



**MINUTES OF THE SPECIAL CITY COUNCIL/  
REDEVELOPMENT AGENCY MEETING OF  
THE CITY OF HAYWARD**  
City Council Chambers  
777 B Street, Hayward, CA 94541  
Tuesday, June 10, 2008, 8:00 p.m.

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**MEETING**

The Special Meeting of the City Council/Redevelopment Agency was called to order by Mayor/Chair Sweeney at 8:00 p.m., followed by the Pledge of Allegiance led by Council/RA Member Quirk.

**ROLL CALL**

Present: COUNCIL/RA MEMBERS Rodriquez, Quirk, Halliday, Ward, Dowling,  
Henson  
MAYOR/Chair Sweeney  
Absent: COUNCIL/RA MEMBER None

**PRESENTATIONS**

Business Recognition Award

Mayor Sweeney presented the June 2008 Business Recognition Award to both Hayward Target Stores. Mayor Sweeney recognized Target Stores as the fifth largest retailer by sales revenue in the United States. This award is given in recognition of the contributions these stores have made to the community by being a positive retail presence for Hayward residents, for hiring Hayward residents, for their generous contributions to the local community and for contributing to the overall economic well being of the City. Julie Berman, Store Manager of the Whipple Road Target Store and Robert Osorio, Store Manager of the Hesperian Boulevard Target Store accepted the award and thanked Council.

Certificate of Recognition in Honor of Tuskegee Airman, Captain Leon "Woodie" Spears

Mayor Sweeney recognized the outstanding contributions that Captain Leon "Woodie" Spears made throughout his life. Mr. Spears graduated from Tuskegee Flight School in 1944 and became a flight captain with the Tuskegee Airmen and Pilots. Together they flew 1,578 missions during several war conflicts. For such efforts, Captain Woodie Spears received several awards including the Distinguished Flying Cross and the Purple Heart. In 2007, he was awarded the Congressional Gold Medal from President Bush. After his military career, he worked for the United States Post Office and resided in Hayward for over 34 years in the town he loved. "He was an American hero, an ambassador for the Tuskegee Airmen and a Hayward treasure," Mayor Sweeney read from a proclamation that was presented to his stepson, Steve Scewmake, who accepted this special honor on behalf of his family.

**PUBLIC COMMENTS**

Dan Henriques reported on his efforts to clean-up the area on Saturdays after the close of the Farmers' Market and made suggestions on how the vendors should help.

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Wynn Greich commented on the health impacts of ammonia emissions. She spoke in opposition to the construction of the proposed power plants in Hayward as they will emit such emissions. She also pointed out newspaper articles that further discussed health impacts to our drinking water from ammonia. Lastly, she noted that Alameda County has no water rationing program in spite of a declared State drought.

Mayor Sweeney asked staff to report on any plans for a Hayward program in light of this recent report as Hayward receives its water from the Hetch Hetchy Water System.

Tom Souza, a Hayward resident, spoke in support of re-opening the Holiday Bowl for recreational purposes. He asked if there were any efforts made on its re-opening, noting a recent report that he received related to a proposed business-residential development.

City Manager Jones responded that there is a private party that has purchased the property and has inquired on development at that site, but there is no formal application at this point.

Doug Ligibel expressed his concerns on the gang tagging that occurred on June 1<sup>st</sup> that left markings on about eight blocks throughout the downtown. He noted efforts to clear the graffiti and commented that much of it is on City property and will be costly to clean. He appreciated Vic Avila for his efforts and was concerned that the City only has one hot water pressure cleaner. He noted increased crime in Hayward and spoke in support of having a properly staffed police department.

Andrea Daring, residing in the Bodega Street area, asked for a current update of the Garin Vista development. She asked for information on what is occurring behind her property.

Mayor Sweeney asked that Public Works staff periodically update the residents on Bodega Street.

