering into negotiations with the team of Lyles Construction and Fuel Cell Energy to design and build a fuel cell system. After three months of negotiations, it was apparent that this sole-source technology was not in the City's best interest in terms of risk and cost, and negotiations were terminated.

Upon consideration of the options, staff recommends that the City pursue the conventional design-bid-build path to construct an ICE cogeneration system, utilizing the services of a professional engineering firm to design the facility and prepare construction bid documents, and then requesting construction bids from qualified contractors.

## **DISCUSSION**

Design Services - The first step is to retain an engineering firm to design the cogeneration system and prepare construction bid documents. However, due to schedule constraints related to the City's Self-Generation Incentive Program (SGIP) grant, the timing in this project does not allow a full cycle preparation of request for proposals, receipt and review of the proposals, interviews with the firms and recommendation to Council for selection. When the City initially pursued the fuel cell project, staff applied for and received preliminary approval for an SGIP grant. After negotiations for fuel cells proved unsuccessful, staff contacted PG&E, which administers SGIP grants, and inquired whether the new ICE technology project could be substituted for the fuel cell project. After some discussions, PG&E advised that the substitution would be approved; however, all the initial project completion milestones associated with the initial grant would remain in place and would require strict adherence, including Proof of Project Milestone by March 3, 2012 and project's commissioning no later than July 6, 2014. SGIP rules define Proof of Project Milestone as award of construction contract. The rules also state that, for public agencies, execution of a contract to purchase (i.e., pre-purchase) the cogeneration equipment would meet the Proof of Project Milestone and satisfy this aspect of SGIP grant requirement.

In order to assess the feasibility of meeting this schedule, staff contacted several other agencies and engineering firms to obtain and review their design and construction timelines for similar projects. It became quite evident that the only way to meet this aggressive schedule was to engage a firm to do the work without any delay (i.e., begin the design process in early October). Carollo Engineers was the only firm in that unique position as they are currently under contract with the City to assist with the selection of a co-gen technology. Staff requested Carollo to submit a proposal for design services for the ICE engine and gave them three days to prepare a cost and schedule proposal (typically this period is about three to four weeks). In the meantime, staff contacted another firm, Brown & Caldwell, that also has a strong professional working relationship with the City and is currently under contract to prepare a master plan for the Water Pollution Control Facility. Staff asked for sample proposals for similar projects and inquired if they would be interested in submitting a competing proposal. Both firms have recently or are currently designing ICE cogeneration projects nearly identical to that planned for the WPCF. Brown & Caldwell expressed strong interest and submitted a proposal within two days. While staff considered requesting a third

proposal, it determined that the two from Carollo and Brown &Caldwell, along with other recent proposals for similar projects for other Bay Area agencies, would be sufficient to allow staff to make an informed recommendation to Council.

The proposals received from Carollo and Brown &Caldwell were similar in scope and deliverables. Staff also reviewed the scope of services provided for other similar projects to ensure that the proposals from Carollo and Brown and Caldwell included all the necessary components for a complete and accurate bid package.

Following is a summary of the proposals:

<u>Firm</u>	<u>Cost</u>
Brown and Caldwell	\$990,000
Carollo Engineers	\$799,000

In further discussions with Brown &Caldwell, it appeared that they would have some flexibility for lowering their proposed fee, but the fee would still be higher than that proposed by Carollo.

Carollo is currently designing a similar project for Union Sanitary District (USD), which serves Fremont, Newark, and Union City. USD's system has two engines, instead of a single larger engine envisioned for the City, but is otherwise similar to the City's project. Carollo's fee for design services for USD's project is \$1,137,000.

Given the following: 1) Carollo's fee is lower than Brown &Caldwell's and is also lower than design fees for comparable recent projects; 2) Carollo is familiar with the City's project because they have previously prepared a preliminary design for the City's co-generation project; and 3) Carollo is currently still under contract with the City for a preliminary design project, with some funds remaining, and could be directed to start work on this project immediately, Carollo is in a better position to undertake this project and meet the City's milestones.

Staff therefore recommends that the City enter into a professional services agreement with Carollo Engineers for design of the cogeneration system for a not-to-exceed price of \$880,000, which includes \$80,000 for potential additional services.

Generator Pre-Purchase - The Fiscal Impact section of this report includes a discussion of grant funding available for this project, for which the City has been conditionally approved. As noted, there are certain timelines associated with the grant funding to ensure that projects come on-line within a reasonable period. In other words, the City must show progress towards construction in accordance with a pre-determined schedule. In order to comply with the requirements for the funding, staff must, at least, negotiate a purchase contract with an ICE vendor and later assign that contract to the City's selected contractor.

There are three well-known companies that can supply generators equal to the City's targeted cogeneration capacity and performance. Staff intends to request proposals from each manufacturer and choose the company that offers the best price performance and can meet the City's timeline. The cogeneration system design will incorporate required engineering interface needs with the pre-purchased ICE generator. The cost of the generator is expected to be in the range of \$1,200,000.

This selection and purchase process will occur on a parallel track with the design services. Because sufficient funds for this project are available in the Council approved Capital Improvement Program, no additional explicit Council approval is necessary to enable staff to enter into this purchase contract for ICE.

## **ECONOMIC IMPACT**

Construction of the new cogeneration system would not result in an initial additional sewer rate increase because existing sewer funds are already budgeted. As an integral part of the WPCF system, however, the new cogeneration system would eventually contribute to sewer service rate increases, particularly, as the new system would require maintenance. The impact of the new cogeneration system on rates would be offset, in part, by reductions in purchased power in the range of \$250,000 to \$300,000 annually. Staff currently expects that future rate increases in the fund, including installation, operation and maintenance of the new cogeneration system, and considering reductions in PG&E costs, would be in the 3 to 5% per year range over the next ten years.

## **FISCAL IMPACT**

The estimated project costs to design and construct a cogeneration system for ICE technology are as follows:

Prior Project Costs (Pre-Design Services)	\$ 250,000
Design	880,000
Design Services During Construction	370,000
Co-Generator Pre-purchase	1,200,000
Construction	5,500,000
City Administration	100,000
Construction Management	<u>300,000</u>
Total:	\$8,600,000

The adopted FY 2013 Capital Improvement Program (CIP) includes a total of \$12.5 million in the Sewer Capital Improvement Fund for design and construction of the cogeneration system. The allocation included in the CIP assumed the more costly fuel cell alternative would be implemented; this amount exceeds the estimated costs for ICE. The unused portion will be returned to the fund balance when the project is completed.

Self-Generating Incentive Program - Staff has investigated available financial resources to improve the economic feasibility of cogeneration, including the potential for funding assistance from the Self-Generating Incentive Program (SGIP), provided by the California Public Utilities Commission and administered by PG&E. Staff re-applied for a grant on August 27, 2012, based on the use of ICE technology. This technology qualifies for an incentive of \$0.50 per installed kW of power. In addition, another \$2.00 per kW is available because biogas would be used to fuel the co-generator. Thus, the amount of the grant could be as high as \$2,670,000, depending upon the rating of the chosen co-generator. Grant monies are paid in two phases. Upon initial performance demonstration, 50 percent of the grant would be due to the City. The remaining 50 percent would be paid over a five-year period, based upon co-generator performance.

