



**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 15, 2010, 7:00 p.m.

MEETING

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

ROLL CALL

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

PRESENTATION

Certificate of Commendation presented to
Gamma Rollers of Sterigenics International, Inc.

Mayor Sweeney presented a Certificate of Commendation to Gamma Rollers of Sterigenics in honor of their first place win in the Team Bike Challenge for Alameda County and in conjunction with Bike to Work Day on May 13, 2010. Gamma Rollers of Sterigenics rode 3,062 miles and earned 1,065 points to earn first place in Alameda County and second place overall in the Bay Area. Mayor Sweeney, on behalf of the City Council and staff, commended Captain Paul Hawes and teammates Daniel Lumbreras, Eric Cabunoc, Yohta Namba, and Alex Quiroga, for the outstanding first place standing. Captain Paul Hawes accepted the award and acknowledged the team members in attendance. President of the East Bay Bicycle Coalition, Dave Campbell, thanked Council for the recognition and presented the Gamma Rollers of Sterigenics with tokens of appreciation.

PUBLIC COMMENTS

Mr. Bud Eckert, Oakes Drive resident, expressed disappointment in the misuse of police time when he was ordered to either move his car, which was parked on his property, or be ticketed and possibly towed as a result of a call placed by the Woodland Knolls Association. Mr. Eckert also noted illegal signage at Oakes Drive and Durham Way, which prevents the public from accessing a public park trail. Mr. Eckert also mentioned the City's mistake when his property was vacated to another entity. Mayor Sweeney noted that it would be in everyone's interest to solve the differences between Mr. Eckert and his neighbors.

Mr. Charlie Peters, Main Street resident and Clean Air Performance Professionals advocate, provided an update on Assembly Bill 2289 and requested City staff to review it for validity. He

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noted that potentially 1,000 tons a day of emission could be reduced in the State of California, which will benefit the public in the areas of health and improved economics.

Ms. Karen Stevens, Parkside Drive resident, spoke on behalf of her husband and addressed the deterioration of Parkside Drive. He requested the City consider repaving Tribune Avenue and Parkside Drive.

Council Member Zermeño asked Council to consider language regarding the State of Arizona's recent immigration law. Mayor Sweeney announced that Council Members Dowling, Halliday, Henson, and Zermeño were in favor of placing this item on the agenda. Mayor Sweeney, after polling Council, clarified that there was consensus for staff to draft a letter to be placed on a future agenda.

PRESENTATION

1. Presentation for Energy Savings Through Technology

Technology Services Director Priest indicated that Pacific Gas and Electric Company (PG&E) and Autonomic Software were presenting an award to the City for its implementation of energy saving technology. Mr. Priest noted this technology would assist the City in achieving the Council's stated priorities in sustainability and create energy savings in the area of electricity consumption by desktop computers. Mr. Priest pointed out that the system was brought to the City by Autonomic Software and paid for by PG&E as part of its energy saving initiative. Mr. Priest introduced Tony Gigliotti, Autonomic Software President, who noted that Technology Services staff worked closely with Autonomic Software and PG&E with commendable results by utilizing Autonomic's technology and PG&E's rebate. Mr. Gigliotti said the projected three-year savings is \$125,000 and he presented the City of Hayward with an Information Technology Sustainability Award for effectively operating green desktop computers and thanked the Mayor and Council. Mayor Sweeney thanked Mr. Gigliotti, PG&E, and Technology Services staff, for all the good effort in this endeavor.

BOARDS AND COMMISSIONS

2. Appointments and Reappointments to the Hayward Youth Commission

Staff report submitted by City Clerk Lens, dated June 15, 2010, was filed.

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

Resolution 10-078, "Resolution Appointing and Reappointing Members to the Youth Commission"

City Clerk Lens administered the oath of affirmation to the newly appointed members of the Youth Commission.



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CONSENT CALENDAR

Council Member Halliday asked that consent item three be pulled because she needed to abstain from voting as she was not in attendance at that meeting. Council Member Quirk asked that consent item seven be pulled for further discussion.

