



SUPPLEMENTAL AGENDA ITEM AGENDA STAFF REPORT

Control: 26001699

MEETING DATE: 08/25/2026
LEGAL ENTITY TAKING ACTION: Board of Supervisors
BOARD OF SUPERVISORS DISTRICT(S): All Districts
SUBMITTING AGENCY/DEPARTMENT: County Executive Office
DEPARTMENT CONTACT PERSON(S): Jamie Newton, 714-834-2836
Hetal Patel, 714-834-2247

REASON ITEM IS SUPPLEMENTAL: Agendizing this supplemental item for August 25, 2026, Board Hearing will allow for the discussion of a proposed tentative employment agreement with the Orange County Employees Association (OCEA).

JUSTIFICATION: Formal Board action is needed to approve the proposed tentative employment agreement with the Orange County Employees Association (OCEA). This agenda report was finalized after the filing deadline of the Clerk of the Board.

SUBJECT: Approve 2026-2027 MOUs with Orange County Employees Association (OCEA)

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION 3 Votes Board Majority
Budgeted: See Financial Impact Section	Current Year Cost: See Financial Impact Section	Annual Cost: See Financial Impact Section
Staffing Impact: No		Sole Source: No
Current Fiscal Year Revenue: N/A	Funding Source: N/A	County Audit in Last 3 years: No
Levine Act Review Completed? N/A		
Prior Board Action: N/A		

RECOMMENDED ACTION(S):

1. Approve and adopt the attached 2026-2027 Memoranda of Understanding between the County of Orange and the Orange County Employees Association for the period of June 26, 2026 through August 31, 2027.
2. Authorize the County Executive Officer or designee to execute the attached 2026-2027 Memoranda of Understanding between the County of Orange and the Orange County Employees Association for the period of June 26, 2026 through August 31, 2027.

SUMMARY:

Approval and adoption of the 2026-2027 Memoranda of Understanding between the County of Orange and the Orange County Employees Association for the Community Services, County General, Healthcare Professional, Office Services, Sheriff's Special Officer and Supervisory Management Units will ratify the terms and conditions of employment.

BACKGROUND INFORMATION:

The Orange County Employee Association (OCEA) represents approximately 11,054 positions in 535 different classifications within the County of Orange. These positions are spread among six different bargaining units represented by OCEA: Community Services, County General, Healthcare Professional, Office Services, Sheriff's Special Officer and Supervisory Management.

On May 6, 2026, representatives from the County and OCEA commenced the meet and confer process to negotiate a successor labor agreement to the 2023-2026 Memoranda of Understanding (MOU). Over the next three months, the parties met on multiple occasions and collaboratively arrived at a tentative agreement on August 12, 2026. In anticipation that on August 21, 2026, the membership of the Orange County Employees Association will have ratified the tentative agreement, Human Resource Services requests your Honorable Board's approval and adoption of the 2026-2027 Memoranda of Understanding.

This agreement reflects the Board's desire to maintain a competitive standing among comparable Southern California counties and cities for recruitment and retention purposes.

A summary of the significant deal points in the 2026-2027 MOU include:

Term

Term from June 26, 2026, through August 31, 2027.

Wages

Effective the first day of the first full pay period following Board adoption (effective September 4, 2026), the salary schedules will be increased by 3.00 percent.

Leave Provisions

Increase amount of personal business leave from 40 hours to 50 hours per fiscal year.

Holidays

Observe Farmworkers' Day (March 31, 2027) and Juneteenth (June 19, 2027) to align with Superior Court operations.

Incorporate side letter provisions related to observing major holidays which fall on the weekend.

Work Schedules

Confirms that 3/12 schedules may be implemented by a department.

Posting of Leave Balances

Remove limitations to posting healthcare leave, vacation and/or annual leave in minimum 15-minute increments.

Document Delivery

Allows delivery of certain disciplinary documents via email under specified conditions.

Artificial Intelligence

Establishes a Labor Management Committee (LMC) to meet and discuss the fast-developing area of generative AI (Gen AI).

Parity Clause

Applies specified enhancements to OCEA bargaining units if agreed to with other labor groups during term of the agreement.

FINANCIAL IMPACT:

The total estimated cost to be incurred over the MOU term is \$37.3 million, of which \$33.2 million is Net County Cost (NCC). The cost is allocated by fiscal year as follows:

- **FY 2026–27:** \$30.1 million total cost, of which \$26.8 million is NCC
- **FY 2027–28:** \$7.2 million total cost, of which \$6.4 million is NCC

The ongoing annual cost is \$37.3 million, with \$33.2 million in NCC.

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A - CS Unit MOU (2026-2027)

Attachment B - CS Unit MOU (2026-2027) Redline

Attachment C - GE Unit MOU (2026-2027)

Attachment D- GE Unit MOU (2026-2027) Redline

Attachment E - HP Unit MOU (2026-2027)

Attachment F - HP Unit MOU (2026-2027) Redline

Attachment G - CL Unit MOU (2026-2027)

Attachment H - CL Unit MOU (2026-2027) Redline

Attachment I - SSO Unit MOU (2026-2027)

Attachment J - SSO Unit MOU (2026-2027) Redline

Attachment K - SM Unit MOU (2026-2027)

Attachment L - SM Unit MOU (2026-2027) Redline

Attachment M - OCEA Deal Points 8-12-2026.docx