Rev. Kevin Saucedo, Assistant Pastor at Templo de La Cruz, located at the corner of Silva and Thomas Streets, commented that his church is interested in participating in community efforts to address youth problems and provide alternative programs. He stated that currently his church is conducting youth activities, aiding the homeless and caring for the elderly. He announced that his church is celebrating its 90<sup>th</sup> year in Hayward.

Mayor Sweeney suggested he spend some time talking with the Keep Hayward Clean and Green Task Force members on how the church can participate.

Mayor Sweeney acknowledged the attendance of young members of the Castro Valley DeMolay. He also thanked Lieutenant Sheryl Boykins for her efforts in contacting the Spears family.

#### **CONSENT CALENDAR**

Consent Items #1 and 3 were removed for separate vote.

1. Approval of Minutes of the City Council Meeting on May 27, 2008



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It was moved by Council Member Quirk, seconded by Council Member Halliday, and unanimously carried, to approve the minutes of the meeting of the City Council Meeting of May 27, 2008, with a correction by Council Member Quirk.

2. Authorization for the City Manager to Enter into an Application for a Used Oil Recycling Grant from the California Integrated Waste Management Board

Staff report submitted by Deputy Director of Public Works Ameri, dated June 10, 2008, was filed.

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

Resolution 08-082, "Resolution Authorizing the Application for Grant Funds from the Used Oil Recycling Fund Under the California Oil Recycling Enhancement Act and Participation in a Cooperative Project"

3. Douglas Street and Dove Way New Sidewalk and Pavement Reconstruction FY 2007: Award of Contract

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 10, 2008, was filed.

Council Member Dowling asked whether previously reported neighborhood issues have been resolved. Public Works Director Bauman responded that the neighbors with the easement issues, who were previously opposed to the sidewalk program, have signed the necessary documents for this project to go forward. Council Member Dowling then moved the approval.

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

Resolution 08-087, "Resolution Approving Addenda Nos. 1 and 2 and Awarding the Contract to Bay Cities Paving and Grading, Inc., for the Douglas Street and Dove Way New Sidewalk and Pavement Reconstruction FY 2007 Project, Project Nos. 5152 and 5159"

4. Industrial Boulevard Pavement Rehabilitation, W. Tennyson Road to Arf Avenue: Award of Contract and Authorization for the City Manager to Execute a Fund Transfer Agreement with the Alameda County Congestion Management Agency

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 10, 2008, was filed.

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

Resolution 08-083, "Resolution Approving Addendum No. 1 and Awarding the Contract to Bay Cities Paving & Grading, Inc., for the Industrial Boulevard Pavement Rehabilitation Project, W. Tennyson Road to Arf Avenue, Project No. 5188; and Authorizing the City Manager to Execute a Fund Transfer Agreement with the Alameda County Congestion Management Agency"

5. Water Pollution Control Facility Improvements – Phase I: Amendments to Design and Construction Contracts and Appropriation of Funds

Staff report submitted by Deputy Director of Public Works Ameri, dated June 10, 2008, was filed.

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

Resolution 08-084, "Resolution Authorizing the City Manager to Execute an Amendment to the Agreement with Brown and Caldwell to Increase the Amount of the Contract Related for the Water Pollution Control Facility Improvement – Phase I"

Resolution 08-085, "Resolution Approving an Amendment to the Agreement with Kiewit Pacific for the Construction of the Water Pollution Control Facilities Improvements – Phase I, by Increasing the Administrative Change Order Amount"

Resolution 08-086, "Resolution Amending Resolution 07-081, as Amended, the Budget Resolution for Capital Improvement Projects for Fiscal Year 2007-08, Relating to an Appropriation of Funds from the Sewer Capital Improvement Fund (Fund 613) to the Water Pollution Control Facility Improvements, Phase I Project, Project No. 7518"

6. Authorization to Amend the TRC Professional Services Agreement in Connection with the Cannery Area Project

Staff report submitted by Project Manager Dantzker, dated June 10, 2008, was filed.