SGIP grants require that timelines be met in order to be fully qualified. For Hayward, the timeline began upon issuance of a “conditional reservation notice letter” issued on September 18, 2012. This document sets the effective Project Advancement Milestone Due Date as March 3, 2013. One of the milestones requires that a contract for installation must be signed. Since it will not be feasible for the City to execute a construction contract by March 3, pre-purchase of the generator by that date would serve as a good faith effort to demonstrate the City’s commitment to completing the project. In addition, the notice letter sets January 6, 2014 as the Reservation Expiration Due Date, or the date by which the contract must be completed. An extension of up to six months may be requested, and is normally granted, effectively making July 6, 2014 the date when project development must be substantially completed. According to the design, procurement, and construction schedule Carollo has provided, the City should be able to meet the timeline to receive the SGIP grant.

**PUBLIC CONTACT**

No public contact is planned for the project. All work will be done inside the WPCF boundary, which is located in an industrial or commercial area. There will be no impact on the neighbors or the public.

**SCHEDULE**

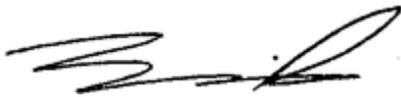
Assuming the City Council concurs with staff’s recommendation, and once a contract with Carollo Engineers is executed, staff anticipates that design would be completed in 12 months, whereupon a call for construction bids would ensue. The estimated schedule for the design phase of this project is summarized as follows:

Approval for City Manager to negotiate contract with Carollo Engineers	October 23, 2012
Notice to Proceed	November 2, 2012
Execute Purchase Agreement for Generator Equipment	March 3, 2013
Complete Design	October 30, 2013
Construction Completion	July 6, 2014

*Prepared by:* Don Clark, Senior Utilities Engineer

*Recommended by:* Alex Ameri, Director of Public Works –Utilities & Environmental Services

Approved by:



\_\_\_\_\_  
Fran David, City Manager

Attachments:

- Attachment I - Resolution
- Attachment II - Project Location Map

HAYWARD CITY COUNCIL

RESOLUTION NO. 12 - \_\_\_\_

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

RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH CAROLLO ENGINEERS, FOR PROFESSIONAL SERVICES RELATED TO DESIGN OF WATER POLLUTION CONTROL FACILITY COGENERATION SYSTEM

WHEREAS, the Water Pollution Control Facility (WPCF) generates electric energy on site (cogeneration) that provides 40 percent of the total WPCF electric energy needs using renewable biogas as engine fuel; and

WHEREAS, the existing cogeneration equipment is obsolete and operates at low efficiency; and

WHEREAS, City staff has determined that it is in the City's best interest to install an internal combustion engine cogeneration system through a design-bid-build process; and

WHEREAS, proposals were received from two qualified engineering firms to design the cogeneration system and prepare construction bid documents; and

WHEREAS, Carollo Engineers have proposed the lowest cost for comparable services.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is authorized to negotiate and execute an agreement with Carollo Engineers in an amount to not exceed \$880,000, to provide professional engineering services to the City for design of the WPCF cogeneration system and preparation of related construction bid documents, in a form to be approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2012

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:** May 21, 2013

**TO:** Mayor and City Council

**FROM:** Director of Public Works – Engineering & Transportation

**SUBJECT:** Pavement Reconstruction FY14 – Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue Project, Project Nos. 5144 & 5183: Approval of Plans and Specifications and Call for Bids

**RECOMMENDATION**

That Council adopts the attached resolution approving plans and specifications for the Pavement Reconstruction FY14 – Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue project; and calls for bids to be received on June 18, 2013.

**BACKGROUND**

This project represents the tenth year of the City’s pavement reconstruction program. This year’s project calls for pavement reconstruction on Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue (see Attachment II). The proposed improvements will repair failed pavement sections and improve the riding surface and appearance of the streets.

**DISCUSSION**

The City’s pavement reconstruction program involves repairing severely deteriorated streets to return them to acceptable pavement condition standards. Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue were selected to be included in the CIP budget for reconstruction in FY 2014. These streets were selected for reconstruction using the City’s computerized Pavement Management Program (PMP) and visual field examination by staff. The City’s PMP program uses a Pavement Condition Index (PCI), which is an indicator for the condition of pavement derived from a visual inspection of the street surface. Surface crack patterns are used as indicators of the condition of the sub-grade. The current citywide PCI is 69 and the average PCI on these streets proposed for reconstruction is 16. To confirm the PMP’s recommendation for reconstruction, additional pavement testing is performed.

In past pavement reconstruction projects, the common treatment involved the replacement of the existing pavement section with deep lift asphalt concrete. This is a relatively expensive treatment method and is not always necessary. When tests and pavement analyses indicate that alternative and less expensive methods are possible, staff has used other methods of treatment, such as full-depth reclamation, which pulverizes and mixes the existing pavement section with additives to enhance the structural characteristics of the pavement.

For this project, pavement testing was performed by a consultant, and staff concluded that these streets do not warrant the conventional reconstruction of removing six inches or more of pavement material and replacing it with deep lift asphalt concrete. Instead, this project will utilize a Cold In-place Recycling (CIR) stabilization method, which is an environmentally friendly and cost effective treatment similar to the full-depth reclamation method. The CIR method recycles and reuses the existing pavement material by grinding three to four inches of asphalt concrete and mixing it with additives. After compacting the recycled material, the stabilized base receives a new two-inch hot asphalt overlay. CIR eliminates the need for purchasing and transporting new aggregates, thus decreasing fuel consumption, and ultimately reducing greenhouse gas emissions, which is consistent with the goals of the City's Climate Action Plan.

The cost savings from using the CIR method and not using the conventional reconstruction method for these streets has allowed staff to add more streets than originally presented in the adopted CIP. As noted in Attachment II, Carson Drive, Chambosse Drive, Corkwood Street, Lovelock Way, Montjoy Court, Teakwood Street, and Yosemite Way will be added to this project. The total lane miles of pavement to be reconstructed with this project, including the additional streets, will be 2.8 miles. The City is responsible for the maintenance of 659 lane miles of roadway. Staff estimates that the current backlog of streets in need of reconstruction similar to those covered in this project total approximately fifteen centerline miles, which would cost approximately \$21.3 million if all were completed at the same time.

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

## **FISCAL IMPACT**

The estimated project costs are as follows:

Construction Contract	\$ 1,220,000
Design and Administration	80,000
City Striping	20,000
Construction Engineering, Inspection and Testing –	<u>80,000</u>
Total:	\$1,400,000

The Adopted FY 2013 Capital Improvement Program includes \$900,000 in the Measure B Tax Fund and \$500,000 in the Street System Improvements Fund for the Pavement Reconstruction

FY14 – Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue project.

**PUBLIC CONTACT**

Because of the temporary inconvenience that is expected to be caused by the pavement work, immediately after the construction contract is awarded, a preliminary notice explaining the project will be posted and distributed to all residents and businesses along the affected streets. After the construction work has been scheduled, signs on barricades will be posted seventy-two hours prior to commencement of work indicating the date and time of work for each street. Residents will be advised to park their vehicles on side streets outside of the work area during the period when the streets are being treated.

