



Hayward Area Recreation and Park District

1099 "E" Street, Hayward, CA 94541

(510) 881-6700

MINUTES

May 11, 2009

MEETING

The Regular Meeting of the Board of Directors of the Hayward Area Recreation and Park District was called to order by President Carol A. Pereira at 6:10 p.m. on Monday, May 11, 2009 in the Board Room of the Administration Building at 1099 'E' Street, Hayward, California.

PRESENT

Directors: Andrade, Hodges, Jameson, Pereira, Waespi

Staff: Shue (Absent), Silva, Gouveia, Lepore, Ely, Maharaj

BOARD OF DIRECTORS' CLOSED SESSION

President Pereira announced that the Board of Directors would adjourn the meeting to hold a Closed Session scheduled at 6:00 p.m. to meet with designated representatives to discuss the various Bargaining Units of the Hayward Area Recreation and Park District.

PLEDGE TO FLAG

The regular Board Meeting reconvened at 7:25 p.m. and was followed by the Pledge of Allegiance.

President Pereira did not make any announcement from the Closed Session.

CONSENT CALENDAR

It was moved by Director Hodges, second by Director Andrade, and unanimously carried to approve the Consent Calendar as set forth below.

Minutes

The Minutes of the Regular Meeting of the Board of Directors on Monday, April 27, 2009 at 7:00 p.m.

Finance

The Invoices payable and Warrants paying the Invoices were prepared and presented for Board of Directors' approval.

R-0809-94
Personnel

Adoption of Resolution No. R-0809-94, authorizing appointments and the separation of Hourly Employees.

ADOBE PARK

Renovation

On July 14, 2008, the Board of Directors awarded the contract for the renovation of Adobe Park to Star Construction, Inc. of San Bruno in the amount of \$1,005,616. The renovation of Adobe Park included a new community plaza area adjacent to the Adobe Art Center, new turf and irrigation, a play area, student gardens, bocce ball courts, a relocated YMCA building, restroom, pathway, a small aboveground

ADOBE PARK

(Continued)

Staff Outlines
Five (5) Additive
Change Orders

skate park area and a picnic area. Staff outlined the details of the five (5) additive Change Orders during the course of construction that were approved by the Board of Directors – Change Order No. 1 in the amount of \$22,259; Change Order No. 2 in the amount of \$74,200; Change Order No. 3 in the amount of \$46,333.50; Change Order No. 4 in the amount of \$9,079 and Change Order No. 5 in the amount of \$21,399.33, bringing the new contract amount for the renovation of Adobe Park to \$1,178,886.85. Funds were available from Alameda County Community Development Block Grant, In-lieu Fees for the Castro Valley Area, the Castro Valley Unified School District and from the Hayward Area Recreation and Park District's fiscal year 2007/2008 Capital Outlay Funds.

New Contract
Amount and
Funding Sources

Inspection
Completed

Following an inspection of the project and finding the work completed in accordance with the plans and specifications, Staff recommended acceptance of completion of the contract.

It was moved by Director Andrade, second by Director Jameson, and unanimously carried to adopt the following:

R-0809-95
Acceptance
Of Contract

Resolution No. R-0809-95, accepting completion of the contract for the renovation of Adobe Park in accordance with the plans and specifications and terms of the contract.

Director Waespi
Compliments
Recent Renovations

Director Waespi reported that during his most recent visit to Adobe Park, he was happy to see the entire park used well and enjoyed by the public. He added that Adobe Park is incredibly beautiful and a wonderful place for all ages following completion of the most recent renovations at that location.

Director Hodges -
Bocce Ball Court

Director Hodges informed Staff about use of the bocce ball court by kids to ride their bikes and damage that the oyster shell surface would sustain. Staff responded that they would be looking into the maintenance of the bocce ball court surface, new to the District, and coordinating how to level off and grade the surface with the District's Caretaker assigned to Adobe Park.

Director Jameson
Referred to
The Five (5)
Change Orders

Director Jameson referred to the five (5) additive Change Orders during the course of the renovation project at the Adobe Park, which totaled approximately 20% of the contract cost. She stated that it would seem practical to explore and gauge all unforeseen items, prior to awarding a contract to avoid the Change Orders that prove to be costly. Moreover, Director Jameson stated that items related to improvements and upgrades come up for the benefit of a project, which are unavoidable, for example those at the Adobe Park. In response, Staff said that every effort is made to control and limit

ADOBE PARK

(Continued)

Staff Response to
Change Orders

the Change Orders. With reference to the Adobe Park renovation, Staff outlined major unanticipated items, such as additional drainage and installation of an area drain and catch basins that were necessary to avoid problems in the future; demolition of asphalt and installation of a concrete pathway and electrical work to the YMCA building, all of which Staff pointed out were not typical items and were over and above the 10% generally allowed for Change Orders in a contract.