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



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RA Resolution 08-04, "Resolution Authorizing the Executive Director to Execute an Amendment to the TRC Professional Services Agreement in Connection with the Cannery Area Project"

**HEARINGS**

7. Introduction and Public Hearing of the Operating Budget for FY 2009 and FY 2010, the Capital Improvement Budget for FY 2009 through FY 2013 for the City of Hayward and the Hayward Redevelopment Agency; the Preliminary FY 2009 Master Fee Schedule; the FY 2009 Gann Appropriations Limit; the PERS Two-Year Additional Service Credit Enhancement; and Other Agreements

Staff report submitted by City Manager Jones, dated June 10, 2008, was filed.

City Manager/Executive Director Jones briefly commented on the report, noting that the Council, including its service as the Redevelopment Agency, has conducted three prior work sessions to review the budget documents totaling about eight hours. He enumerated Council priorities and indicated that all of the departments have presented budgets with objectives that reflect those priorities. In summary, he reiterated that this budget supports the three initiatives, neighborhood services, fiscal stability, and organizational change.

Finance Director Auker provided financial information on the City's operating budget, including the Redevelopment Agency budget, the personnel figures, the enterprise funds, the expected expenditures and the revenue projections for the next two years, on which she emphasized will be a slow growth number in the next few years. She listed the reserves and explained that plans are to keep them intact with no use of reserves in 2009. She reported that the property tax revenue is diverse for Hayward and noted the contrast in activity in Hayward is mainly due to the lower number of property transactions. This proposal includes reducing employee costs by \$6.8 million and increasing fees for services. She also spoke on the use of early retirement plan to reduce employee costs as well as potential lay-offs. Finance Director Auker concluded that the final budget documents that will be brought for final approval on June 24<sup>th</sup> that will include the operating budget, the PERS Enhancement Package, approval of loan agreements between internal funds, preliminary master fee resolution revisions, and the required Gann Appropriations Limit. Lastly, she commented that even though Proposition 1A protects local government budgets, the State can still borrow from cities, but that information will not be available until September.

Director of Public Works Bauman provided a brief overview of the Capital Improvement Projects budget, referring to the previous work session that discussed several of the proposed projects. He summarized the funding portions that will go towards livable neighborhoods and landscaping, transportation projects for roads and streets, maintenance of utilities, public facilities and equipment as well as the airport. Lastly, he described the significant projects that will be using Measure B funds.

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Council/RA Member Quirk asked a procedural question. In response, City Manager/Executive Director Jones noted that it is not necessary to formally pass motions to direct staff to prepare the necessary budget documents, but that if Council Members desired to make changes, it could use that process. Council/RA Member Quirk noticed that the property tax revenue estimation goes up substantially in the next two years. He was surprised given the lack of new construction. He expressed concern that properties purchased since 2004 could be re-assessed and taxes lowered due to the current economy.

Finance Director Auker responded that Hayward has a large assessed value and the Proposition 13 locked in values of homes in California and those assessed values remain level. Even if there is not a lot of new development or turnover, those "pre-Prop 13 properties" attribute to some of that growth. She also explained that there will be some refund from the State's VLF backfill. In response to Council/RA Member Quirk's last question, Finance Director Auker indicated that the Alameda County Assessor announced that properties are being re-assessed and the residential portion of those properties is fairly small for this City as there is a large commercial and industrial base.

City Manager/Executive Director Jones related that in terms of property tax, it tends to be stable and steadily increasing as it spreads across a huge base.

Council/RA Member Quirk reported that Council received petitions, including from a band director. He stated that his worst mistake was to suggest the cancellation of the funding for the honor band, which was not a smart idea. He emphasized that he would not be making such a motion. He stated that the money for the honor band is safe, apologized to those present in support of the honor band and reassured them that he had changed his mind.

Council/RA Member Henson talked about the challenges on this budget and the up-coming budget. He asked staff to discuss the reorganization plans that will focus on neighborhood initiatives.

