Orange County Fire Authority

AGENDA STAFF REPORT

Board of Directors Meeting
October 22, 2026

Agenda Item No. 3A
Discussion Calendar

Approval of Proposed Side Letters of Agreement between the Orange County Fire Authority and the Chief Officers Association

Contact(s) for Further Information

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Summary

This item is submitted to approve three (3) proposed Side Letters of Agreement to the Memorandum of Understanding between the Orange County Fire Authority and the Chief Officers Association (COA).

Prior Board/Committee Action(s)

Closed session discussions were previously completed with the Board of Directors.

RECOMMENDED ACTION(S)

Approve three (3) proposed Side Letters of Agreement between the Orange County Fire Authority and the Chief Officers Association to modify language in Appendix B, Transition of Employment Agreement, Provision 2.A, Article V, Section 10 (Vacation Accruals), Article VI, Section 3.A.2 (Holiday Compensation), and Article 1 Section 7 (Flex Time).

Impact to Cities/County

Not applicable.

Fiscal Impact

The estimated fiscal impact in the current FY 2026/2027 is $221,669 and will be included as part of the Mid-Year Budget Adjustment submitted to the Board of Directors for review in January and approved in March. Annual ongoing fiscal impact will be included in the Fiscal Year 2027/2028 budget development process.

Increase Cost Funded by Structural Fire Fund:	$ 221,669
Increase Cost Funded by Cash Contract Cities:	$ 0*

**The proportional cost share to CCCs will be included in the FY 2027-28 Budget.*

Background

The Meyers-Milias-Brown Act provides for recognized employee organizations to meet with employers and represent public employees through the meet and confer process in matters relating to hours, wages and working conditions.

The parties have engaged in discussions over MOU provisions that cause disparate impacts between members in the COA bargaining unit. Specifically, staff recommends that the Board consider and approve the following proposed side letters of agreement:

1. Side Letter of Agreement on Sick Leave and Vacation Accrual Cashouts for Transitioned Employees

   The current MOU provides that for employees that have transitioned from another fire department (i.e. Santa Ana or Garden Grove); their time employed in the prior agency will be considered as continuous employment with the OCFA for the purposes of Sick Leave and Vacation Accruals. This language does not apply to cash out provisions during employment, upon retirement or upon death during employment. As a result, employees with the same years of service are treated differently for purposes of the cashout provisions.

   This side letter seeks modification to the language in Appendix B, Transition of Employment Agreement, Provision 2.A that would credit transitioned employees with their total years of continuous service for purposes of leave cashouts allowable under the MOU.

2. Side Letter of Agreement on Vacation and Holiday Accruals

   The current vacation accrual rate and holiday compensation rates do not reflect a 1:1.4 factor that is standard for the OCFA deployment schedule causing inequity when an employee transitions from Staff to Shift schedule or vice versa.

   This side letter seeks modification to the vacation accrual rate for Shift Battalion Chiefs in Article V, Section 10 Vacation Accruals and the language in Article VI, Section 3.A.2 Holiday Compensation to reflect a 1:1.4 factor for accrual rates for Staff vs. Shift employees.

3. Side Letter of Agreement on Flex Time Banks for Division Chiefs

   The current Division Chief (DC) Flex Bank provision requires DCs to accumulate flex time in their Flex Bank up to a maximum of 160 hours before receiving additional overtime as overtime compensation. Battalion Chiefs, on the other hand, have the discretion to either bank their flex time or receive the pay as overtime compensation.

   This side letter seeks modification the Article 1, Section 7 to provide DCs the option to either bank their flex time up to one hundred sixty hours in the "DC Flex Bank" or receive OT compensation at their discretion, same as the Battalion Chiefs.

Staff recommends approval of the three (3) Side Letters of Agreement.

Attachment(s)

1. Proposed Side Letter of Agreement on Sick Leave and Vacation Accrual Cashouts for Transitioned Employees
2. Proposed Side Letter of Agreement on Vacation and Holiday Accruals
3. Proposed Side Letter of Agreement on Flex Time Banks for Division Chiefs

ATTACHMENT 1

SIDE LETTER AGREEMENT
BETWEEN
ORANGE COUNTY FIRE AUTHORITY
AND
ORANGE COUNTY FIRE AUTHORITY CHIEF OFFICERS ASSOCIATION

This Side Letter of Agreement between the Orange County Fire Authority and the Orange County Fire Authority Chief Officers Association ("COA"), (collectively, "Parties") is entered into with respect to the following:

WHEREAS, the 2023-2027 Memorandum of Understanding (MOU) between the Parties became effective on July 1, 2023; and

WHEREAS, the Parties have identified that the Side Letter of Agreement for "Transition of Employment" lacks clear language with regard to sick leave cashouts upon retirement or death of the employee during employment; and

WHEREAS, the Parties agree that this creates a disparity among bargaining unit members with regard to the sick leave benefit; and

WHEREAS, the Parties agree to modify the MOU as identified below, to better align such provisions within the COA bargaining unit. These changes shall become effective on the first day of the pay period following approval by the Board of Directors and shall not be applied retroactively to previously separated members.