**MISSION HILLS OF
HAYWARD GOLF
COURSE**

Resurfacing of
Parking Lot

Scope of Work,
Contract Amount
And Funding for
Project

On April 6, 2009, the Board of Directors awarded a contract for the resurfacing of the parking lot at Mission Hills of Hayward Golf Course to Dennis Severs Construction Company of Byron in the amount of \$39,653. The parking lot at Mission Hills of Hayward Golf Course was first constructed in 1999 and was in need of resurfacing. The scope of work included grinding, replacing areas of asphalt and a petromat overlay in the entire parking lot, which was cost-effective and would provide a good asphalt surface. Staff reported that there was one (1) additive Change Order in the amount of \$1,004 to rebuild two (2) ADA ramps to be in compliance, provide proper drainage and pave the pathway, bringing the new contract amount to \$40,657. Staff estimate for the project was \$95,000 and funds were available in the Repair and Maintenance Account of the Golf Department for fiscal year 2008/2009.

Inspection
Completed

Following an inspection of the project and finding the work completed in accordance with the plans and specifications, Staff recommended acceptance of completion of the contract.

It was moved by Director Jameson, second by Director Hodges, and unanimously carried to adopt the following:

R-0809-96
Acceptance of
Contract

Resolution No. R-0809-96, accepting completion of the contract for the resurfacing of the parking lot at Mission Hills of Hayward Golf Course in accordance with the plans and specifications and terms of the contract.

DISTRICT-WIDE

Enterprise Fleet
Services – Vehicle
Lease Agreement

Additional Vehicle
For Park Ranger
Unit

Staff reported that on September 8, 2008, the Board of Directors entered into a five-year Lease Agreement with Enterprise Fleet Services of San Leandro for the lease of sixteen (16) vehicles. Due to the loss of one Park Ranger truck following a vehicular accident, Staff said that an additional truck is needed in the Park Ranger Unit. The cost for the lease of a new truck is \$398.51 per month. Staff requested approval for lease of one truck for the Park Ranger Unit utilizing the Hayward Area Recreation and Park District's current Lease Agreement with Enterprise Fleet Services of San Leandro.

DISTRICT-WIDE
(Continued)

It was moved by Director Andrade, second by Director Jameson, and unanimously carried to adopt the following:

R-0809-97
Lease of an
Additional
Vehicle

Resolution No. R-0809-97, authorizing the General Manager to lease an additional vehicle for the Park Ranger Unit in the amount of \$398.51, utilizing the District's five-year Lease Agreement with Enterprise Fleet Services, approved by the Board of Directors on September 8, 2008.

Board and
Staff Comments -
Success of Lease
Program

With reference to the success of the lease program thus far, Staff responded that maintenance costs have gone down as the vehicles are no longer maintained by the District. However, Staff added that they would be in a better position to evaluate the savings realized by the District at the end of the first year's lease.

Utility Bill Audit
Findings -
Agreement with
Utility Cost Management
(UCM) – Scope of
Services Provided

On November 10, 2008, the Board authorized Staff to enter into an agreement with Utility Cost Management (UCM) to audit various utility bills of the Hayward Area Recreation and Park District. UCM is endorsed by the California Special Districts Association (CSDA) and typically looks for overcharges or rate schedule savings opportunities on behalf of member Districts of CSDA.

Audit of Utility Bills
Completed and
Submission of
Findings Letter -
Refund to
H.A.R.D.

Staff was pleased to report that UCM completed their audit on behalf of the Hayward Area Recreation and Park District and submitted a findings letter that lists several existing rate schedules that could be converted to estimated savings of up to \$54,700 annually for the Hayward Area Recreation and Park District, a refund estimated to be \$9,600 because a utility user tax was improperly charged on some accounts, and an annual savings of about \$6,000 if the utility user tax were removed. Staff said that the next step of the process is for UCM to submit the various claims and obtain an agreement from PG&E that the rate schedules are appropriate and requested authorization for UCM to continue with the process and submit requests to the appropriate agencies on behalf of the District.