City Manager/Executive Director Jones reported that the recommendation includes a re-organization of staff which is in direct response to Council priorities. The service divisions of facilities, maintenance and fleet maintenance will be moved from Finance to a new department that includes streets and landscaping and will be a new Maintenance Department that will consolidate maintenance services within the organization and will provide direct supporting to our neighborhoods. The second reorganization will occur by moving the code enforcement and social services divisions under the direction of Library Director Rosenblum to configure a new Library and Neighborhood Services Department. This will consolidate services and continue to utilize the library as a community center. This will create energy between those functions as well as assist in developing partnerships and leadership in the neighborhoods as well as support the well-being neighborhoods with code enforcement efforts.

City Manager/Executive Director Jones reported that the information services division has been a part of the City Manager's Office. It will now be a stand-alone department.

Council/RA Member Henson commented on police services and asked what efforts are in place to balance the hiring of new officers versus utilizing overtime. City Manager/Executive Director Jones reported that this budget does not provide significant enhancement in terms of public safety.



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His priority for public safety is to maintain what we have. Public safety staff has been cut in the past, but not this time. Staff is currently evaluating how it provides police services and will present its plan to the Council at an upcoming work session. He stated that there are generally always vacancies in both public safety departments and the selection processes are arduous. He has raised the overtime issue with both public safety chiefs.

Council/RA Member Halliday asked for the rationale of continuing the carrying of \$1 million in reserves to improve public safety. It was noted that this is one-time money and this money can be an on-going stream of funding. Council/RA Member Halliday also asked about the fee proposals for water hook-ups and asked how they were developed. In response, Public Works Director Bauman indicated that staff is using similar processes that the current fee study consultant is using to determine the increased fees such as actual staff time, material and labor costs. He noted that adjustments are being made for new home hookups that are generally paid by developers. It was noted that fees for these public works services have not been raised for a number of years; they are comparable to neighboring cities, and in the future, fees will be reviewed annually as part of the budget process.

Mayor/RA Chair Sweeney opened the public hearing at 9:17 p.m.

Susan Gonzalez, representing Sun Gallery, enumerated the Sun Gallery's budget line items with the proposal for extra funding of \$9,000. She provided information on recent budget cut backs, such as making the director a part-time position. She reported that estimated fundraisers were met in the last three months that totaled over \$10,000. She thanked those on the Council who participated in the fund raisers. The Sun Gallery is short about \$19,283 and is requesting an additional \$9,000 from the City. She reported on the youth programs that embrace youth 14 to 22 years old and provide a place of expression. She noted that the Sun Gallery staff is working really hard and she appreciated those from the community who have participated thus far.

Council/RA Member Quirk confirmed that the Sun Gallery needs a total of \$19,283.

Roberta Cooper congratulated Council/RA Members Halliday, Henson and Quirk, who were recently re-elected. She expressed her appreciation for the work of retiring Council Member Ward, who has served this community for so many years. She thanked Council/RA Member Quirk for the remarks he made earlier regarding the Hayward Honor Band. She announced that this Honor Band will be celebrating its 10<sup>th</sup> anniversary in February and she has experienced a wonderful relationship with the students, parents and teachers. The Hayward Honor Band represents all of the high schools in Hayward including Moreau Catholic High School and has earned a place in the community.

Mayor/RA Chair Sweeney closed the public hearing at 9:24 p.m.

Council/RA Member Dowling thanked all of the staff who participated in presenting this budget. In his ten years on this Council, this is the best budget he has seen. He appreciated the fact that it

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addresses the Council's priority list. He thanked police and fire for their sacrifices of pay increases as well as other employee groups such as management and the unrepresented staff. He was very excited about the new Library and Neighborhood Services Department that will be managed by Lisa Rosenblum. He anticipated some excellent work by placing these folks together. He emphasized the need to improve Hayward's image, which has been a big issue. He appreciated the efforts of the Keep Hayward Clean and Green Task Force and anticipated the expansion of its efforts as many of our neighborhoods were built in the 1950's and need to be organized to address neighborhood alert issues and learn more about disaster preparedness. Lastly, he noted that there is an air of excitement among the employees, who will be working together to address common problems.

