



Agenda Item

City Council

Item #: 3.17.

8/12/2025

File #: 25-0414

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 Municipal Employees' Association. Resolution No. 11629.

2. SUMMARY

Resolution No. 11629 establishes a Memorandum of Understanding between the City of Orange and the Orange Municipal Employees' Association for the period of July 1, 2025 through June 30, 2026.

3. RECOMMENDED ACTION

Adopt Resolution No. 11629. A Resolution of the City Council of the City of Orange rescinding Resolution No. 11511 and approving the Memorandum of Understanding between the City of Orange and the Orange Municipal Employees' 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 \$259,800 and will be funded through 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 Municipal Employees' Association (OMEA). The current contract between the parties expired on June 30, 2025.

After seven meetings, on July 23, 2025, 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	a. Increase vacation accrual rate between year 6 through year 15 of employee service. b. 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 health benefits as follows: ○ 2-Party coverage: Increase by \$45.00 to \$1,715.00 ○ Family coverage: Increase by \$75.00 to \$2,170.00
EDUCATIONAL ASSISTANCE AND PROFESSIONAL DEVELOPMENT	Amend article to allow utilization of Educational Assistance or Professional Development benefit amount interchangeably. Amount remains at \$1,500.00 per fiscal year.
UNIFORM ALLOWANCE	Add classifications of Traffic Signal Technician I/II, Senior Traffic Signal Technician, and Traffic Management Center Technician to be eligible for benefit.
WORK SHOE ALLOWANCE	a. Increase work shoe allowance from up to \$450.00 to up to \$550.00 for eligible employees. b. Incorporate classification of Senior Code Compliance Officer to be eligible for benefit.
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 salary across-the-board base salary increases or medical increases, the City shall provide said adjustments to OMEA as applicable.
ASSOCIATION RELEASE TIME TRACKING	All Association release time shall be fully documented on employee timesheets in a manner specified by the City.
LANGUAGE CLEANUP	Parties have agreed to incorporate language changes to further clarify existing MOU practices or provisions. Included in language cleanup is a retitle of classification from Planning Aide to Planning Technician.

The Orange Municipal Employees' Association took these terms to a vote of their membership and

ratified the Tentative Agreement on July 25, 2025. City Council approval is required to finalize this agreement in the form of a Memorandum of Understanding.

7. ATTACHMENT

- Resolution No. 11629