



DATE: August 18, 2026

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT: Adopt a Resolution Approving Three Side Letters of Agreement for Clarification and Clean-Up Purposes Amending Memoranda of Understanding between the City of Hayward and Both the International Association of Firefighters, Local 1909 and Hayward Fire Officers Association Confirming Previous Agreements and Establishing a Payment for Preceptor Work, and Authorizing Staff to Execute the Agreements

RECOMMENDATION

That the City Council adopts a Resolution (Attachment II) approving Side Letters of Agreement for clarification and clean-up purposes amending the Memoranda of Understanding (MOUs) between the City of Hayward and both the International Association of Firefighters, Local 1909 (Local 1909) and Hayward Fire Officers Association (HFOA) confirming previous agreements and establishing a payment for preceptor work and authorizing staff to execute the agreements.

SUMMARY

The City has met and conferred in good faith with Local 1909, representative of both the Firefighters and the HFOA regarding three agreements intended to provide clarity and finalize previously agreed-upon terms. These clean-up agreements do not result in additional General Fund appropriations and include confirming language that was previously agreed to for purposes of amending the City's contract with the California Public Employee Retirement System (CalPERS); confirming and clarifying prior agreements to align compensatory time off with the Fair Labor Standards Act (FLSA) and applicable state wage and hour law; and establishing a one-time payment incentive under a Preceptor Program. These changes clarify the parties' respective intention of pensionable contributions for certain pays, align with FLSA and applicable state wage and hour law, and establish compensation for assignment as a paramedic preceptor as part of the Paramedic Internship and Preceptor Program.

FISCAL IMPACT

If approved, the proposed amendments to the Local 1909 and HFOA MOUs would result in

minor fiscal impact which can be absorbed into the Department budget and/or offset by programmatic revenue, as the corrections bring the agreements into alignment with CalPERS regulations, FLSA and applicable state law, establish a Paramedic Internship and Preceptor Program, and align with the intentions of the City and the bargaining units. The FEMA Assistance to Firefighters Grant offsets paramedic preceptor incentive costs for all current Hayward Fire Department firefighter/paramedic students, while non-Hayward Fire Department students or their sponsoring programs are responsible for the incentive cost, consistent with industry practice. These items are cost neutral in the near term as proposed changes resolve for reporting compliance and administration.

BACKGROUND

The City and Local 1909 have reached agreement on three Side Letters of Agreement intended to provide clarification and clean-up of existing MOU provisions and previously agreed-upon terms. The Side Letters confirm and finalize prior agreements regarding CalPERS cost-sharing and compensatory time-off, and establish a one-time payment for preceptor work associated with the Paramedic Internship and Preceptor Program.

As part of a review of the MOUs to ensure compliance with CalPERS regulations, the parties previously identified a potential issue with CalPERS cost-sharing language. A side letter was agreed to by the parties and approved by the City Council on April 21, 2026. In addition to amending the MOUs, the City must also amend its contract with CalPERS for these changes to be effective. To do that, CalPERS requires that each impacted bargaining unit conduct a secret ballot vote on these specific changes and the parties are confirming their agreement with an updated side letter.

Additionally, the parties agree to amend the MOUs to ensure compensatory time off compliance with FLSA and applicable state wage and hour law with the intent to align the rate at which accrued but unused compensatory time off is paid upon separation within the requirements of 29 C.F.R. §553.27(b) and not to modify the rate at which any other forms of accrued leave are paid.

Lastly, the creation of a Paramedic Internship and Preceptor Program has reached tentative agreement by the parties which allows the Fire Department to supervise interning paramedics during patient care and field operations. This program creates opportunity for interning paramedics to participate in real-time training and helps create a recruitment pipeline by interacting with aspiring paramedics through participation in the program.

DISCUSSION

The discussion below provides additional detail regarding the three Side Letters and the specific provisions being clarified, confirmed, or established through the agreement.

The City and 1909 have met and conferred in good faith and the following provisions for CalPERS cost share and compensatory time off were revised to ensure compliance with CalPERS regulations, FLSA and applicable state wage and hour law align with the original

intention of pension-reportable pay, compliance with applicable IRS regulations, and administrative process. In addition, a separate side letter of agreement creates a Paramedic Internship & Preceptor Program and establishes one-time payment for participation in the program.

Section 6.01 Retirement Plan

This Side Letter clarifies and confirms the parties existing agreement regarding CalPERS cost-sharing and does not increase the City's employer contribution or result in additional General Fund costs. Consistent with the prior Side Letter (Attachment VI), which was previously approved by the City Council on April 21, 2026 and subject to the results of a secret ballot vote of each impacted bargaining unit as required by CalPERS, the City shall amend its contract with CalPERS to reflect the changes in Attachment III. These amendments clarify the cost-share structure for both "Classic" and "New Members" of CalPERS and are intended to ensure that the City's contract with CalPERS accurately reflects the parties' agreement.

For "Classic" CalPERS members, the amendments clarify that the cost share includes the nine percent (9%) CalPERS published employee rate, plus an additional six percent (6%) contribution to the City's employer rate. For CalPERS "New Members" hired after January 1, 2023, the amendments confirm the total contribution of fifteen percent (15%) is comprised of the CalPERS published employee rate, plus the additional contribution to the City's employer rate; and clarifies that if during the term of the agreement fifty percent (50%) of the total normal cost rate reaches fifteen percent (15%) or higher, the parties agree there will be no additional cost share and the "New Members" will only pay one-half of the total normal cost rate.

Section 4.02 Overtime

Consistent with the mutual intention of the City and Local 1909 representatives, the parties reached tentative agreement that confirms prior agreement to amend the MOUs with respect to compensatory time off to ensure compliance with the FLSA and applicable state wage and hour law. The edits in Attachment IV include defining compensatory time rate earned in lieu of overtime at one and one-half (1.5) hours for each hour of overtime worked. The edits also include clarification of hourly rate for unused compensatory time upon separation and affirm that the maximum amount of compensatory time off that can be accrued is no more than four hundred and eighty (480) hours of compensatory time off. These edits clarify and confirm the mutual understanding of the parties and do not create an immediate fiscal impact.

Paramedic Internship & Preceptor Program

The parties reached tentative agreement on a Paramedic Internship and Preceptor Program. The Paramedic Internship and Preceptor Program establishes a structured field-training program within the Hayward Fire Department for probationary firefighters and external paramedic students. Interns complete 480-720 hours of supervised field training, including required ambulance ride-ins and a final 120-hour capstone internship. Designated paramedic preceptors provide direct supervision, instruction, mentorship, and evaluations and must meet specified licensing, experience, and training requirements. The program is established as outlined in Attachment V and creates opportunity for the Fire Department to deepen community and professional connections within the paramedic field, including assisting with potential recruitment pipelines and interest with the City through intern participation in the

program. Employees assigned as paramedic preceptors will receive a one-time payment equivalent to eight and fifty-two hundredths percent (8.52%) of a Step A Firefighter's monthly salary upon assignment of an intern.

STRATEGIC INITIATIVES

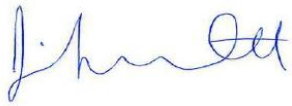
This agenda item is a routine operational item and does not relate to one of the Council's Strategic Initiatives.

NEXT STEPS

Staff will finalize the side letter agreements and City Manager approval prior to execution. The Human Resources Department will work with the Finance Department to implement these changes.

Prepared and Recommended by: Ian Tecson, Director of Human Resources

Approved by:

A handwritten signature in blue ink, appearing to read "Jennifer Ott", is positioned above a horizontal line.

Jennifer Ott, City Manager