

# The County Connection

2477 Arnold Industrial Way    Concord, CA 94520-5326    (925) 676-7500    www.cccta.org

## **BOARD OF DIRECTORS MEETING AGENDA**

**Thursday, August 18, 2011  
9:00 a.m.**

**CCCTA Paratransit Facility Board Room  
2477 Arnold Industrial Way  
Concord, California**

The CCCTA Board of Directors may take action on each item on the agenda. The action may consist of the recommended action, a related action or no action. Staff recommendations are subject to action and/or change by the Board of Directors.

1. Call to Order/Pledge of Allegiance
2. Roll Call/Confirm Quorum
3. Public Communication
4. Consent Calendar
  - a. Approval of Minutes of Regular Meeting of July 21, 2011\*
  - b. PERS Pretax Resolution\*  
Resolution No. 2012-004\*  
(The Resolution approves the PERS Pretax Payroll Deduction Plan for service credit purchases.)
5. Report of Chair
  - a. Election of CCCTA Officers

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\*Enclosure

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Moraga • Orinda • Pleasant Hill • San Ramon • Walnut Creek

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

6. Report of General Manager
  - a. Recognition of Departing Employee
  - b. MTC Transportation Sustainability Project Update: Referral to the MP&L Committee
7. Report of Standing Committees
  - a. Administration & Finance Committee  
(Committee Chair: Director Dessayer)
    - (1) Pacheco Transit Hub Project: Request from CCTA to Complete Project Design Work\*  
Resolution No. 2012-005\*  
(The Resolution authorizes an amendment to the Agreement with Nolte Associates, Inc. for design of the Pacheco Transit Hub and authorizes the transfer of project management responsibilities for the Pacheco Transit Hub Project to the Contra Costa Transportation Authority or the City of Martinez.)
    - (2) ICMA 457 Loans\*  
Resolution No. 2012-006\*  
(The Resolution amends the agreement with ICMA to permit loans.)
8. Report from the Advisory Committee
9. Board Communication

Under this item, Directors are limited to providing information, asking clarifying questions about matters not on the agenda, responding to public comment, referring matters to committee or staff for information, or requesting a report (on any matter) be made at another meeting.
10. Closed Session
  - a. Conference with Legal Counsel—Existing Litigation  
Pursuant to Government Code Section 54956.9(a)  
Walls v. Central Contra Costa Transit Authority
  - b. Public Employee Performance Evaluation  
Pursuant to Government Code Section 54957  
Position: General Manager
11. Open Session
  - a. Report on Action(s) Taken During the Closed Session
12. Adjournment

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\*Enclosure

## General Information

Public Comment: Each person wishing to address the CCCTA Board of Directors is requested to complete a Speakers Card for submittal to the Clerk of the Board before the meeting convenes or the applicable agenda item is discussed. Persons who address the Board are also asked to furnish a copy of any written statement to the Clerk.

Persons who wish to speak on matters set for Public Hearings will be heard when the Chair calls for comments from the public. After individuals have spoken, the Public Hearing is closed and the matter is subject to discussion and action by the Board.

A period of thirty (30) minutes has been allocated for public comments concerning items of interest within the subject matter jurisdiction of the Board. Each individual will be allotted three minutes, which may be extended at the discretion of the Board Chair.

Consent Items: All matters listed under the Consent Calendar are considered by the Board to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a Board Member or a member of the public prior to when the Board votes on the motion to adopt.

Availability of Public Records: All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body, will be available for public inspection at 2477 Arnold Industrial Way, Concord, California, at the same time that the public records are distributed or made available to the legislative body. The agenda and enclosures for this meeting are posted also on our website at [www.CCCTA.org](http://www.CCCTA.org).

Accessible Public Meetings: Upon request, CCCTA will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service so that it is received by CCCTA at least 48 hours before the meeting convenes. Requests should be sent to the Board Clerk, Janet Madrigal, at 2477 Arnold Industrial Way, Concord, CA 94520 or [madrigal@cccta.org](mailto:madrigal@cccta.org).

Shuttle Service: With 24-hour notice, a CCCTA LINK shuttle can be available at the North Concord BART station for individuals who want to attend the Board meetings. To arrange for the shuttle service, please call Mary Walker at 925/680-2068, no later than 24 hours prior to the start of the meeting.