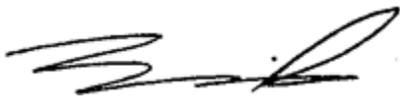
**SCHEDULE**

Open Bids	June 18, 2013
Award Contract	July 16, 2013
Begin Work	August 12, 2013
Complete Work	November 6, 2013

*Prepared by:* Yaw Owusu, Assistant City Engineer

*Recommended by:* Morad Fakhrai, Director of Public Works – Engineering & Transportation

Approved by:



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Fran David, City Manager

Attachments:

- Attachment I: Resolution
- Attachment II: Location Map

HAYWARD CITY COUNCIL

RESOLUTION NO. 13-\_\_\_\_\_

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

RESOLUTION APPROVING PLANS AND SPECIFICATIONS FOR THE PAVEMENT RECONSTRUCTION FY14 – ALBERTA COURT, ALONDA COURT, COTTONWOOD AVENUE, FORSELLES WAY, O’NEIL AVENUE, MITCHELL PL, AND STAFFORD AVENUE PROJECT, PROJECT NOS. 5144 & 5183, AND CALL FOR BIDS

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

WHEREAS, those certain plans and specifications for the Pavement Reconstruction FY 14 – Alberta Court, Alonda Court, Cottonwood Avenue, Forselles Way, Mitchell Place, O’Neil Avenue, and Stafford Avenue Project, Project Nos. 5144 & 5183, on file in the office of the City Clerk, are hereby adopted as the plans and specifications for the project;

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

WHEREAS, sealed bids therefor will be received by the City Clerk’s office at City Hall, 777 B Street, 4<sup>th</sup> Floor, Hayward, California 94541, up to the hour of 2:00 p.m. on Tuesday, June 18, 2013, and immediately thereafter publicly opened and declared by the City Clerk in the Public Works Conference Room, 4D, located on the 4<sup>th</sup> Floor of City Hall, Hayward, California;

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

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

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2013

ADOPTED BY THE FOLLOWING VOTE:

AYES:

NOES:

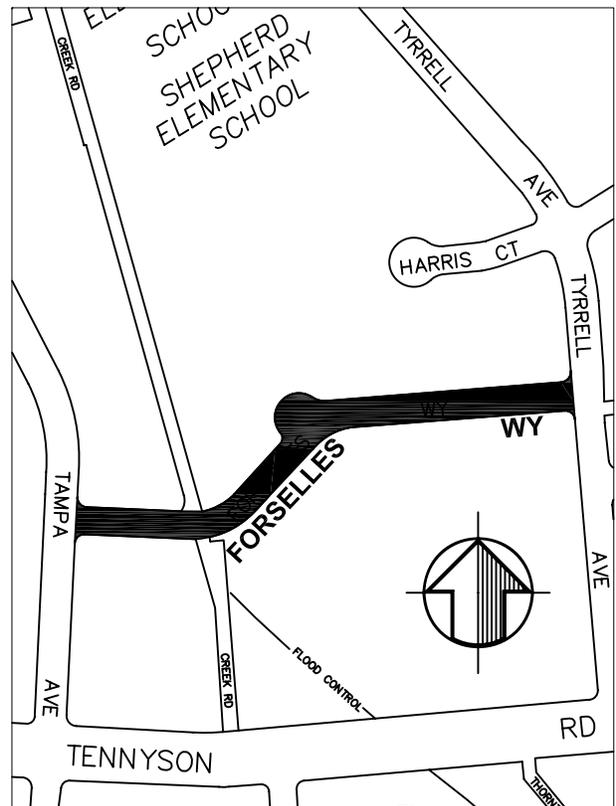
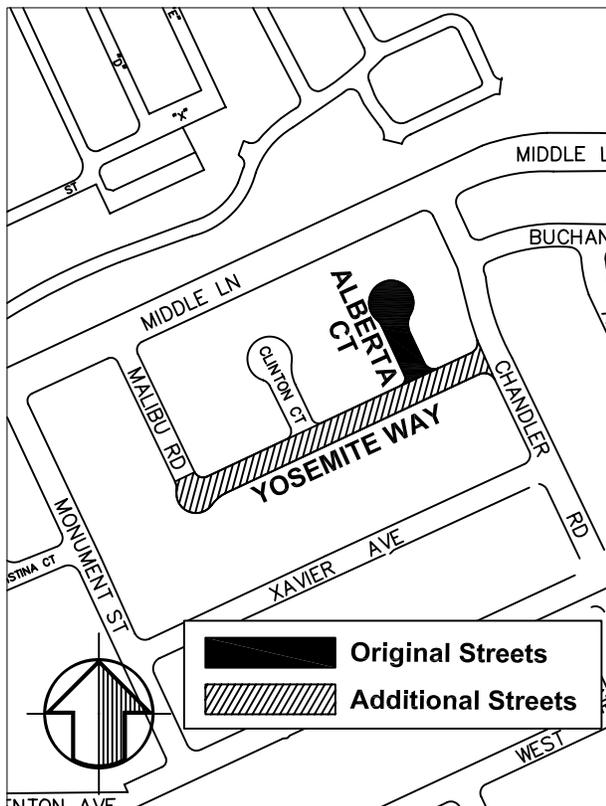
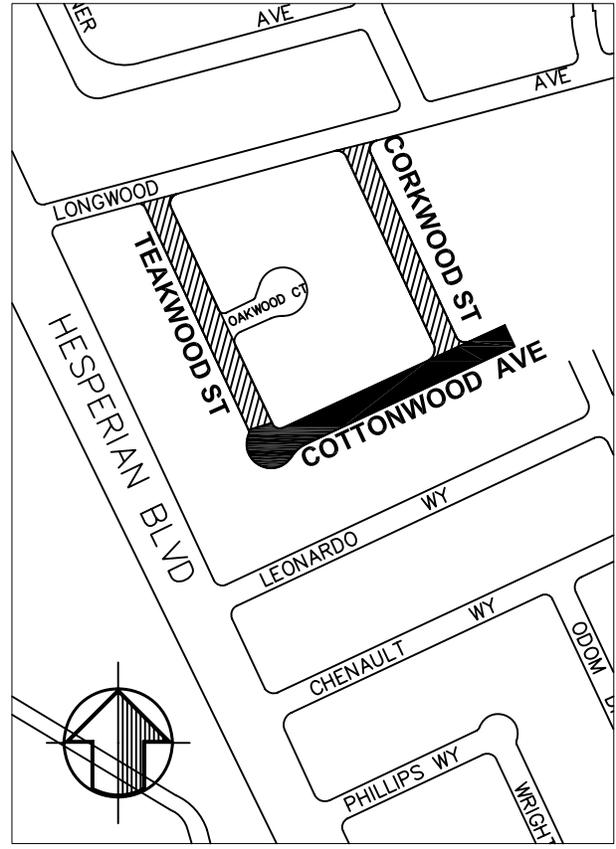
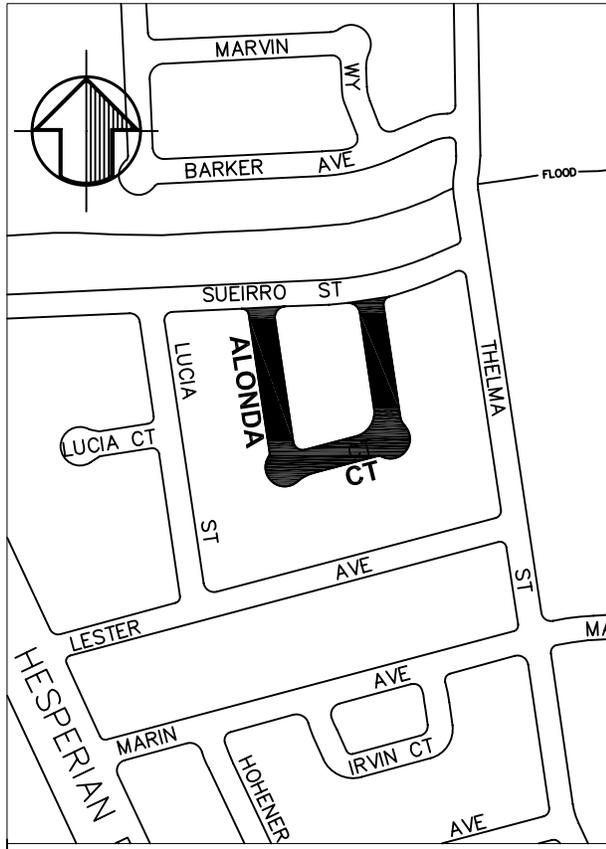
ABSTAIN:

ABSENT:

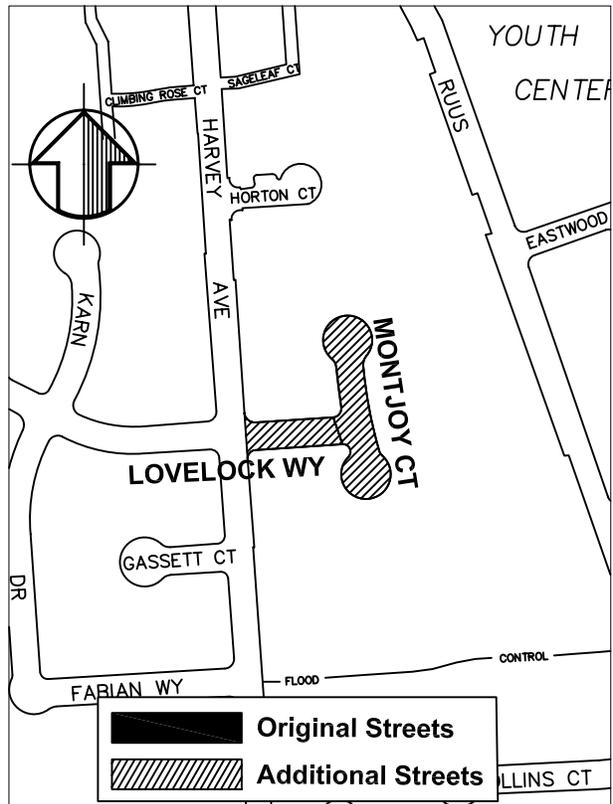
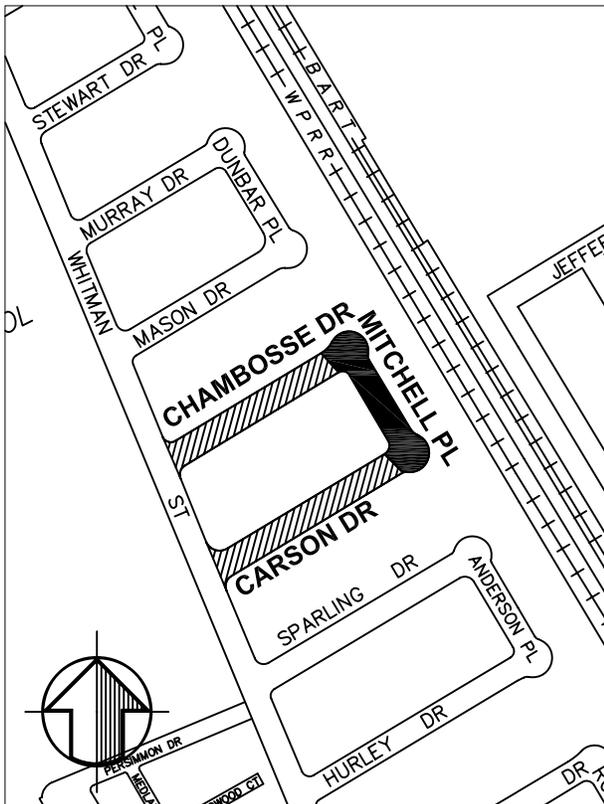
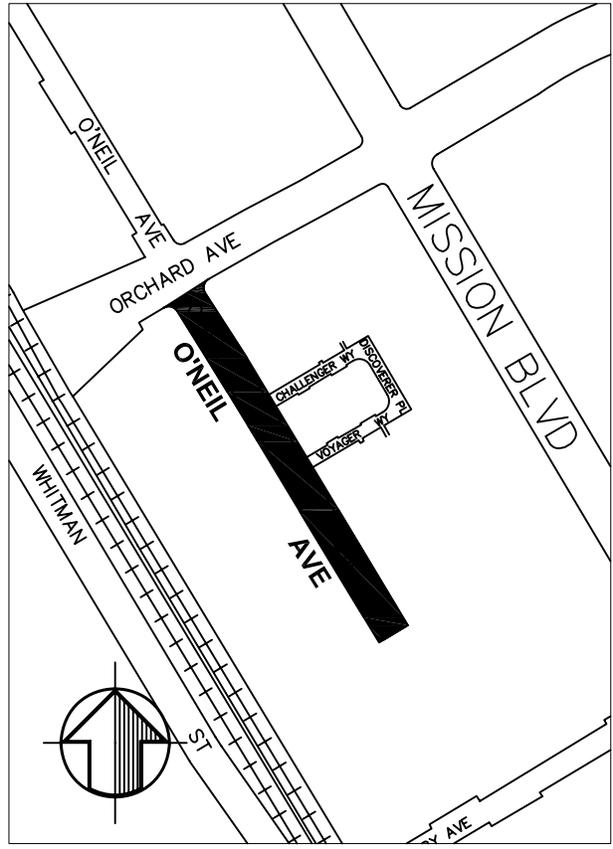
ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

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



**LOCATION MAP**  
**PAVEMENT RECONSTRUCTION FY14**  
**PROJECT NOS 5144 & 5183**



**LOCATION MAP  
PAVEMENT RECONSTRUCTION FY14  
PROJECT NOS 5144 & 5183**

**DATE:** May 21, 2013

**TO:** Mayor and City Council

**FROM:** Director of Library and Community Services

**SUBJECT:** Approval of the Annual Hayward Paratransit Program Plan and Authorization for the City Manager to Execute Service Agreements with MV Transportation, Inc; Alzheimer's Services of the East Bay (ASEB); Service Opportunities for Seniors (SOS) Meals on Wheels; and Community Resources for Independent Living (CRIL)

## **RECOMMENDATION**

That Council adopts the attached resolution approving the City's Annual Paratransit Plan, and authorizes the City Manager to execute contracts with: MV Transportation, Inc; Alzheimer's Services of the East Bay (ASEB); Service Opportunities for Seniors (SOS) Meals on Wheels; and Community Resources for Independent Living (CRIL), for the continued provision of Paratransit services to Hayward residents.

## **SUMMARY**

The Hayward Paratransit Program is entirely funded through Alameda County Measure B sales tax funds, which are administered by the Alameda County Transportation Commission (ACTC). Hayward Paratransit offers local residents safe, affordable, and accessible transportation to medical care, congregate meal sites, food distribution centers, senior centers, and other locations to prevent isolation and improve the quality of life.

Utilizing a Census-based formula, ACTC estimates that Hayward will receive approximately \$729,950 in Measure B funds to operate subsidized individual and group door-to-door transportation services in Hayward in FY 2014. To access these funds, ACTC requires that the City submit an [Annual Paratransit Plan](#) each year for its approval.