3. Approval of Minutes of the Special City Council/Redevelopment Agency Meeting on May 25, 2010

It was moved by Council/RA Member Dowling, seconded by Council/RA Member Henson, and carried with Council/RA Halliday abstaining, to approve the minutes of the Special City Council/Redevelopment Agency Meeting of May 25, 2010.

4. "A" Street Sewer Improvement Project: Award of Contract

Staff report submitted by Deputy Director of Public Works Ameri, dated June 15, 2010, was filed.

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

Resolution 10-079, "Resolution Awarding the Contract to K.J. Woods Construction, Inc. for the A Street Sewer Improvement Project, Project No. 7519"

5. Mt. Eden Annexation Area - Phase II Project: Award of Contract and Amend Consultant Agreement

Staff report submitted by Deputy Director of Public Works Fakhrai, dated June 15, 2010, was filed.

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

Resolution 10-080, "Resolution Approving Addendum Nos. 1, 2, and 3, and Awarding the Contract to Ghilotti Construction Company, Inc. for the Mt. Eden Annexation Area - Phase II Project, Project No. 5143"

Resolution 10-081, "Resolution Authorizing Amendment to the Professional Services Agreement with RJA Associates for the Mt. Eden Annexation Area-Phase II Project, Project No. 5143"

6. Resignation of Nathaniel Bruno from the Citizens Advisory Commission

Staff report submitted by City Clerk Lens, dated June 15, 2010, was filed.

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

Resolution 10-082, "Resolution Accepting the Written Resignation of Nathaniel Bruno from the Citizens Advisory Commission"

7. Adoption of Ordinance Repealing and Replacing Article 11 of Chapter 10, Historic Preservation Ordinance, of the Hayward Municipal Code

Staff report submitted by City Clerk Lens dated June 15, 2010, was filed.

Council Member Quirk moved the item and gave direction to staff to bring back a report in three months to address the criteria for the review by staff of apartment buildings.

Mayor Sweeney noted that Council Member Quirk's intent is to find a solution for apartment buildings similar to one for subdivisions. Mayor Sweeney said that the solution needs to be rational and easy for customers to understand and utilize.

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

Ordinance 10-10, "An Ordinance Repealing and Replacing Article 11 of Chapter 10, Historic Preservation Ordinance, of the Hayward Municipal Code"

PUBLIC HEARING

8. Public Hearing for City of Hayward and Hayward Redevelopment Agency Recommended Operating Budgets for FY 2011; for the Proposed Budgets for FY 2012 for City Operations and the Redevelopment Agency; and the proposed Capital Improvement Program Budget for Fiscal Years 2011 through 2020

Staff report submitted by City Manager David, Interim Finance Director Stark and Public Works Director Bauman, dated June 15, 2010, was filed.

City Manager David noted the handout presented at the dais included the Airport Landing Fees as approved by the Council Airport Committee and informally presented to Council during the Master Fee Schedule adoption. Ms. David noted that the fees would be incorporated in the adoption of the budget on June 22, 2010, and provided a synopsis of the report. Interim Finance



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Director Stark continued the synopsis and noted that the second handout provided to Council prior to the meeting were a list of Social Services Funding recipients and a list of Community Promotions Program recipients as presented during prior meetings. Public Works Director Bauman completed the synopsis of the report and noted that another handout provided prior to the meeting summarized the proposed changes to the three funds: Airport Fund 632, Street System Improvement Fund 413, and Low/Moderate Housing Fund 456. City Manager David acknowledged the efforts of staff to produce the budgets for FYs 2011-2012, the support of employee bargaining groups, the community, and Hayward volunteers. Ms. David commended staff for their hard work and dedication.

Council echoed City Manager David's comments acknowledging staff, employee groups, the community, and volunteers.

Council Member Quirk commented that there are challenging times ahead for the City, but was confident in employees' ability to meet these challenges. Mr. Quirk commended the Fire Department for being the first fire department to utilize the Lucas Device, which has improved the resuscitation survival rate from 7% to 30%. Mr. Quirk also recognized the Fire Department and staff for coming forward with the proposed staffing changes at no cost adjustment. Mr. Quirk acknowledged the Police Department for seeking Commission on Accreditation for Law Enforcement Agency (CALEA) certification and agreed with the proposed staffing changes. In response to Mr. Quirk's inquiry of what would happen if Calpine does not build the Russell City Energy Center Power Plant, Public Works Director Bauman noted that Calpine would have to pay as required in the lease agreement and noted that Calpine plans to begin construction in August. City Manager David added that the lease revenue paid to the City is secure for FY 2011, but for FY 2012 the lease revenue could be in jeopardy if Calpine is not able to build the power plant.