## Currently Scheduled Board and Committee Meetings

Board of Directors:	Thursday, September 15, 9:00 a.m., CCCTA Board Room
Administration & Finance:	Tuesday, September 6, 9:30 a.m., Pleasant Hill City Offices
Advisory Committee:	Friday, September 9, 9:30 a.m., CCCTA Board Room
Marketing, Planning & Legislative:	Thursday, September 1, 8:30 a.m., Walnut Creek City Offices
Operations & Scheduling:	Friday, September 9, 9:00 a.m., Supervisor Uilkema's Lamorinda Office

**The above meeting schedules are subject to change. Please check the CCCTA Website ([www.CCCTA.org](http://www.CCCTA.org)) or contact CCCTA staff at 925/676-1976 to verify date, time and location prior to attending a meeting.**

**This agenda is posted on CCCTA's Website ([www.CCCTA.org](http://www.CCCTA.org)) and at the CCCTA Administrative Offices, 2477 Arnold Industrial Way, Concord, California**

# The County Connection

2477 Arnold Industrial Way Concord, CA 94520-5326 (925) 676-7500 www.cccta.org

Agenda Item No. 4.a.

## CCCTA BOARD OF DIRECTORS

### MINUTES OF THE REGULAR MEETING July 21, 2011

#### CALL TO ORDER/ROLL CALL/CONFIRM QUORUM

Chair Hudson called the meeting to order at 9:00 a.m. Board Members present were Directors Andersen, Dessayer, Horn, Manning, Schroder, Uilkema and Weir. Director Worth arrived after the meeting convened. Directors Hoffmeister and Simmons were absent.

Staff: Ramacier, Chun, Glenn, Bowron, Burdick, Churchill, Madrigal, Mitchell, Porter, Rettig and Woody

Guest: Sam Andersen (son of Director Andersen)

**PUBLIC COMMUNICATION:** There was no communication from the public.

#### CONSENT CALENDAR

**MOTION:** Director Manning moved approval of the Consent Calendar, consisting of Approval of Minutes of Regular Meeting of June 16, 2011. Director Andersen seconded the motion and it received the following vote of approval.

Aye: Directors Andersen, Dessayer, Horn, Hudson, Manning, Schroder, Uilkema and Weir

No: None

Abstain: None

Absent: Directors Hoffmeister, Simmons and Worth

#### REPORT OF CHAIR

##### Report from Nominating Committee for Election of CCCTA Officers

Chair Hudson announced the Nominating Committee recommends the following slate of officers: Director Worth as Chair, Director Horn as Vice Chair and Director Simmons as Secretary. The nominations will remain open until the August Board meeting when the Board will consider any additional nominations and vote on the officers.

Clayton • Concord • Contra Costa County • Danville • Lafayette • Martinez  
Moraga • Orinda • Pleasant Hill • San Ramon • Walnut Creek

## **REPORT OF GENERAL MANAGER**

### **Update on State and Federal Legislation**

Rick Ramacier, General Manager, advised the Governor signed the state budget. It includes all the STA funds projected to come to transit. Based on new projections from MTC, the increase in the price of diesel fuel increased the amount of STA funds. On the federal side, there are three proposals for a reauthorization bill. The President's proposal calls for a doubling of transit funds over a six-year period, the proposal from the House calls for a 30 percent reduction over a six-year period and the Senate has a two-year bill that would maintain present levels of funding with slight increases for inflation. Both the House and the Senate want to pass a bill this year.

(Director Worth arrived.)

### **Attendance at APTYA Annual Meeting & Expo**

Mr. Ramacier advised the 2011 APTA Annual Meeting will include the Expo that is held every three years. Seven Board Members expressed an interest in attending this event and the budget includes enough funds for five Members to attend. He asked the Board to discuss the number of representatives they would like to send to the APTA Annual Meeting & Expo.

Board Members discussed various alternatives given constraints in the overall budget, the amount budgeted for Board travel of \$10,000, reserving some of that annual budget for the 2012 APTA Legislative Conference and community perceptions if a large delegation represents CCCTA. These ideas included limiting the number of attendees to five, sending a delegation of three representatives who would report back to the Board on what they learned, providing a set amount per attendee and all other expenses would be paid by that attendee, and paying full costs for a small core group and having other attendees pay their own way. The Board also reviewed the benefits of learning about new information and technology at this event, the visual display of products, such as bus shelters, that will assist CCCTA in making long-term decisions relative to its public image, the possibility of asking vendors to come to CCCTA to display their products, using the Internet to view products, and having Board Members meet with and acknowledge vendors for their accomplishments. In summary, Chair Hudson felt the Board's first priority for travel is the APTA Annual Meeting & Expo and he asked staff to work out the number of attendees within the amount budgeted for Board travel. If funds are remaining, they can be used for the 2012 APTA Legislative Conference. He asked the Board to reconfirm with staff if they are interested in attending the 2011 APTA Annual Meeting & Expo.