Council/RA Member Quirk echoed the previous comments made by Council/RA Member Dowling. He suggested a future work session to decide how to address the community promotions budget and determine what exactly should be promoted. Secondly, he spoke in support of the Sun Gallery. Clearly, the Sun Gallery has incurred unanticipated financial problems and Sun Gallery board members didn't have adequate budget control. For this one year, his preference would be to see an additional \$9,283 for the Sun Gallery, but was willing to agree with whatever amount the Council feels is adequate, such as restoring the \$3,000 that was previously cut. In his opinion, this is special; he reported that he has a soft spot in his heart for the Sun Gallery. He appreciated that \$65,000 of this community promotions funding is from the Redevelopment Agency fund and thus a significant reduction in the cost of this program.

Council/RA Member Ward concurred with his colleagues about the excellent work done by staff on this budget. He appreciated Public Works Director Bauman for his department's efforts in keeping the City's basic services, such as water and sewer, maintained as well as maintaining the City's streets. He asked him to report on the status of the most recent improvements to the waste water treatment plant.

Director of Public Works Bauman provided information on the \$55 million improvement project for the wastewater treatment plant. It has been under construction for the past two years with close out work currently being done with the contractor. These improvements will provide better reliability, and there will be continuous improvements in accordance with the Utilities Master Plan. Staff is working on re-scheduling a tour for the City Council.

With respect to Council/RA Member Quirk's recommendation, Council/RA Member Ward stated that the Sun Gallery is a good program, but his concern was maintaining a sense of equity and fairness in the process.

Council/RA Member Rodriguez agreed that this budget is remarkable, clear and well presented. She would be remiss if she did not acknowledge and appreciate Council/RA Member Quirk's comments regarding the honor band funding. She has supported the arts for many years and commented that arts promote our City and can add to how the City is perceived. She reported that she will not be able to vote on the funding for Hayward arts because she serves and volunteers on several boards.

Council/RA Member Henson also complimented staff for its efforts towards developing this budget, noting it as quite a feat. He agreed with having a separate technology department, its



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funding by every department and as the Chair of the Council's Technology Committee, he commended this part of the reorganization proposal. He acknowledged Public Works Director Bauman and recognized him, as well as former Public Works Director Dennis Butler, in maintaining the City's infrastructure during tough economic times. He expressed the need to support the library, as it becomes a gathering place during such times. He emphasized the need to focus on a new library. Council/RA Member Henson also appreciated the employees' concessions and urged the remaining employee groups to come forth as well. In terms of the Sun Gallery, he felt that it plays an important role in this City. He confirmed that the \$9,000 would be a one-time funding. He wished he could get the graffiti taggers to engage in Sun Gallery activities. He agreed with the fact that the Sun Gallery is unique and worthy to be funded.

Council/RA Member Halliday thanked staff for its budget preparation as well as City employees for stepping up to maintain current services to this community. She stressed the need to remember what we really have and urged all to remember to live within our means. Council is ready to work with staff to make this budget work. In regards to the Sun Gallery funding, she recommended that they solicit 90 individuals to pledge \$100 each to reach the \$9,000; and she would be the first to pledge \$100. She pointed out that fiscal discipline must be exercised and stressed again the need to live within our means. She also recommended that Sun Gallery review its budget and make adjustments to make it work. She applauded their work with children. Her preference would be to maintain the staff recommendation and could not agree to the additional funding. In her opinion, it would not be sending the right message to City employees, who have given up cost of living raises. With this budget, she proposed to move forward in a very positive way.

Council/RA Member Dowling also appreciated the Sun Gallery's work. He asked about the budget recommendation and asked if this would be a two-year proposal. He thought it would be reasonable to have an advisory committee that could assist in making the recommendations. It would eliminate some of these issues to add funding at the end of the process. The Council would prefer to have one of the current commissions take applications, review and make the recommendations. He pointed out that the funding is specifically for programs and not to fund a deficit. He asked Council/RA Member Quirk whether the additional \$9,000 will provide extra services and programs beyond the current Sun Gallery grant proposal.