Staff Report on
Compensation for
Services Provided by
UCM Following
Receipt of Credit
And/or Refund

During brief discussion on UCM's compensation for their services, Staff responded that should the District receive a refund or credit from the utility provider identified in the Findings Letter, the District will pay UCM 42% of the amount refunded or credited. With regard to future savings from the utility providers, the District will pay UCM 42% of such future savings that accrue during a three-year savings period in accordance with the Utility Bill Auditing Service Agreement. Moreover, Staff pointed out that the utility tax can be challenged as the Hayward Area Recreation and Park District, being a public agency, may be exempt.

DISTRICT-WIDE

(Continued)

Motion Carried
To Continue UCM's
Claims Process

It was moved by Director Hodges, second by Director Jameson and unanimously carried authorizing Staff to continue working with Utility Cost Management (UCM) as they submit various claims to the appropriate agencies on behalf of the District as outlined in Utility Cost Management's Findings Letter.

**BOARD OF DIRECTORS'
COMMITTEE REPORTS**

Fiscal Year
2009/2010
Appropriations
Limit

Finance: Section 7910 of the Government Code requires the governing body of each jurisdiction in the State of California to establish each year, by resolution, its Appropriations Limit for the ensuing fiscal year.

Appropriations
Limit Formula

Staff said that the Limit is calculated using a formula dictated by Article XIIB of the California Constitution using the California Per Capita Income Change and the Alameda County Population Change. For fiscal year 2009/2010, these are 1.0062 and 1.0125 respectively. When combined they amount to a factor of 1.0187775 for the limitation calculation. Applying this factor to the fiscal year 2008/2009 appropriations limit of \$22,702,179 results in an Appropriations Limit for fiscal year 2009/2010 of \$23,128,469.

Fiscal Year
2009/2010
Appropriations
Limit -
\$23,128,469

Proposition 111 excluded Capital Outlay Funds from the provisions of the Appropriations Limit, which reduces the total amount of District income subject to the Limit in fiscal year 2009/2010 to \$16,376,077, which is \$6,752,392 below the Limit.

Staff recommended that the Board of Directors adopt a resolution establishing the Hayward Area Recreation and Park District's Fiscal Year 2009/2010 Appropriations Limit at \$23,128,469.

It was moved by Director Andrade, second by Director Waespi, and unanimously carried to adopt the following:

R-0809-98
Fiscal Year
2009/2010
Appropriations
Limit Established

Resolution No. R-0809-98, establishing
the Fiscal Year 2009/2010 Appropriations
Limit of the Hayward Area Recreation and
Park District at \$23,128,469.

Preliminary Budget -
Fiscal Year
2009/2010 -
Presentation of
Staff Report

In January 2009, Staff began preparation of a Proposed Budget for fiscal year 2009/2010. The budget is based on Staff's best projection of Property Tax Revenue, Fees Charges and other income, plus Operating Expenses and Capital Expenses for the 2009/2010 Fiscal Year. In attempting to project funding for the District, it must be noted that during fiscal year 2008/09, forty-three cents of every dollar, or \$12 million of the Hayward Area Recreation and Park District's property tax dollars, will have been transferred to the State via ERAF. Through June 30, 2009, more than \$124 million would have been transferred to the State of California to finance public schools since ERAF began in 1992. This permanent annual shift of

Property Tax Transfer
Since 1992 to June
2009 - \$124 Million

**BOARD OF DIRECTORS’
COMMITTEE REPORTS**
(Continued)

property tax revenue from the District continues to severely restrict both the day-to-day maintenance and operations, and the Capital Outlay program of the District. The passage of Measure Q in 1997 has assisted in offsetting a portion of this loss.

Priorities of
H.A.R.D.

In keeping with the priorities set forth by the Board of Directors, the fiscal year 2009/2010 budget continues to emphasize meeting outstanding legal obligations and maintaining existing park and recreation facilities and programs at the highest possible level within the funding parameters of the Hayward Area Recreation and Park District.

Board of Directors’
Budget Work
Sessions – 4/6/09
4/27/09

Staff further reported that Budget Work Sessions were held on April 6th, and April 27, 2009, at which time the Board of Directors reviewed the Proposed Budget and determined amounts to be used for the District’s Fiscal Year 2009/2010 Preliminary Budget. It is anticipated that revenue and prior year funds carried forward will total \$29,507,587 and recommended the following allocation for those funds:

Recommended
Allocation of
Funds - Fiscal
Year 2009/2010

<u>Operating Expenditure Budget</u>	<u>Salaries, Wages And Benefits</u>	<u>Services & Supplies</u>	<u>Insurance Fund</u>	<u>Equipment</u>	<u>Total</u>
Business Dept.	\$ 1,311,605	\$ 612,350	\$ 35,000	\$ -0-	\$ 1,958,955
Park Dept.	7,030,409	2,786,458	160,000	5,000	9,981,867
Recreation Dept.	6,332,258	1,336,200	128,000	-0-	7,796,458
Golf Dept	<u>2,456,675</u>	<u>1,204,054</u>	<u>64,250</u>	<u>-0-</u>	<u>\$ 3,724,979</u>
Total Operating Expenditure Budget	\$17,130,947	\$5,939,062	\$ 387,250	\$ 5,000	\$23,462,259
	=====	=====	=====	=====	=====
Capital Outlay Budget from General Fund					\$ 386,201
Capital Outlay Budget from Grants, In-Lieu and Other					\$ 3,647,000
Other Post employment Benefit Reserve					\$ -0-
Total FY2009/2010 Budget - \$29,507,587					Appropriations for Contingencies \$ 2,012,127
					Total Fiscal Year 2009/2010 Budget \$29,507,587 =====

Preliminary Budget
Available; Public
Hearing on 7/27/09
At 7:00 p.m.

A resolution reflecting the categories and amounts of the above-recommended allocations was prepared. The resolution notifies the Public that the Preliminary Budget will be available at the District Office and on the District web site beginning May 18, 2009. The resolution further states that the Board of Directors at their regular meeting on July 27, 2009 will hold a public hearing on the District’s Fiscal Year 2009/2010 Budget.

**BOARD OF DIRECTORS'
COMMITTEE REPORTS**
(Continued)

Public Notice

In addition, District bylaws require a Notice be placed in the Daily Review, which sets forth information relative to the availability of the budget documents and the public hearing date, time and location. The final Adopted Budget is required to be forwarded to the Alameda County Board of Supervisors no later than August 10, 2009.

Staff Recommends
Approval of
Preliminary Budget
For FY2009/2010

Staff recommended that the Board of Directors approve the Preliminary Budget for fiscal year 2009/2010 and schedule a Public Hearing on Monday, July 27, 2009 prior to adoption of the fiscal year 2009/2010 Budget.

Motion to Include
Changes that Become
Necessary Prior to
Adoption of the Final
Budget by the Board
On 7/27/09; 7:00 p.m.

It was moved by Director Jameson that the Preliminary Budget for fiscal year 2009/2010 be adopted on the grounds that the Board of Directors make changes, should they become necessary, based on the fact that the Preliminary Budget for fiscal year 2009/2010 was created on the existing circumstances, prior to adoption of the fiscal year 2009/2010 budget on Monday, July 27, 2009. The motion was second by Director Waespi and unanimously carried to adopt the following:

R-0809-99
Adoption of
FY2009/2010
Prelim. Budget
And Public
Hearing
7/27/09

Resolution No. R-0809-99, adopting a Preliminary Budget for fiscal year 2009/2010, said Preliminary Budget to be available for public inspection at the District Office not later than Monday, May 18, 2009; schedule a Public Hearing on July 27, 2009 at 7:00 p.m. at the District Administration Office, 1099 'E' Street, Hayward; and adoption of a final budget for Fiscal Year 2009/2010 to be forwarded to the Board of Supervisors not later than Wednesday, August 10, 2009.

Board and
Staff Comments -
May 19, 2009
Special Election

Director Andrade referred to the May 19, 2009 Special Election and an announcement by the Governor to suspend Proposition 1A (2004) and borrow \$2 billion from local governments again, in the event the Propositions fail to pass, thereby continuing to further erode revenues at the local level. During brief discussion on changes should they become necessary to the Preliminary Budget following the May 19th election, Staff responded that any changes at the State level between now and July 2009, would be incorporated and reflected in the budget, including a Board of Directors Budget Work Session prior to adoption of the District's 2009/2010 budget.

H.A.R.D. Foundation
B.O.D. Annual Mtg.;
5/12/09; 5:00 p.m.

President's Report: Director Pereira announced that the Annual Board of Directors' Meeting of the Greater Hayward Area Recreation and Park Foundation is scheduled on Tuesday, May 12, 2009, at 5:00 p.m. at the District Administration Office.

**REPORT ON BOARD
MEMBER ACTIVITIES**

Rowell Ranch
Rodeo Parade -
Saturday, 5/9/09 -
H.A.R.D.'s Elephant
Train

Director Pereira reported that she enjoyed her participation in the Rowell Ranch Rodeo Parade on Saturday, May 9th, and her ride, accompanied by Director Hodges, and staff and participants of many programs, including the Easter Bunny, on the District's Elephant Train. Director Hodges concurred and added that he thoroughly enjoyed himself and complimented staff of the Youth and Teen Program for organizing and decorating the District's entry that comprised of a nice blend of participants from the Hayward Area Recreation and Park District's activities and programs.

