

**SIDE LETTER OF AGREEMENT**

**BETWEEN**

**CITY OF HAYWARD**

**AND**

**HAYWARD ASSOCIATION OF MANAGEMENT EMPLOYEES**

Representatives of the City of Hayward and the Hayward Association of Management Employees (“HAME”) have met and conferred in good faith regarding the projected revenue shortfall and budget deficit facing the City of Hayward for FY 2026-2027 and temporary measures necessary to address the projected General Fund shortfall. In partnership to stabilize City finances while maintaining essential services, the parties agree to the terms contained in this Side Letter of Agreement (“Agreement”). The Agreement amends specific provisions of the current Memoranda of Understanding between the City and HAME, through June 30, 2027 (the “HAME MOU”).

Except where specifically modified below, all other terms of the HAME MOU remain unchanged. Where conflicts exist between this Agreement and prior side letters or MOU language, this Agreement supersedes them for the duration specified. The terms become effective the first full pay period following City Council approval unless otherwise stated.

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**1) Effective following City Council adoption of this agreement, Section 7.17 of the HAME MOU will be amended as follows:**

**7.17 Cost of Living Adjustments**

Effective the pay period including July 1, 2024 (the date upon which the parties reach a total tentative agreement on a successor contract), base wages for employees represented by the Association shall be increased by approximately six percent (6.0%).

Effective the pay period including July 1, 2025, base wages for employees represented by the Association shall be increased by approximately four percent (4.0%).

Effective the pay period including July 1, 2026, base wages for employees represented by the Association **in classifications for which every position is funded through enterprise funds** shall be increased by approximately three percent (3.0%). **For all other employees represented by the Association, base wages shall be increased by three percent (3%) effective the pay period included July 1, 2027. No employee shall receive more than a three percent (3%) base salary increase in FY2026-27 under this contract section.**

This Section shall not be subject to the dispute resolution procedure contained in the Bargaining Unit's Memorandum of Understanding, to procedures contained in the City's Personnel Rules, or to the jurisdiction of the City's Personnel Board for any reason whatsoever.

- 2) The City shall not exercise its right to layoff employees in HAME-represented classifications for the period beginning April 3, 2026, and ending on June 30, 2027.

For Hayward Association of  
Management Employees:

For City of Hayward:

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Dan Magalhaes, HAME President

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Jennifer Ott, City Manager

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Alexandra Crivello, CEA/Representative

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Burke Dunphy, Chief Negotiator

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Ian Tecson, Director of Human  
Resources

Dated \_\_\_\_\_

Dated \_\_\_\_\_