LEAVE CASHOUT LANGUAGE

The parties agree to modify the MOU by amending the language contained in **Appendix B, Transition of Employment Agreement, Provision 2.A**., with the following:

2. Transitioning public fire service agency employees' continuous employment with the public fire service agency from which they are transitioning shall be considered the same as continuous employment with the OCFA for the purpose of:

   A. Sick leave and vacation accruals and leave cash-outs during employment, upon retirement or death during employment, and

   B. Meeting minimum requirements for promotional opportunities; and

   C. Eligibility for Longevity Pay pursuant to Article XXII Section F of the MOU.

ORANGE COUNTY FIRE AUTHORITY

TJ McGovern
Fire Chief

Robert Cortez
Deputy Chief, Administration and Support Bureau

Stephanie Holloman
Assistant Chief of Human Resources

Sara Kennedy
Assistant Chief of Business Services

Date

ORANGE COUNTY FIRE AUTHORITY
CHIEF OFFICERS ASSOCIATION

Justin Truhill
COA President

Justin Neville
COA Vice President

Date

ATTACHMENT 2

SIDE LETTER AGREEMENT
BETWEEN
ORANGE COUNTY FIRE AUTHORITY
AND
ORANGE COUNTY FIRE AUTHORITY CHIEF OFFICERS ASSOCIATION

This Side Letter of Agreement between the Orange County Fire Authority and the Orange County Fire Authority Chief Officers Association ("COA"), (collectively, "Parties") is entered into with respect to the following:

WHEREAS, the 2023-2027 Memorandum of Understanding (MOU) between the Parties became effective on July 1, 2023; and

WHEREAS, the Parties have identified that language in the MOU in Articles V, and VI relating to vacation accrual and holiday compensation rates are incorrect and does not reflect current practice; and

WHEREAS, the Parties agree to modify the MOU as identified below to correctly reflect the vacation accrual rates for shift Battalion Chiefs and Holiday Compensation rates for staff Battalion and Division Chiefs. These changes shall become effective on the first day of the pay period following the execution of this Side Letter of Agreement.

1. VACATION ACCRUAL – SHIFT BATTALION CHIEFS

The current vacation accrual rates for Shift Battalion Chiefs assigned to a 56-hour workweek do not reflect the established 1.4 conversion factor, which differentiates workweek hours for field/shift personnel (56 hours) from staff personnel (40 hours). Therefore, the Parties agree to modify Article V, Section 10.A.1 (Accumulation of Vacation for Shift Battalion Chiefs) as identified by the redlined/tracked changes below:

YEARS OF COMPLETED CONTINUOUS SERVICE	EQUIVALENT HOURS OF COMPLETED CONTINUOUS SERVICE EXCLUSIVE OF OVERTIME	HOURLY ACCRUAL RATE	ANNUAL ACCRUAL
0 to 3 years	1 through 8736.00 regularly scheduled hours	~~0.0385~~0.0577 hours for each regularly scheduled hour paid	Approximately ~~112~~ 168 hours per year
After 3 years but less than 10 years	8,736.01 through 29,120.00 regularly scheduled hours	~~0.0577~~0.077 hours for each regularly scheduled hour paid	Approximately ~~168~~ 224 hours per year
After 10 years	29,120.01 or more regularly scheduled hours	~~0.077~~ 0.0962 hours for each regularly scheduled hour paid	Approximately ~~224~~ 280 hours per year

2. HOLIDAY COMPENSATION – STAFF BATTALION CHIEFS & DIVISION CHIEFS

The current holiday compensation provisions do not reflect the established 1.4 conversion factor, which differentiates workweek hours for field/shift personnel (56 hours) from staff personnel (40 hours). Therefore, the Parties agree to modify Article VI, Section 3.A.2 (Holiday Compensation) as identified by the redlined/tracked changes below:

- When a holiday listed in Section 1.A of this Article falls on the employee's regularly scheduled day off, the employee shall receive ~~eight (8)~~ nine (9) hours of holiday pay computed at the employee's hourly rate.

ORANGE COUNTY FIRE AUTHORITY

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Fire Chief

Robert Cortez
Deputy Chief, Administration and Support Bureau

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ORANGE COUNTY FIRE AUTHORITY
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This Side Letter of Agreement between the Orange County Fire Authority and the Orange County Fire Authority Chief Officers Association ("COA"), (collectively, "Parties") is entered into with respect to the following:

WHEREAS, the 2023-2027 Memorandum of Understanding (MOU) between the Parties became effective on July 1, 2023; and

WHEREAS, the Parties have identified a disparity among bargaining unit members with regard to Article I relating to DC Flex Time provisions affecting COA members; and

WHEREAS, the Parties agree to modify the MOU as identified below, to better align such provisions within the COA bargaining unit. These changes shall become effective on the first day of the pay period following approval by the Board of Directors.

DIVISION CHIEF FLEX TIME

The current flex time language for Division Chiefs provides for cash-out of Flex Hours that accumulate above a cap of one hundred sixty (160) hours, at a rate of one and one-half (1.5) times the base rate of pay. The intent of limiting the Division Chief Flex Time Bank to 160 hours was to decrease accrued liability and cost to the OCFA The COA would like to adjust this section of the MOU to provide parity with the Battalion Chiefs who currently have the option to bank flex time or take the hours for pay. Therefore, the Parties agree to modify the third paragraph of Article 1, Section 7.B, as identified by the redlined/tracked changes below.

> Effective with this Side Letter, all flex hours earned may be banked as DC Flex Time, or cashed out as overtime (at one and one-half times the base rate of pay), at the discretion of the Division Chief. The maximum number of Flex Hours that can be accumulated in the DC Flex Bank is one hundred sixty (160) hours. Once an employee has banked one hundred sixty (160) Flex Hours in their DC Flex Bank, they will automatically be compensated at one and one-half (1.5) times their base rate of pay for each ~~of these~~ hour~~s~~ worked in excess.

ORANGE COUNTY FIRE AUTHORITY

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Fire Chief

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