



# Agenda Item

## Orange City Council

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Item #: 3.9.

2/10/2026

File #: 26-0018

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**TO:** Honorable Mayor and Members of the City Council

**THRU:** Jarad Hildenbrand, City Manager

**FROM:** Monica Espinoza, Human Resources Director

### 1. SUBJECT

Side Letter Agreement between the City of Orange and the City of Orange Police Association. Resolution No. 11657.

### 2. SUMMARY

Resolution No. 11657. A Side Letter Agreement between the City of Orange and the City of Orange Police Association to retroactively change language and administration of the existing Holidays provision within Resolution No. 11516.

### 3. RECOMMENDED ACTION

1. Adopt Resolution No. 11657. A Resolution of the City Council of the City of Orange establishing side letter agreement between the City of Orange and the City of Orange Police Association, effective January 1, 2021 through and including June 30, 2026.
2. Authorize staff to implement terms and incorporate the Side Letter Agreement into a future Memorandum of Understanding.

### 4. FISCAL IMPACT

This language clean up action has very minimal fiscal impact.

### 5. STRATEGIC PLAN GOALS

Goal 1: Maintain Strong Emergency and Safety Services

### 6. DISCUSSION AND BACKGROUND

The City recently became aware that the California Public Employees' Retirement System (CalPERS) reviewed the Memorandum of Understanding (MOU) for the City of Orange Police Association as part of a compensation review for a retiree. As part of this review, CalPERS determined that the Association's Holidays provision language and application is not compliant with the California Public Employees' Retirement Law (PERL) and the California Code of Regulations (CCR), and not in alignment with the intent of the benefit.

In order to rectify this matter, modifications to the language and administration of this benefit must be made and approved by City Council. CalPERS recommends retroactively applying these changes five (5) years to ensure the pensions of current and future retirees from this bargaining group are not

impacted.

## 7. ATTACHMENTS

- Resolution No. 11657