## **BACKGROUND**

The City of Hayward Paratransit Program is intended to meet the most vital transportation needs of older adults and people who have disabilities that are at least 18 years of age, and are unable to drive or take other forms of public transportation due to their medical or disabling conditions. The service is provided to residents of Hayward, Castro Valley, and the unincorporated areas of Ashland and Cherryland without access to the county-wide ADA mandated paratransit services

provided by East Bay Paratransit (also funded by County Measure B funds). . East Bay Paratransit serves all of Alameda and Contra Costa counties and is available only near operating AC Transit and BART lines. Riders with difficulty managing the distance to or wait for the East Bay Paratransit service due to frailty or disability can enroll with the City of Hayward's Paratransit service.

Hayward's Measure B grant amount for FY 2014 is estimated to be slightly higher than the previous year's funding amount to supplement new Paratransit services currently in operation:

1. The Central County Taxi Program provides 24/7 on-demand taxi service in accessible vehicles to enrolled Hayward riders. Taxi is a premium service for unplanned trips or trips outside of normal operating hours. Twenty-four vouchers subsidizing up to \$14 of one-way metered fare are available to qualified individuals with initial enrollment. Additional vouchers can be purchased in blocks of ten for \$3.50 each.
2. Hayward on the Go is a service of Community Resources for Independent Living (CRIL) in partnership with Hayward Paratransit that offers mobility management training for Hayward seniors and persons with disabilities. It incorporates para- and public transit travel training as a component of independent living skills for those seeking to increase their knowledge, ability and confidence in getting to where they want to go throughout Alameda County. Participants attend workshops that provide practical tips on safety, route planning, and obtaining discount transit cards for travel. The CRIL Travel Trainer also conducts quarterly para- and public transit field trips to various locations around the Bay Area for real world experience.

In FY 2012, ACTC identified Hayward as having a higher amount of carryover funding than approved based on ridership and service. These challenges have been addressed and the carryover balance reduced significantly through the implementation of the two new programs described above and through new customer outreach and marketing strategies to increase ridership.

## **DISCUSSION**

Hayward Paratransit exceeds the following Minimum Service Levels established by funder ACTC:

- Provide accessible, individual, demand-responsive service, Monday through Friday 8:00am – 6:00pm.
- Provide accessible, individual round-the-clock subsidized taxi service.
- Provide service to meet life needs including but not limited to transportation to major medical facilities, full service grocery stores and other basic necessities if the ADA service or the coordination of both services is unable to provide these trips.
- Charge fares for service that are comparable to the ADA service at \$4.00 each way for trips up to 12 miles and \$6.00 each way for trips between 13-20 miles in length.
- Provide Paratransit service within three business days upon receipt of application, or at the request of a health care or ADA service provider.
- Accept ride reservations between 8:00am and 5:00pm Monday through Friday.

The City uses subcontractors to carry out the services in its Paratransit Plan, as described in Table 1. All contracts are subject to available funding (see Fiscal Impact section of this report). All contractors are encouraged to consider the City’s Climate Action Plan as they plan for service. MV Transportation and ASEB drivers strive to provide the most energy efficient trips by structuring routes efficiently, and doubling and tripling up riders whenever possible. Hayward-based St. Mini Cab, the taxi vendor, offers time sensitive personal travel for vulnerable residents. SOS meals are delivered by individuals driving their own vehicles, and routes are structured in an energy-efficient sequence.

Staff recommends these contracts be extended through FY2014. Consistent with past practice, the renewed contracts would be contingent upon available funding, each contractor’s performance, and the annual review and approval of City Council.

**Table 1. Paratransit Service Providers**

Component	Service Provider	Benefits	Service Population	Goals
Door-to-Door Individual Trips	MV Transportation, Inc.	Medical Trips are provided for dialysis, chemotherapy, medical appointments, and on-going therapies.	Serving those riders in the ADA Paratransit certification process, those traveling outside of ADA service area or services times, or 70+.	Approximately 4,000 trips on lift-equipped vehicles are anticipated to be provided in CY 2013..
Accessible Group Trips	MV Transportation, Inc.	On-going (subscription) reservations meet non-medical trip needs. Destinations may include grocery stores, shopping areas, and recreational outings, cultural and special events.	Group trips serve residents of 14 apartment complexes for seniors or people who have disabilities, 30 skilled nursing facilities, 5 senior mobile home parks, and other local neighborhood groups.	Approximately 400 group trips are anticipated to be provided in FY 2014.
Central County Taxi Service*	St. Mini Cab*	This service provides 24/7 taxi availability for unplanned trips and emergencies at no to low-cost.	Taxi serves registered riders of Hayward and San Leandro Paratransit, for up to \$14 of metered fare.	Approximately 1500 trips are anticipated to be provided in FY 2014.
Transportation to Alzheimer’s Service of the East Bay (ASEB) day program	Alzheimer’s Service of the East Bay (ASEB)	Service is provided on lift-equipped vans by specially trained drivers who are part of a multidisciplinary team.	Service is provided for individuals who have dementia, and are Paratransit eligible.	Approximately 8,875 rides are anticipated to be provided in FY 2014.
Home-delivered meals	Service Opportunities for Seniors (SOS) Meals on Wheels.	Meal delivery service is provided by familiar drivers who offer daily reassurance in addition to preventing hunger.	Service is provided to seniors who are unable to prepare their own meals or travel to a meal site, food pantry or grocery store.	Approximately 32,845 meals are anticipated to be delivered in FY 2014.
Travel Training - mobility management training and services	Community Resources for Independent Living (CRIL)	Travel training increases independence, supports active lifestyles and health and compliments the City’s other transportation options.	Service is provided to current and future Paratransit-eligible riders to facilitate the use of para- and public transportation options.	The goal of this program is to facilitate the use of AC Transit and preserve the use of the Paratransit program for those who need it most.

*\*The taxi contract with St. Mini Cab is currently administered by ACTC.*

The attached resolution authorizes the City Manager to execute contracts with MV Transportation, Inc.; Alzheimer’s Services of the East Bay; Community Resources for Independent Living (CRIL); and Service Opportunities for Seniors / Meals on Wheels for the continued provision of Paratransit services. The taxi contract with St. Mini Cab is currently administered by ACTC.

**FISCAL IMPACT**

Approval of the plan and execution of the related service contracts would have no impact on the City’s General Fund. The Hayward Paratransit Program is supported 100% by Alameda County Measure B transportation sales tax funds, of which a total of \$679,950 is available for service contracts in Hayward. The proposed contract amounts for each service provider are shown in Table 2. Performance metrics tied to service outcomes are included in each contract’s scope of work.

**Table 2. Proposed Paratransit Contract Service Providers\*\***

	Contractor/Service	Amount
1	MV Transportation, Inc.	\$324,000
2	Central County Taxi Program	\$111,450
3	Alzheimer's Services of the East Bay (ASEB)	\$75,000
3	SOS/Meals on Wheels	\$24,500
4	CRIL Travel Training	\$50,000
5	Management and Overhead	\$145,000
	<b>Total*</b>	<b>\$729,950</b>

*\* \$50,000 Funded through reserves  
 \*\* The contract for MV Transportation is for the period January –December 2013 (CY 2013); all other contracts are for July 2013-June 2014 (FY 2014).*

In the event that sales tax revenues fall short of projections and the City’s Measure B allocation from ACTC is affected, the City’s service agreements with subcontractors contain provisions to reduce the contract amounts accordingly.

