



**DATE:** June 11, 2026  
**TO:** Personnel Commission  
**FROM:** Director of Human Resources  
**SUBJECT:** Recommend to City Council Adoption of the Salary Plan for Fiscal Year 2027

**RECOMMENDATION**

Staff recommends that the Personnel Commission holds a Public Hearing and recommends City Council adoption of the revised Salary Plan and Classification Plan for each position in the City’s classified service for Fiscal Year 2027, effective June 29, 2026 and some salaries adjusted retroactively as noted in Attachment II.

**SUMMARY**

As required by the Municipal Code, the Fiscal Year 2027 Salary Plan (Attachment IV) has been updated to reflect cost-of-living adjustments (COLAs) and contractual increases to classifications in the City’s classified service as a result of the Council-approved Memorandum of Understandings (MOUs) between the City of Hayward and the Hayward Association of Management Employees (HAME); the International Federation of Professional and Technical Engineers, Local 21 (Local 21); the Service Employees International Unit, Local 1021, Maintenance (SEIU Maintenance); and the Hayward Police Officers Association (HPOA). The salary plan has also been updated to reflect salary adjustments for (3) intern classifications.

**FISCAL IMPACT**

*COLAs:* The respective COLAs to SEIU Maintenance, Local 21, and HAME are included in the Fiscal Year 2027 Adopted Operating Budget, therefore there is no additional fiscal impact for Fiscal Year 2027.

*HAME:* The 3% COLA salary adjustment to the HAME enterprise funded classifications are included in the Fiscal Year 2027 Adopted Operating Budget, an increase of \$117,744. There is no additional fiscal impact for the Fiscal Year 2027.

*Local 21:* The 3% COLAs salary adjustment to the Local 21 enterprise funded classifications are included in the Fiscal Year 2027 Adopted Operating Budget, an increase of \$39,237. There is no additional fiscal impact for the Fiscal Year 2027.

*SEIU Maintenance:* The three percent (3%) COLAs salary adjustment are applied to all classifications that are included in the Fiscal Year 2027 Adopted Operating Budget, an increase of \$266,049. There is no additional fiscal impact for the Fiscal Year 2027.

*POLICE LIEUTENANT (P215):* The one and one-quarter percent (1.25%) salary adjustment to Police Lieutenant is included in the Fiscal Year 2027 Adopted Operating Budget, and increase of \$35,152 (\$32,188 General Fund, \$2,964 Measure C). There is no additional fiscal impact for Fiscal Year 2027.

*SENIOR UTILITIES ENGINEER (H810):* The eleven and three hundredths' percent (11.03%) salary adjustment to the Senior Utility Engineer effective June 30, 2025 results in a fiscal impact of approximately \$65,000 annually shared between the Water and Sewer Enterprise Funds. In FY 2027, retroactive payments will be paid to employees. Therefore, the fiscal impact will occur in FY 2027. Staff does not recommend modifications to the adopted budget at this time and anticipates that this amount can be absorbed into the department's adopted budget. There are no impacts to the general fund.

*UTILITY WORKER - WATER (M835):* To maintain a ten percent (10%) differential between Utility Leader – Water (M840), a five percent (5%) adjustment effective July 29, 2024 has been applied to the Utility Worker – Water resulting in a fiscal impact of approximately \$40,000 annually. In FY 2027, retroactive payments will be paid to employees. Therefore, the fiscal impact will occur in FY 2027. Staff does not recommend modifications to the adopted budget at this time and anticipates that this amount can be absorbed into the department's adopted budget. There are no impacts to the general fund.

*ADMINISTRATIVE INTERN (Z120):* The three and eight-tenths percent (3.8%) salary adjustment to the Administrative Intern (1 FTE) to the FY 2027 budget impact is \$1,507.50 to the Water Fund. There is no impact to the general fund.

*INFORMATION TECHNOLOGY INTERN (Z121):* The three and eight-tenths percent (3.8%) salary adjustment to the Information Technology Intern (1 FTE) to the FY 2027 budget impact is \$1,507 to the IT Fund. There is no impact to the general fund.

*TECHNICAL INTERN (Z125):* The three and eight-tenths percent (3.8%) salary adjustment to the Technical Intern (1 FTE) to the FY 2027 budget impact is \$1,507.50 to the Water Fund. There is no impact to the general fund.