Council/RA Member Quirk reported that the total budget for Sun Gallery is \$63,000 and without the \$9,000, the part-time director would be eliminated. He expressed concern whether any other institution could exist with such a small budget.

Council/RA Member Dowling reviewed the allocations and noted that some of the art groups are receiving grants that are a large percentage of their budget. He noted that the Sun Gallery is currently receiving 47% of its budget from the City. In his review, there is no Human Services funding that receives a similar percentage. He was not sure that he could support further funding.

Council/RA Member Quirk said that this is strictly a one-time funding for the Sun Gallery to help it in its current fiscal situation and it would mean a lot to the members of the Sun Gallery. He offered

to help in its fund raising efforts and noted that it takes more than a year to raise sufficient funds and urged other Council Members to participate. This is a worthwhile effort in light of the City's \$100 million budget. He suggested that the Fiscal Year 2009-10 promotions funding be held in suspension so that Council consideration can be made to develop objectives for the community promotions and consider utilizing a committee in determining the allocations. He then moved to direct staff to fund an additional \$ 9,000 to the Sun Gallery and hold in suspension the whole 2009-10 budget until Council can look at this to determine what the Council wants to accomplish as a promotions budget standards and have a committee later in the year to assist. His motion was seconded by Council/RA Member Henson.

Mayor/RA Chair Sweeney conferred with City Attorney/RA Counsel Lawson that a motion could be acted on, although the Agenda states that no action would be taken. City Attorney/RA Counsel Lawson affirmed that Council could direct staff to incorporate in the final budget documents this motion for additional funding and modify the process by which further funding decisions can be made.

Council/RA Member Henson asked if there was an additional comment from staff. City Manager/Executive Director Jones reiterated the budget process that staff undertook to reach this recommendation and affirmed its current community promotions recommendation. He commented that all of these programs are important to the community or they would not be funded, but it is also incumbent on these organizations to find ways to fund themselves and the City is not the final funding source. He discussed a proposal that would utilize challenge grants that would compel some level of fund raising by the various organizations and then the City can consider a matching grant.

Council/RA Member Quirk asked Susan Gonzales of the Sun Gallery whether the members could raise \$18,000 in a year. Ms. Gonzales agreed and stated that she would first look to Mayor/Chair Sweeney and each Council/RA Member to participate financially.

Council/RA Member Quirk amended his motion to budget an additional \$9,000 for the Sun Gallery on the condition that the members raise an additional \$18,000. It was noted that this would start in July for the next fiscal year.

Mayor/Chair Sweeney surmised that there is a consensus for scheduling a work session to discuss the process for determining the community promotions funding. It was affirmed.

Council/RA Member Quirk then moved, seconded by Council/RA Member Henson, that in the next fiscal year, starting in July, an additional \$9,000 be funded for the Sun Gallery on the condition that they raise an additional \$18,000.

Council/RA Member Ward appreciated the City Manager's idea of matching funds. He suggested that perhaps a percentage could be utilized to base the community promotions funding, but the maker of the motion did not agree as there are some programs that the City funds at 100% and he would want to see that continue. He asked about the timeline for the raising of the \$18,000 and the distribution method.



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Council/RA Member Quirk suggested a prorated type of fund matching and would accept a staff recommendation in its disbursement.

Council/RA Member Ward stated that he has made contributions to the Sun Galley and will continue, but he would not be supporting this motion.

Council/RA Member Rodriguez stated that she has previously served on the Sun Gallery board and has contributed several hundred dollars; even offering to pay its rent, but fortunately for her, HARD assisted. She will be retiring and wished the Sun Gallery well. She reiterated that she would not be voting on this.

Council/RA Member Dowling thanked City Manager/Executive Director Jones for his innovation. He stated that he will support this motion. He has previously donated to the Sun Gallery and will write another check to assist. He recently spoke with a Target Stores representative and urged Sun Gallery members to seek its corporate grant as it supports children's educational programs.