**PUBLIC CONTACT**

Presentations and public discussions about the Annual Hayward Paratransit Program Plan were made before the City of Hayward Paratransit Advisory Committee (PAC) on the following dates:

- Tuesday, January 15, 2013
- Tuesday, March 19, 2013

The Annual Hayward Paratransit Program Plan was presented to ACTC’s Paratransit Advisory and Planning Committee (PAPCO) on Thursday, April 4, 2013.

## **NEXT STEPS**

Should City Council approve the Annual Hayward Paratransit Program Plan and attached resolution, staff will meet with representatives from the service providers to facilitate contract execution for Paratransit service delivery in Hayward.

*Prepared by:* Dana Bailey, Senior Property Rehabilitation Specialist

*Recommended by:* Sean Reinhart, Director of Library and Community Services

Approved by:



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Fran David, City Manager

Attachment I: Resolution

Attachment II: FY 2013-14 Hayward Paratransit Program Plan – Executive Summary

HAYWARD CITY COUNCIL

RESOLUTION NO. 13-\_\_\_\_\_

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

RESOLUTION AUTHORIZING THE CITY MANAGER TO SUBMIT AN ANNUAL PARATRANSIT PLAN AND NEGOTIATE AND EXECUTE ALL DOCUMENTS RELATED TO AND IN SUPPORT OF PARATRANSIT ACTIVITIES FOR CY 2013 AND FY 2014

WHEREAS, Alameda County voters approved the Measure B transportation sales tax in the year 2000, and the Alameda County Transportation Commission annually provides Measure B funding to the City of Hayward for Paratransit services.

BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is authorized and directed, on behalf of the City of Hayward, to submit the Hayward Annual Paratransit Program Plan to the Alameda County Transportation Commission, in accordance with the terms of the City’s five-year contract with ACTC for the use of Measure B Paratransit funds.

BE IT FURTHER RESOLVED that the City Manager shall have the authority to negotiate and execute new one-year contracts with the following service providers for the delivery of Paratransit services in Hayward: Alzheimer’s Services of the East Bay (ASEB), in an amount not to exceed \$75,000; Community Resources for Independent Living (CRIL), in an amount not to exceed \$50,000; MV Transportation, Inc., in an amount not to exceed \$324,000; and Services Opportunities for Seniors (SOS), in an amount not to exceed \$24,500, all contracts to be in a form approved by the City Attorney.

IN COUNCIL, HAYWARD, CALIFORNIA \_\_\_\_\_, 2013

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:



## FY 2014 Hayward Paratransit Program Plan

### Executive Summary

#### Summary of Components of the Hayward Paratransit Program Plan

The City's "Base" Paratransit Program consists of five paratransit service components, each of which are carried out through different service provider contracts. These include:

#### **Base Program Service Component A: Individual and Group Door-to-Door Paratransit Services:**

The primary service component of the Hayward Paratransit Program is currently provided under contract with MV Transportation, Inc. (MV Transportation). MV Transportation provides both individual and group door-to-door paratransit services.

- Subsidized accessible transportation for individual passengers includes those who require an attendant to travel; attendants are allowed to ride along at no additional cost to the passenger. Lift-equipped vans are utilized to provide this service. Enrolled program participants are issued vouchers for door-to-door service (at no charge); vouchers are issued when a program participant must rely on the City's program for regular and frequent medical appointments (i.e., to radiation, dialysis, physical therapy, etc.) that cannot be accommodated routinely by East Bay Paratransit (EBP) the county non-ADA mandated service.
- This service is provided from 8:00am to 6:00pm Monday through Saturday. Pre-scheduled trip reservations are required, from one week to twenty-four hours in advance.
- Individual passengers are charged one program voucher plus \$4.00 for each one-way trip up to 12 miles in length. An additional voucher and an additional \$4.00 are charged for each trip of 13 - 20 miles. Passengers are also charged for all bridge tolls and parking fees incurred during a trip. Passenger fares are the same for ambulatory and non-ambulatory passengers, regardless of the time of day that the trip is provided. During FY 2012, 4,480 individual trips were provided. It is anticipated that approximately 5,000 individual medical – related trips will be provided in FY 2014.
- Group trips are also offered through the contract with MV Transportation. Lift - equipped vans provide this service. Residents of over 30 Skilled Nursing Facilities, 7 affordable senior housing complexes, 7 affordable complexes for people who have disabilities, 4 mobile home parks for seniors, and numerous neighborhood groups benefit from this service. Facilities are offered the opportunity to schedule "subscription" group trips on the same day each week or month for ease in planning and to meet additional transportation needs. Group trips usually take place between 8:00am and 6:00pm, Monday through Saturday; however, during the holiday season evening trips are provided so that passengers can view seasonally decorated homes and businesses. Trips to other special events and destinations may be accommodated outside of regular service hours and established service areas as capacity allows. During FY

2012, 221 group trips were provided. It is anticipated that 350 group trips will be provided in FY 2014.

The City's Base Paratransit program also provides four additional specialized paratransit services to cover local needs of paratransit program participants not addressed under the contract with MV Transportation. These are provided through four separate transportation service contracts, one of which is currently administered through the Alameda County Transportation Commission (ACTC):

**Base Program Service Component B: Central County Taxi Service**

Central County Taxi Service was launched by ACTC as a companion pilot program to the South County Taxi Service provided by Fremont. The service contract with St. Mini Cab Taxi, a Hayward-based company, is currently administered by ACTC, but will be managed directly by Hayward Paratransit in 2014. Taxi is a subsidized, accessible, curb-to-curb service available 24 hours a day, 7 days a week via contracted taxi drivers to the Hayward service area. Taxi allows eligible enrolled riders to use taxi at a reduced fare by providing vouchers which can be used to cover a portion (up to \$14) of the fare. The program is intended for situations when riders cannot make their trip on a pre-scheduled basis through the primary service (MV Transportation). It is meant to be a "premium" safety net service, not a routine service to be used on a daily basis. Upon verification of eligibility and enrollment, riders are issued 24 vouchers at no charge; subsequent vouchers are available for purchase in increments of ten for \$3.50 each.

**Base Program Service Component C: Alzheimer's Services of the East Bay (ASEB)**

The City contracts with Alzheimer's Services of the East Bay (ASEB) to provide transportation services to and from its Hayward adult day care program; a non-residential program that serves adults with dementia. It is necessary for ASEB to operate its own transportation service because ASEB paratransit drivers act as part of the multidisciplinary team of professionals employed by ASEB. Drivers participate in care-plan meetings for the agency's program participants, and are an important liaison between the participant's home and the program environment. Drivers receive special training to work with this population, and are able to provide a consistent routine that is very important for the stabilization of those who are served. This consistency is impossible to provide through other traditional paratransit services. Drivers also work with other ASEB professionals to address behavioral and/or familial issues that they become aware of during the course of providing transportation services. In FY 2012, 6,891 one-way trips were provided, and a total of 32,579 miles were traveled. Program participants do not pay for this service. It is anticipated that service will increase in FY 2014.

**Base Program Service Component D: Meals on Wheels**

The City also contracts with Service Opportunities for Seniors, Inc. (SOS) to provide a "Meals on Wheels" service. Under this contract, the City subsidizes 90% of the contractor's transportation costs of delivering hot, nutritious meals to older adults who are unable to prepare their own meals or leave their homes to attend congregate meal sites or food pantries, or grocery stores, due to a medical or disabling condition. Those served must meet all the other Hayward Paratransit Program

eligibility requirements. While meals are delivered five days per week, two additional meals, one frozen meal to be microwaved, and a sack lunch to be eaten cold are provided to accommodate weekend needs. In addition to providing nutritious meals, the daily check-in by a familiar driver alleviates loneliness and offers reassurance to participants and their families. In FY 2012, 1,188 clients were served a total of 27,179 meals. It is anticipated that service will increase in FY 2014.