## **REPORT OF STANDING COMMITTEES**

### **Administration & Finance Committee**

#### Transit Security Grant Program Resolution

Director Manning advised CCCTA received a grant for \$116,000 last year and staff recommends applying for the same grant this year. Staff believes improvements to the perimeter security fence is a worthwhile project, and the A&F Committee would like to do everything it can to secure the facility. Responding to Director Andersen's questions about the funds, Mr. Ramacier advised staff is required by the state to adopt a resolution each year to apply for the \$116,000 grant. Staff will provide a report to the O&S Committee regarding its rationale for identifying the perimeter security fence and related projects as the top priority for the use of these funds before advertising for bids.

**MOTION:** Director Manning made a motion to approve Resolution No. 2012-001 that authorizes CCCTA to request an allocation of FY2011 Proposition 1B California Transit Security Grant Program funds. The motion was seconded by Director Uilkema and it passed by the following vote.

Aye: Directors Andersen, Dessayer, Horn, Hudson, Manning, Schroder, Uilkema, Weir and Worth  
No: None  
Abstain: None  
Absent: Directors Hoffmeister and Simmons

### **Operations & Scheduling Committee**

#### Cal State East Bay—Concord Campus Service

Director Horn advised Cal State University East Bay wants to move forward with a shuttle service program similar to the Gael Rail service for St. Mary's College. They are willing to fund the service 100 percent to include a four-day per week program. This will be a demonstration project for two quarters at which time they will determine if they want to continue the service.

MOTION: Director Horn moved approval of Resolution No. 2012-002, which authorizes execution of an agreement with Cal State University East Bay for evening service on a demonstration basis for its Concord campus. The motion was seconded by Director Worth and it was approved.

Aye: Directors Andersen, Dessayer, Horn, Hudson, Manning, Schroder, Uilkema, Weir and Worth  
No: None  
Abstain: None  
Absent: Directors Hoffmeister and Simmons

#### Multi-Jurisdictional Local Hazard Mitigation Plan

After introducing this item, Director Horn asked Bill Churchill, Director of Transportation, to provide a summary report. Mr. Churchill introduced Sharon Porter, Manager of Safety and Training, and stated she is responsible for establishing and developing the CCCTA emergency operations center and communication links with staff at MTC, ABAG, the county and all our emergency response agencies. She worked with ABAG in developing the CCCTA Annex to the 2010 ABAG Local Hazard Mitigation Plan, Taming Natural Disasters. The resolution approves the Annex and preserves the opportunity for CCCTA to apply for federal funds for projects identified in the Annex that are deemed worthy by the Board.

Responding to a question from Director Dessayer, Mr. Ramacier provided background information regarding why MTC and ABAG are involved in regional planning for mitigation of disasters. They have developed plans for the transit operators that include a list of priority projects. By adopting the plan, they will assist CCCTA in competing for competitive federal grants to fund projects approved by the Board. Director Uilkema pointed out the agencies will have more strength when they show there is regional cooperation. CCCTA is an integral part of hazard mitigation should there be a major catastrophic event, and the buses will be an important part of rescue operations.

Ms. Porter advised she worked closely with MTC and the Transit Regional Plan Committee where this plan was discussed. CCCTA was encouraged to move forward with developing its Annex and establishing its own list of projects from a large list from ABAG of identified projects. CCCTA staff identified and prioritized a list of proposed upgrades that will improve CCCTA's response to an emergency situation. CCCTA was the first transit agency to be preapproved by ABAG for its Annex and the list of projects.

Director Worth commended staff for their accomplishments in hazard mitigation. She noted that transit needs to be available for the large disasters as well as the smaller incidents that affect people's lives, such as a freeway or BART outage. She felt CCCTA has done a fantastic job as needed to keep the riding public moving. She also appreciated that the Board is informed when something happens and they are notified about what CCCTA is doing to step in as the incidents occur.

**MOTION:** Director Uilkema moved approval of Resolution No. 2012-003, which approves the Annex to the 2010 Association of Bay Area Governments Local Hazard Mitigation Plan Taming Natural Disasters Central Contra Costa Transit Authority. Director Worth seconded the motion and it passed as recorded below.

Aye: Directors Andersen, Dessayer, Horn, Hudson, Manning, Schroder, Uilkema, Weir and Worth  
No: None  
Abstain: None  
Absent: Directors Hoffmeister and Simmons

**REPORT FROM THE ADVISORY COMMITTEE:** There was no report.

#### **BOARD COMMUNICATION**

Director Dessayer reported on transit modes he used while touring Europe. One observation was that tickets were much easier to get and handle and they covered more things. Another observation was the honor system whereby the bus and train operators did not handle cash. Passengers used passes and punched their own tickets.