Council/RA Member Halliday thanked City Manager/Executive Director Jones for his idea, but with all due respect, she pointed out that there are higher priorities and in this tight budget situation, she was uncomfortable with the message that this would send. She also felt unsure on how the appropriation would be made and when. She was concerned that this would be taken from the General Fund and the City cannot afford it at this time.

Council/RA Member Quirk clarified the motion that would give the Sun Gallery \$9,000 during the course of the year with staff assisting in how it is distributed. He reiterated that of the entire promotions budget, 65% is coming from the Redevelopment Agency and thus there will be less spent from the General Fund.

It was moved by Council/RA Member Quirk, seconded by Council/RA Member Henson, and failed, to fund the Sun Gallery with \$9,000 from the Community Promotions on the condition that the Sun Gallery raises an additional \$18,000.

AYES: Council/RA Members Quirk, Dowling, Henson  
NOES: Council/RA Members Halliday, Ward  
MAYOR/RA Chair Sweeney  
ABSENT: None  
ABSTAINED: Council/RA Member Rodriguez

Mayor/RA Chair Sweeney asked for clarification that the accreditation for the police department (CALEA) is an objective for the Police Department. City Manager/Executive Director Jones referred to Item 1 of Attachment C of the agenda report, noting that it is included as a service delivery outcome.

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Secondly, Mayor/RA Chair Sweeney asked about the whole issue to improve performance standards with working with the school district and should be included.

Lastly, Mayor/RA Chair Sweeney stated that the Council is open to the strategy to utilize the retirement package as long as it could be demonstrated that financially it will be a benefit to the City. And if it cannot be demonstrated to the City, then, the City would not be offering it. He asked for further clarification on this.

City Manager/Executive Director Jones referred to the bottom of page 4 of the agenda report that shows the actual changes based on 20% of employees who could be taking advantage of the retirement enhancement. Currently there are no final numbers as to which employees will take the retirement enhancement package, but the savings is proportional, based on the cost of the benefit against the cost of the position. The savings will also depend on what positions are left vacant or eliminated. He pointed out that the savings target is \$4.6 million.

Mayor/RA Chair Sweeney stated that at earlier presentations, he understood that a certain percentage is necessary to take advantage of a net benefit to the City. From his perspective, this was not how this was presented to the Council.

Council/RA Member Quirk stated that he understood that staff never said how many employees would take advantage of the retirement package, but did understand that the savings would be proportional.

Mayor/RA Chair Sweeney understood that as well, but reiterated that when this was originally presented, it was reported that there would have to be a critical mass to take advantage of this package and now there is no critical mass. He asked when the Council would know.

City Manager/Executive Director Jones apologized if this was the understanding. He reported that the critical mass number comes in through the savings target of \$4.6 million, which could be an estimated 30 to 40 employees. Staff does know how many are eligible to consider taking the offer. He pointed out that it was clearly reported that if the target is not met, there will be lay-offs in order to reach it. The enhancement package has to be offered and it will be offered through September 30. Then staff will report to Council in October.

## **COUNCIL REPORTS**

Council/RA Member Dowling invited all to the Schafer Park Clean-up and Potluck to be held on June 21<sup>st</sup> at the corner of Evergreen and Flamingo, in conjunction with the KHCG efforts. He indicated that KHCG Member Carolina Abatayo is forming that neighborhood group.

## **ADJOURNMENT**

Mayor/RA Chair Sweeney adjourned the meeting at 10:14 p.m., in memory of Captain "Woodie" Spears, who resided in Hayward for over 34 years. Mayor/RA Chair Sweeney made a tribute on the life of Mr. Spears at the beginning of this meeting. He asked staff to find a suitable location to plant a tree in memory of Captain Spears.



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**APPROVED:**

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Michael Sweeney, Mayor, City of Hayward  
Chair, Redevelopment Agency

**ATTEST:**

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Angelina Reyes, City Clerk, City of Hayward  
Secretary, Redevelopment Agency