**Base Component Service E: “Hayward on the Go” Travel Trainer**

Mobility management workshops and classes through the Community Resources for Independent Living (CRIL) dedicated Travel Trainer is a new component to the Hayward paratransit program. Through “Hayward on the Go”, CRIL’s extremely knowledgeable trainer incorporates para- and public transportation transit travel training skills and practice for seniors and residents with disabilities. She provides information, resources, and hands-on experience in order to increase knowledge, ability and confidence when accessing the many transit options available here in Alameda County, effectively improving levels of independence and community interaction. Specifically, the travel trainer provides monthly on site workshops that teach how to obtain a paratransit user discount card, how to enroll with paratransit, and how to use 511 for route planning, and safety tips. Trainings in Spanish are also available. All services are free of charge to the participants, including requisite AC bus and BART tickets for group and individual excursions. The travel trainer conducts ongoing outreach and presentations to residents, local senior and disabled housing complexes, senior/community centers, mobile home parks and agencies that serve developmentally delayed adults.

**Additional Potential Service Components:**

The program intends to expand marketing and outreach to the community in FY 2014, to increase awareness and ridership. A brand strategy is in development to strengthen communication and deliver on brand messages across all five component models. Branding distribution channels, to include signage on all Hayward paratransit vehicles, play a key role in the FY 2014 brand strategy to communicate visually and materially to eligible stakeholders. Consistent, strategic branding leads to a strong brand equity, which means added value to Hayward and Hayward paratransit riders.



**DATE:** May 21, 2013

**TO:** Mayor and City Council

**FROM:** Assistant City Manager

**SUBJECT:** Agreement Regarding Parking Covenant between the City, Oryom Ventures, LLC, and Big 5 Corp. for a Portion of Municipal Lot #6

### **RECOMMENDATION**

That the City Council adopts the attached resolution authorizing the City Manager to negotiate and execute a Parking Covenant Agreement between the City of Hayward, Oryom Ventures LLC, a California limited liability company (“Owner”), and Big 5 Corp., a Delaware corporation (“Big 5”) to allow use of portions of Municipal Lot #6.

### **BACKGROUND**

For years, the City has worked extensively to improve downtown Hayward. Since 2010, City staff has been working to locate Big 5 Sporting Goods in a site downtown.

Oryom Ventures, the owner of 22400 Foothill Boulevard, has been working directly with Big 5 as well. Currently, their property at 22400 Foothill is leased to a cellular phone provider and a hydroponic supply business. Oryom is seeking to make substantial physical improvements to the building, consolidate the two spaces, and lease the improved larger space to Big 5 to open a sporting goods store. National retailers are selective about their location requirements and guaranteed parking is an important consideration. In order to finalize the lease with this national retailer, the owner needs to ensure that the site can provide customer and employee parking throughout the lease term. Big 5 is seeking assurance that Municipal Lot #6 will not be removed, terminated, sold off, or redeveloped during the course of their lease term. Big 5 will lease the Foothill Boulevard site for an initial term of seven years, followed by three five-year options for a total of twenty-two years.

The City owns Municipal Lot #6 located directly behind the business. This municipal lot provides shared parking for several of the retail businesses along Foothill Boulevard including the space at 22400 Foothill Boulevard, as well as adjoining businesses of Chef’s China Bistro, Realty World, and Copy Mat. The attraction of Big 5 to Foothill Boulevard is an important catalyst for this corridor. In addition to addressing the major retail sales leakage category of sporting goods, this use will also help activate the street and will serve as the start of other major retail attraction efforts.

## **DISCUSSION**

Staff is recommending that the Council authorize the City Manager to negotiate the parking agreement that would allow Big 5 the nonexclusive use of approximately thirty spaces in Municipal Lot #6 for a term of approximately twenty-two years according to the general terms as described herein. It is anticipated that the remaining spaces in the parking lot will be adequate and will not cause any operational issues for existing businesses, which will be verified with said businesses prior to finalizing this agreement.

Under the terms of the agreement, the City will continue to repair, maintain, and operate the municipal parking lot. The agreement specifies that the parking lot will continue to be available for use by the general public and primarily used for parking while shopping at retail establishments within walking distance of the City Parcel. If Big 5 reasonably believes that the lot is being utilized by non-retail users (residential residents or office users), the City will install signs restricting parking to four hours per vehicle per day.

In the event road work or sidewalk repairs are needed, the agreement allows the City access and the ability to reconfigure traffic patterns. In addition, if the City were to develop a parking charge for this area and lot, a validation program for Big 5 users would be developed.

Staff recommends that the Council enter this agreement. While the economy is beginning to show signs of recovery, retail expansion is still very difficult nationwide. This agreement allows the City to directly assist in the recruitment of a nationally recognized retailer that will serve as a catalyst for new retail tenants in the area.

## **FISCAL AND ECONOMIC IMPACT**

There is no current fiscal impact to the General Fund as a result of entering into this Parking Agreement Covenant. The City will continue to maintain and provide signage for the lot according to its normal maintenance operations and is under no obligation to repair or maintain the lot on a more frequent basis. In the event that a system of paid parking is introduced in the downtown area, there would be some minimal cost to develop a validation program for Big 5 patrons as well as a potential reduction of revenues due to the validation program. Staff believes that any cost will be offset by the revenues generated directly from this user, in addition to the potential positive impact of other new retail attraction in the area, which could be realized by this lease.

A national retailer, such as Big 5 Sporting Goods, will add jobs to the Hayward workforce, increase property value through improvements, provide sales tax, and can serve as an impetus to future downtown development. It is anticipated that a national sporting goods retailer such as Big 5 typically generates approximately \$20,000-\$35,000 annually in sales taxes to the General Fund.

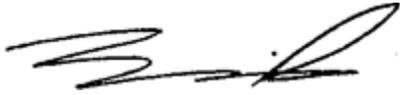
## **PUBLIC CONTACT**

Staff is engaged, or will engage, in conversation with other businesses and property owners that may be affected by this agreement before finalizing the terms described herein.

*Prepared by:* Lori Taylor, Economic Development Manager

*Recommended by:* Kelly McAdoo, Assistant City Manager

Approved by:



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Fran David, City Manager

Attachment:

- Attachment I – Resolution of the City Council Accepting Agreement  
Regarding Parking Covenant
- Attachment II – Site Map

**HAYWARD CITY COUNCIL**

**RESOLUTION NO. \_\_\_\_\_**

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

**RESOLUTION AUTHORIZING THE CITY MANAGER TO  
NEGOTIATE AND EXECUTE AN AGREEMENT REGARDING  
PARKING COVENANTS RELATING TO THE CITY'S  
MUNICIPAL LOT #6**

WHEREAS, the City of Hayward owns Municipal Lot #6, which is located adjacent to the property at 22400 Foothill Boulevard and the City's rights-of-way, Russell Way and "A" Street; and

WHEREAS, Oryom Ventures, LLC, a California limited liability company, has purchased the property at 22400 Foothill Boulevard and seeks to provide parking to its tenant, Big 5 Corp., a Delaware corporation; and