Council Member Henson echoed the acknowledgment of the budget team. In response to Mr. Henson's inquiry about the Airport Rescue Operation training and Airport Landing Fees, Public Works Director Bauman indicated that landing fees will be implemented as a revenue source to meet the commitment of the Airport to provide specialized training and maintenance of equipment for aircraft rescue and firefighting. Mr. Bauman explained that used equipment was purchased, but unfortunately the cost was greater than expected to adapt the vehicle to the needs of the Fire Department. Mr. Bauman said the Airport is a generator of revenue for both the Airport and the City currently bringing \$1.2 million from property taxes that goes into the General Fund. Mr. Bauman added that as the Airport continues to progress and obtain more corporate customers, this revenue will continue to grow.

Mr. Henson noted that the City needs current technology to keep the organization efficient and asked about the future of technology without an infusion of funds. City Manager David agreed and added that Technology Services has found ways to keep the City's technology current at minimal cost, but was concerned with the long term aspect of how to do this and continue moving forward to improve and add enterprise-wide systems such as a new financial system. Ms. David

said the first step was the restructuring of the Internal Services Fund. She mentioned that Technology Services have been researching ways the City could obtain an up-to-date, state of the art, financial management system in a shorter period of time than expected. Ms. David noted that funding is needed to provide updates to existing systems and added that with Council's attention to this issue, future technology updates can be accomplished. Mr. Henson commented there may be a need for technology to be a future Council priority.

Council Member Halliday commented that an important aspect to consider is that the City continues to move forward with fewer resources, while still meeting the needs of the community and providing the necessary services to residents. Ms. Halliday commended departments for being innovative, citing the City Clerk's office that initiated Passport Services, which generates revenue, and is currently researching conducting marriage ceremonies. In response to Ms. Halliday's inquiry regarding Human Resources Department generating revenue through training, Human Resources Director Robustelli explained that the Human Resources Department has been providing training services to the East Bay Regional Parks District. In response to Ms. Halliday's inquiry as to the status of the historical building on Main Street that the Hayward Historical Society will be vacating, City Manager David said at present there are no plans for the building. Ms. Halliday mentioned Centennial Hall will be missed by many people. In response to Ms. Halliday's inquiry regarding internet sales tax, Ms. David said this is a complicated issue and has to do with the Streamline Sales Tax Act Agreement which is being worked on at the federal level. Ms. David noted the State Board of Equalization said the tax was not right for California and though the Board is keeping track of the Act, the State of California is no longer actively participating. Ms. David said in addition to the Streamline Sales Tax Act Agreement, federal legislation would be required and noted there is a prohibition at the federal level for taxing the internet. Ms. David noted the taxation of services can be done at the State level.

Council Member Zermefio mentioned visiting a firefighter museum in downtown Napa and suggested utilizing the historical building on Main Street as a Firefighter/Police Safety Museum. Mr. Zermefio expressed thanks to the 836 employees represented by the nine unions, who have assisted with the preventive maintenance of the budget. Mr. Zermefio noted that Amazon.com is one of the largest retailers in the world and asked everyone to help Hayward by shopping locally. Interim Finance Director Stark confirmed for Mr. Zermefio that the sales tax loss for 2009 was approximately \$2.1 million.

Mayor Sweeney opened the public hearing at 8:31 p.m.

Ms. Amy Nelson Smith submitted a card, but did not stay to speak.

Mr. Orlando Somoza, Capitola Street resident and representing the Sun Gallery, thanked the Mayor and Council for approving the grant. Mr. Somoza said with these funds the Sun Gallery can continue their mission of bringing the arts to the children especially in light of recent budget cuts to the school arts programs.