Director Andrade -
Rowell Ranch Rodeo
Park; Increase
Publicity to Create
Awareness of Picnic
Site at that Location

Director Andrade extended his personal thanks to Staff for their help to prepare the picnic area at the Rowell Ranch Rodeo Park for a picnic held on Sunday, May 2nd, which he reported went well in spite of the wet weather. He said that picnic facility at that location is great and suggested that the site be more widely advertised to increase awareness, and usage by the public.

East Avenue
Community Park
Public Hearing on
May 11, 2009,
5:00 p.m. to Review
District's Response
Regarding the Summer
Camp Program at East
Avenue Park

Director Andrade reported that he, along with Staff, met with the East Avenue Community Park neighborhood residents on this date at 5:00 p.m. to review District Staff's response and solutions to the resident's concerns, and mitigations that will occur in the areas of traffic congestion, noise and capacity as they relate to the H.A.R.D. summer day camp program at East Avenue Community Park. He outlined plans to have a follow-up meeting with the residents at the conclusion of the 2009 camp program. He extended his thanks to Staff for arranging the meeting, which he said was a good meeting.

Hayward Executive
Airport – Proposed
Expansion/Layout Plan

At the request of Director Andrade, Staff reported that no new information or updates have been released on the proposed West 'A' Street Extension Project. Staff said that they would be happy to provide updates to the Board as they are received from the City of Hayward and the Hayward Executive Airport staff, including the date the proposed project would be presented to the Hayward City Council, and the status of the Environmental Impact Report.

Director Jameson -
Hayward Area
Historical Society's
*Art of History Opening
Gala* at the Meek
Estate – 5/2/09 and
5/3/09

Director Jameson reported that she, and her fellow Board Members, Directors Pereira, Hodges and Waespi, attended the *Art of History Opening Gala* hosted by the Hayward Area Historical Society to help support the restoration of the Meek Mansion, held on Saturday, May 2nd, followed by a Family Day at Meek Park on Sunday, May 3rd. She said that the event included an exhibition of paintings by local artists and provided an opportunity for the attendees to tour the Mansion and see the restoration and renovation in progress. Board Members said that they were impressed and complimented District personnel for their maintenance of the Meek Estate Park that continues to be heavily used and enjoyed by the public.

Board Compliments
Maintenance of Heavily
Used Meek Estate Park

**REPORT ON BOARD
MEMBER ACTIVITIES**
(Continued)

Director Waespi -
Board Members and
Staff Attendance at
2009 Legislative Days,
Sacramento

Director Waespi reported that he was in attendance at the Special Districts Legislative Days on Tuesday, May 5th. He said that the primary focus of the annual legislative event undoubtedly was the State budget that continues to be very gloomy, and provided attendees with the most recent information on issues of particular interest to special Districts. Director Andrade, Director Hodges and Staff were also in attendance at the Legislative Days, an annual event of the California Special Districts Association held in Sacramento.

Bay Area Basket
Makers' Opening
Exhibit and Reception -
Adobe Art Center and
Rowell Ranch Rodeo
Chilli Cook Off -
5/8/09 – Dir. Waespi

Director Waespi said that he was in attendance and enjoyed the Bay Area Basket Makers Exhibit at the Adobe Art Gallery that opened with a reception on Friday, May 8, 2009; enjoyed the Senior Health Fair at the Kenneth C. Aitken Senior Center on Thursday, May 7th and the Rowell Ranch Rodeo Chilli Cook Off on Friday, May 8th, held at the Rowell Ranch picnic area, which he said is a great picnic venue.

East Bay EDA Economic
Summit – 5/8/09

Director Hodges reported that he attended the East Bay Economic Development Alliance Economic Forecast Summit on Friday, May 8th, which he said was enlightening and a positive event.

Adobe Park Dedication -
6/5/09; 10:30 a.m.

Staff announced that the Adobe Park Dedication is scheduled on Friday, June 5, 2009 at 10:30 a.m.

Next B.O.D. Mtg.;
Tues., 5/26/09;
7:00 p.m.

The next regular meeting of the Board of Directors will be held on **Tuesday**, May 26, 2009 at 7:00 p.m. at the District Administration Office.

ADJOURNMENT

There being no further business to discuss, President Pereira adjourned the meeting at 8:10 p.m.

MINANE JAMESON, Secretary
BOARD OF DIRECTORS