



Agenda Item

City Council

Item #: 3.10.

8/26/2025

File #: 25-0447

TO: Honorable Mayor and Members of the City Council

THRU: Jarad Hildenbrand, City Manager

FROM: Monica Espinoza, Human Resources Director

1. SUBJECT

Memorandum of Understanding between the City of Orange and the Orange Management Association. Resolution No. 11632.

2. SUMMARY

Resolution No. 11632 establishes a Memorandum of Understanding between the City of Orange and the Orange Management Association for the period of July 1, 2025 through June 30, 2026.

3. RECOMMENDED ACTION

Adopt Resolution No. 11632. A Resolution of the City Council of the City of Orange rescinding Resolution No. 11512 and approving the Memorandum of Understanding between the City of Orange and the Orange Management Association concerning wages, hours, and other conditions of employment effective July 1, 2025, through and including June 30, 2026.

4. FISCAL IMPACT

The total cost for this Memorandum of Understanding is approximately \$158,200 and will be funded through various funds, with 50% to be covered by the General Fund.

5. STRATEGIC PLAN GOALS

Goal 4: Employee Retention and Recruitment

6. DISCUSSION AND BACKGROUND

In March 2025, the City began the collective bargaining process with the Orange Management Association (OMA). The current contract between the parties expired on June 30, 2025.

After nine meetings the parties reached agreement on the terms and conditions of a twelve-month labor contract that includes the following:

TERM	July 1, 2025 - June 30, 2026
COMPENSATION	2.0% Across-the-Board salary increase effective June 29, 2025.

HOLIDAYS	Amend holiday schedule to include Martin Luther King Jr. as a nine-hour observed holiday.
VACATION	Probationary employees accrue vacation but may not use vacation until six months of active service is complete.
HEALTH INSURANCE	Effective January 1, 2026, increase monthly contribution to family coverage tier by \$100.00, to \$2,210.00.
EDUCATIONAL ASSISTANCE AND PROFESSIONAL DEVELOPMENT	Allow utilization of Educational Reimbursement or Professional Development benefit amount interchangeably. Amount remains at \$1,500.00 per fiscal year.
UNIFORM ALLOWANCE	Increase Uniform Allowance for all classifications receiving a clothing reimbursement allowance from \$150.00 to \$300.00 per fiscal year. Add Construction Inspection Supervisor, Facilities Maintenance Supervisor, Senior Landscape Coordinator, Traffic Operations Superintendent, Tree Services Coordinator, and Senior Water Quality Inspector to be eligible for benefit.
WORK SHOE ALLOWANCE	a. Increase benefit amount from \$450.00 to \$500.00 per fiscal year. b. Add classification of Code Compliance Manager to be eligible for this benefit. c. Shift from annual stipend to a voucher system with vendor(s) of the City's choosing.
NO FURLOUGH OR LAYOFF	During the term of this agreement, the City shall not implement any furloughs or layoffs.
PARITY AGREEMENT	Should other non-safety bargaining groups receive across-the-board base salary increases or medical increases, the City shall provide said adjustments to OMA as applicable.
ASSOCIATION RELEASE TIME TRACKING	All Association release time shall be documented on employee timesheets in a manner specified by the City.

LANGUAGE CLEANUP	Parties have agreed to update provisions within the MOU to provide greater clarity on existing practices and regulatory compliance, ensuring adherence with current laws.
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The Orange Management Association employees took these terms to a vote of their membership and ratified the Tentative Agreement on August 11, 2025. City Council approval is required to finalize this agreement in the form of a Memorandum of Understanding

7. ATTACHMENT

- Resolution No. 11632