Mr. Andy Wilson, Greenbrier Lane resident and Cal Pilots Director, asked if the new Airport Landing Fees include general aviation. Public Works Director Bauman confirmed they do not. Mr. Wilson said that after discussions with the President that Cal Pilots are in agreement with the



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proposed Airport Landing Fees. Mr. Wilson is also the Vice President of Citizens Against Pollution (CAP) and asked if the laydown lease fees of \$350,000 per year for Calpine are prorated or all inclusive. Mr. Bauman noted the rates are per square foot per monthly rate and one parcel starts this month and the other two parcels do not start until they are constructed in August 2010. Mr. Bauman clarified for Mr. Wilson that as long as Calpine is utilizing the property, Calpine will be paying the laydown lease. Mr. Wilson made a verbal request for a copy of the contract, a list of the parcels, a copy of the deposit paid by Calpine, and the first deposit date.

Mayor Sweeney closed the public hearing at 8:37 p.m.

Council Member Zermefio noted he did not have any changes and said the recommended Operating Budget FYs 2011 and 2012 was a good document. City Manager David confirmed for Mayor Sweeney that if there are no changes, staff could bring the item back for adoption at next week's Council meeting, under consent items.

Council Member Halliday was in agreement with the proposed budget plan. She noted that the use of the reserves should be kept to a minimum. Ms. Halliday urged continued funding of the Library programs that service Hayward's youth and noted the success of the Library's After School Homework Program which is in line with Council goals. Ms. Halliday concurred with staff that a base amount should be set for the use of Real Property Transfer Tax revenues and set a policy that any revenues over that base amount should go into reserves.

Mayor Sweeney noted that there were no changes proposed to the proposed budgets.

COUNCIL REPORTS

Council Member Henson provided an update on the merger of Alameda County Transportation Improvement Authority (ACTIA) with the Congestion Management Agency (ACCMA). Mr. Henson noted that he attended a meeting where it was decided to begin a nation-wide search and conduct interviews for the Executive Director position on July 13, 2010. Mr. Henson anticipated having a newly formed Alameda County Transportation Commission by September.

Council Member Quirk noted that this is the second year that the proposed budget has not had any changes by Council, which shows the collaboration of staff and Council. Mr. Quirk also referred to a letter from Mission San Jose representatives regarding the statute of Father Duran and their intention of moving the statute to Mission San Jose. Council Member Dowling spoke in favor of keeping the statute in Hayward. There was consensus that the Father Duran statute remain in Hayward for its historic value and its connection to the community. Mr. Quirk also noted that he plans to attend future neighborhood meetings and urged others to join.

Council Member Zermeño announced the first of four Street Parties on B Street on Thursday starting at 5:30. Mr. Zermeño also announced that on Saturday the Mt. Eden High School band will hold a fundraiser car wash.

Council Member May indicated that the State of the City, delivered by Mayor Sweeney and Hayward Superintendent Duran on June 10, 2010, was well attended and suggested that department heads also attend in the future.

ADJOURNMENT

Mayor/Chair Sweeney adjourned the meeting at 8:53 p.m., in memory of Neighborhood Alert Block Captain, Candy Perkins. Council Member Quirk noted that Candy Perkins did a lot of volunteer work for the City. Mayor Sweeney stated that she was committed to helping others.

Mayor/Chair Sweeney also adjourned the meeting in memory of Paul Frumkin II. Council Member Zermeño noted that Mr. Frumkin was active in the South Hayward community and a Deacon at St. Clement Catholic Church. Council Member Halliday said that Mr. Frumkin co-founded the Family Emergency Shelter Coalition (FESCO) and was committed to helping the less fortunate. Mayor Sweeney added that Mr. Frumkin was a 30 year employee of Southland Mall and he represented the best of Hayward humanists.

Mayor/Chair Sweeney also adjourned in memory of Rich Riggs, a longtime Hayward resident and great reporter who covered local stories. Mr. Riggs was commended for his efficient skills in keeping the community informed.

Mayor/Chair Sweeney asked staff to work with the families of Candy Perkins, Paul Frumkin II, and Rich Riggs and find appropriate locations to plant trees in memory of their contributions to the community.

APPROVED:

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

ATTEST:

Miriam Lens, City Clerk, City of Hayward
Secretary, Redevelopment Agency