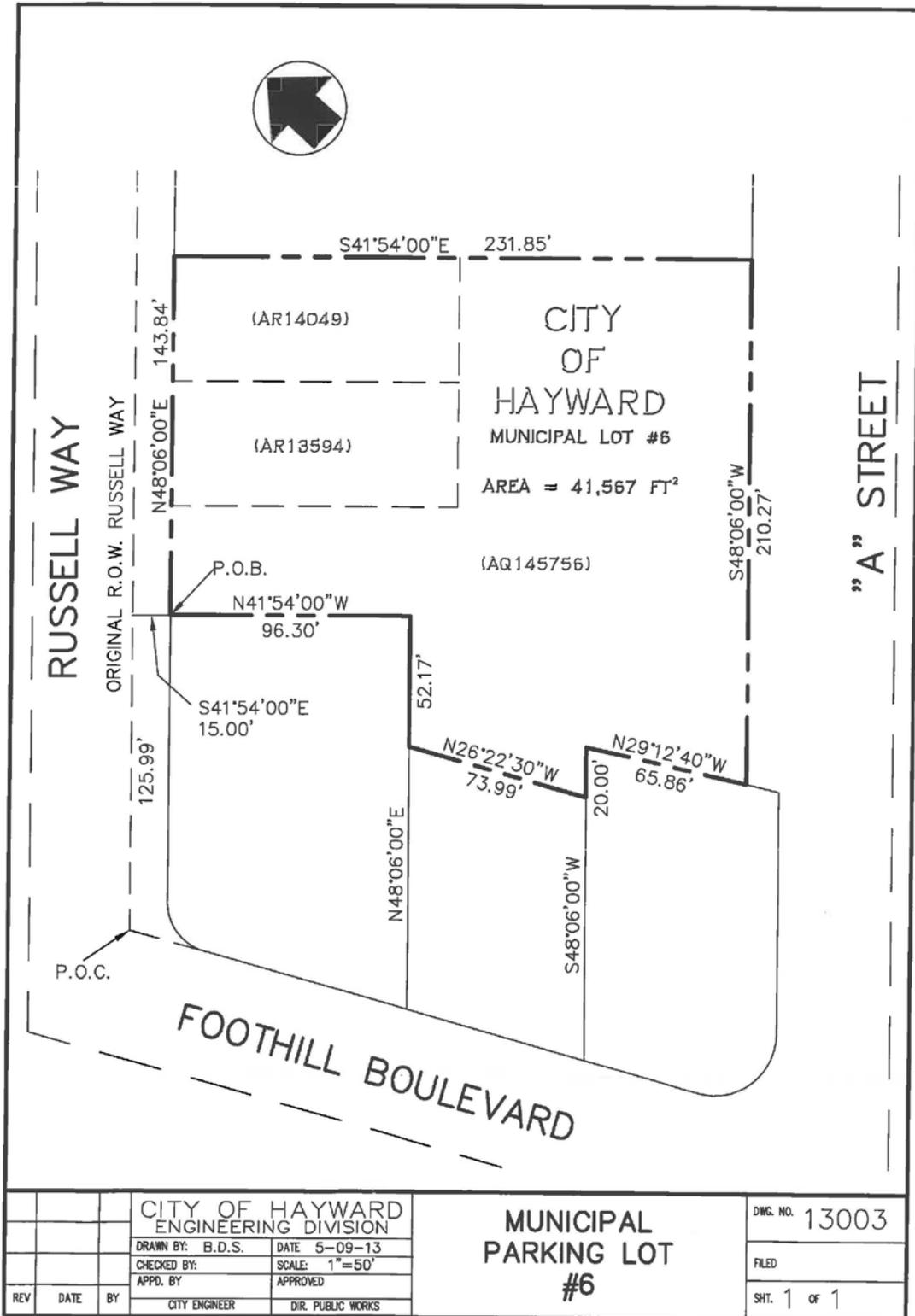
WHEREAS, the proposed agreement would allow the non-exclusive use of approximately thirty (30) spaces in the City's Municipal Lot #6 for the customers and employees of Big 5 for the length of the Big 5 lease with Oryom Ventures, which lease is for an initial term of seven (7) years, followed by three five-year extensions, for a total lease term of up to twenty-two (22) years; and

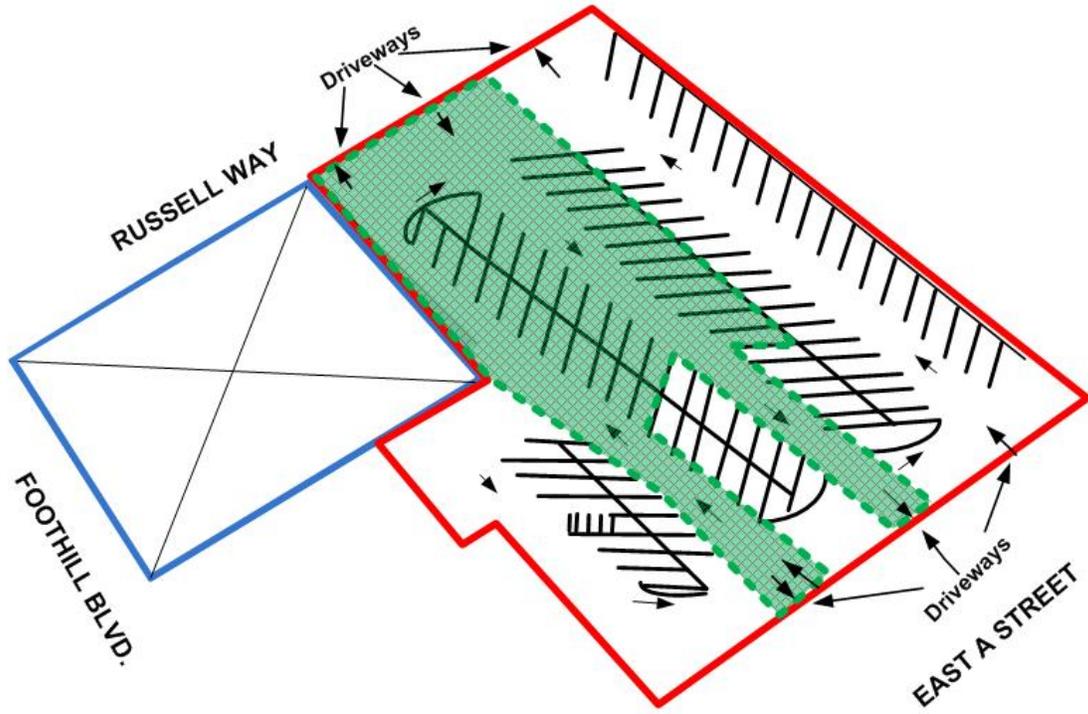
WHEREAS, the City will continue to be responsible for maintenance of the lot and terms have been developed to ensure that the City and Oryom Ventures and Big 5 work together to provide sufficient parking for local retail patrons; and

WHEREAS, the attraction of this national retailer to Foothill Boulevard will serve as an important catalyst for the Downtown area, will provide a shopping amenity to local residents and will be the source of additional, significant sales tax revenue to the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hayward that the City Manager is hereby authorized and directed to negotiate and execute on behalf of the City of Hayward an agreement relating to parking covenants on the City's Municipal Lot #6 between the City of Hayward, Oryom Ventures LLC, a California limited liability company and Big 5 Corporation, on the terms described in the accompanying staff report and in a form approved by the City Attorney.







-  = Critical Areas
-  = City Parcel
-  = 22400 Foothill Boulevard