## **BACKGROUND/DISCUSSION**

### Cost-of-Living-Adjustments (COLAs):

The City of Hayward and HAME, SEIU Clerical, and Local 21 have entered into separate side letters of agreement in recognition of the City's significant fiscal challenges and the need to preserve public services while supporting the long-term financial stability of the organization. As part of these agreements, the respective bargaining units have agreed to defer the scheduled 3.0% wage increase for represented employees in classifications that are not entirely funded through enterprise funds. These agreements reflect a shared commitment

between the City and its workforce to navigate current economic challenges collaboratively while minimizing impacts to public services and positioning the organization for greater long-term financial sustainability.

For the remaining positions in the classified service, pursuant to the negotiated terms of the respective MOUs between the City of Hayward and HAME, Local 21, and SEIU Maintenance, COLA salary increases will be applied as indicated in Table 1 below, effective June 29, 2026. Table 1 below shows all COLA increases by the employee group.

**Table 1 – Fiscal Year 2027 Cost-of-Living Adjustments**

<b>EMPLOYEE GROUP</b>	<b>COLA</b>	<b>EFFECTIVE DATE</b>
HAME <sup>1</sup>	3.00 %	June 29, 2026
Local 21 <sup>1</sup>	3.00 %	June 29, 2026
SEIU Maintenance	3.00 %	June 29, 2026
<sup>1</sup> Applicable to classifications in the bargaining unit where all positions within the classification are entirely funded through enterprise funds.		

Salary Adjustments:

The following salary adjustments are related to contractual obligations in the respective MOUs.

*POLICE LIEUTENANT (P215):* Pursuant to section 8.00 of the HPOA MOU (Salaries), the salaries for Police Lieutenant shall be increased by one and one quarter percent (1.25%) effective June 29, 2026. The salary range for Police Lieutenant is \$110.05 at Step D and \$115.41 at Step E.

*SENIOR UTILITIES ENGINEER (H810):* Pursuant to Section 7.18 of the HAME MOU (Salary Surveys), a salary survey conducted identified Senior Utilities Engineer below the market rate and met the criteria to receive equity adjustments. The salaries for Senior Utilities Engineer (H810) shall be increased by eleven and three hundredths’ percent (11.03%) retroactive to June 30, 2025. The salary range for Senior Utilities Engineer (H810) is \$92.30 at Step A and \$112.18 at Step E.

*UTILITY WORKER - WATER (M835):* Pursuant to Section 9.02 of the SEIU Maintenance MOU (Lead and Senior Differential Pay), the wage rates for “Lead” classifications shall be set ten percent (10%) above its highest paid linked classification. The salaries for Utility Worker – Water (M835) shall be increased by five percent (5.00%) retroactive to July 29, 2024. The salary range for Utility Worker (M835) is \$50.93 at Step A and \$59.34 at Step E.

Living Wage Ordinance:

The Living Wage Ordinance, established July 1, 1999, was designed to upwardly adjust and reflect a change in the Bay Area Consumer Price Index. The salaries for the Intern classifications (Administrative Intern, Information Technology Intern, and Technical Intern) fall under Section 2, Article 14 of the City Charter regarding the Living Wage Ordinance. Based on the April 2026 CPI data available, the salaries for Administrative Intern,

Information Technology Intern, and Technical Intern shall be adjusted three and eight-tenths percent (3.8%) effective June 29, 2026.

ADMINISTRATIVE INTERN (Z120): The salary range for Administrative Intern is \$19.79 at Step D and \$25.05 at Step E.

INFORMATION TECHNOLOGY INTERN (Z121): The salary range for Information Technology Intern is \$19.79 at Step D and \$25.05 at Step E.

TECHNICAL INTERN (Z125): The salary range for Technical Intern is \$19.79 at Step E.

### **STRATEGIC ROADMAP**

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

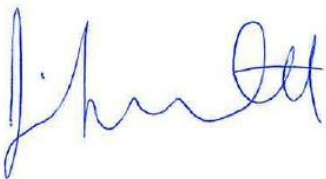
### **NEXT STEPS**

This salary plan will be scheduled for June 16, 2026, City Council meeting and the salary adjustments will be implemented with coordination between the Human Resources and Finance Departments.

*Prepared by:* Annie Xiao, Acting Human Resources Analyst

*Recommended by:* Latisha Dotson, Human Resources Manager

Approved by:



Jennifer Ott, City Manager