Chair Hudson commented on the availability of the Transportation Fund for Clean Air (TFCA) regional funds that may be used for eligible projects such as new or replacement shuttle/feeder bus service. He also mentioned that the elimination of redevelopment districts may result in the reallocation of those funds to public agencies, including transit.

#### **CLOSED SESSION**

**Conference with Labor Negotiator Pat Glenn, Esq., Pursuant to Government Code Section 54957.6, Teamsters Union Local 856 AFL-CIO**

**Public Employee Performance Evaluation Pursuant to Government Code Section 54957 for the General Manager**

At 9:55 a.m., Chair Hudson announced the Board would take a five-minute break and then reconvene in closed session to confer with its Labor Negotiator Pat Glenn pursuant to Government Code Section 54957.6 regarding the Teamsters Union Local 856 AFL-CIO and to discuss the performance evaluation of the General Manager pursuant to Government Code Section 54957.

#### **OPEN SESSION**

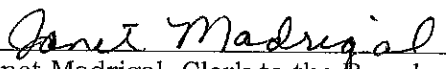
##### **Report on Action(s) Taken During the Closed Session**

The Board reconvened in open session at 10:50 a.m. Chair Hudson stated that the Board met in closed sessions to confer with its Labor Negotiator pursuant to Government Code Section 54957.6 related to Teamsters Union Local 856 AFL-CIO and gave direction to Pat Glenn regarding labor negotiations. The Board also met in closed session relative to public employee performance evaluation pursuant to Government Code Section 54957, for the position of General Manager, and the Board gave direction to Director Dessayer, Chair of the Administration & Finance Committee.

#### **ADJOURNMENT**

Chair Hudson adjourned the regular meeting at 10:53 a.m.

Minutes prepared by

  
Janet Madrigal, Clerk to the Board

  
Date

# The County Connection



To: Board of Directors

Date: August 8, 2011

From: Kathy Casenave *KC*  
Director of Finance

Reviewed By:

**SUBJECT: PERS PRETAX RESOLUTION**

**SUMMARY OF ISSUES:**

In 1986 the Board of Directors adopted a resolution implementing section 414 (h) (2) of the Internal Revenue Code providing tax benefits to employee contributions for PERS. The code section allows for a reduction of the employee's taxable income in the amount of the employee contribution. The 1986 resolution applied only to regular contributions for the current salary.

There are occasions when an employee can pay or buy back additional service credit. Currently we have three employees who are buying service credit- two for part time work for the Authority not covered by PERS and one for an employee who left the area, withdrew the contributions and subsequently was rehired. The 1986 resolution does not apply to these situations so the buyback has been with the employee's after tax wages.

The IRS code does allow for pretax treatment in these situations provided that the Board of Directors adopts a separate resolution. (See attached).

**FINANCIAL IMPLICATIONS:**

None to the Authority. A reduction in taxable income for the employee.

**ACTION REQUESTED:** The A&F Committee recommends that the Board of Directors adopts the resolution implementing section 414 (h) (2) of the Internal Revenue Service to allow pretax treatment for employees paying or buying service credit.

**ATTACHMENTS:** 1986 resolution and the proposed resolution.



Resolution No. 86-032  
CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
BOARD OF DIRECTORS

Whereas, the Central Contra Costa Transit Authority (CCCTA) Board of Directors has the authority to implement the provisions of section 414(h)(2) of the Internal Revenue Code (IRC); and,

Whereas, the Board of Administration of the Public Employees' Retirement System (PERS) adopted its resolution regarding section 414(h)(2) IRC on September 18, 1985; and

Whereas, the Internal Revenue Service has stated on December 6, 1985, that the implementation of the provisions of section 414(h)(2) IRC pursuant to the Resolution of the Board of Administration would satisfy the legal requirements of section 414(h)(2) IRC; and

Whereas, CCCTA Board of Directors has determined that even though the implementation of the provisions of section 414(h)(2) IRC is not required by law, the tax benefits offered by section 414(h)(2) IRC should be provided to CCCTA's employees who are members of PERS;

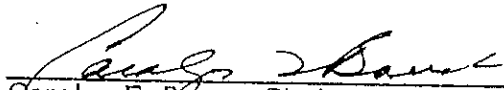
NOW, THEREFORE, BE IT RESOLVED, by the Board of Directors of the Central Contra Costa Transit Authority:

1. That CCCTA will implement the provisions of Section 414(h)(2) of the Internal Revenue Code by making employee contributions pursuant to California Government Code section 20615 to PERS on behalf of its employees who are members of PERS. "Employee contributions" shall mean those contributions to PERS which are deducted from the salary of employees and are credited to individual employee's accounts pursuant to California Government Code section 20615.
2. That the contributions made by CCCTA to PERS although designated as employee contributions are being paid by CCCTA in lieu of contributions by the employees who are members of PERS.
3. That employees will not have the option of choosing to receive the contributed amounts directly instead of having them paid by CCCTA to PERS.
4. That CCCTA shall pay to PERS the contributions designated as employee contributions from the same source of funds as used in paying salary.
5. That the amount of the contributions designated as employee contributions and paid by the CCCTA to PERS on behalf of an employee shall be the entire contribution required of the employee by the Public Employees' Retirement Law (California Government Code sections 20000, et seq.).

6. That the contributions designated as employee contributions made by CCCTA to PERS shall be treated for all purposes, other than taxation, in the same way that member contributions are treated by PERS.

This resolution was entered into by the Board of Directors of the Central Contra Costa Transit Authority this 20th day of November 1986.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

  
\_\_\_\_\_  
Carolyn F. Bovat, Chairman

AYES: Bovat, Bulman, Dabel, Dessayer, Feyh, Lane,  
Mulhall, Schinnerer, Schroder, and Uilkema

NOES: None

ABSTENTIONS: None

ABSENT: Murray

ATTEST:

  
\_\_\_\_\_  
Janet Madrigal, Clerk

RESOLUTION No. 2012-004  
CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
BOARD OF DIRECTORS

Employer Code: 1290

**EMPLOYER PICKUP RESOLUTION  
PRE-TAX PAYROLL DEDUCTION PLAN  
FOR SERVICE CREDIT PURCHASES  
(CONTRIBUTION CODE 14)**

WHEREAS, the Board of Administration of the California Public Employees' Retirement System (CalPERS) at the April 1996 meeting approved a pre-tax payroll deduction plan for service credit purchases under Internal Revenue Code (IRC) section 414(h)(2); and

WHEREAS, the Central Contra Costa Transit Authority has the authority to implement the provisions of IRC section 414(h)(2) and has determined that even though implementation is not required by law, the tax benefit offered by this section should be provided to those employees who are members of CalPERS; and

WHEREAS, the Central Contra Costa Transit Authority elects to participate in the pre-tax payroll deduction plan for all employees in the following CalPERS Coverage Group(s):

ALL EMPLOYEES

NOW, THEREFORE, BE IT RESOLVED:

- I. That the Central Contra Costa Transit Authority will implement the provision of IRC Section 414(h)(2) by making employee contributions for service credit purchases pursuant to the California State Government Code on behalf of its employees who are members of CalPERS and who have made a binding irrevocable election to participate in the pre-tax payroll deduction plan. "Employee contributions" shall mean those contributions reported to CalPERS which are deducted from the salary of employees and are credited to individual employee accounts for service credit purchases, thereby resulting in tax deferral of employee contributions.
- II. That the contributions made by the Central Contra Costa Transit Authority to CalPERS, although designated as employee contributions, are being paid by the Central Contra Costa Transit Authority in lieu of contributions by the employees who are members of CalPERS.
- III. That the employees shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the Central Contra Costa Transit Authority to CalPERS

IV. That the Central Contra Costa Transit Authority shall pay to CalPERS the contributions designated as employee contributions from the same source of funds as used in paying salary, thereby resulting in tax deferral of employee contributions.

V. That the governing body of the Central Contra Costa Transit Authority shall participate in and adhere to requirements and restrictions of the pre-tax deduction plan by reporting pre-tax payroll deductions when authorized by CalPERS for those employees of the above stated Coverage Group(s) who have elected to participate in this plan.

**PASSED AND ADOPTED** by the Board of Directors of the Central Contra Costa Transit Authority this 18<sup>th</sup> day of August, 2011

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David E. Hudson  
Chair, CCCTA Board of Directors

**RETURN ADDRESS:**  
CCCTA  
2477 ARNOLD INDUSTRIAL WAY  
CONCORD, CA 94520

.....

**FOR CALPERS USE ONLY**

Pre-tax payroll deduction plan effective date: \_\_\_\_\_

Approved By: \_\_\_\_\_ Title: \_\_\_\_\_

**MEMBER SERVICE DIVISION, Service credit section-Unit 830**

**TO:** Board of Directors

**DATE:** August 8, 2011

**FROM:** Rick Ramacier *RR*  
General Manager *By: LH*

**SUBJECT:** Pacheco Transit Hub Project:  
Request From CCTA to  
Complete Project Design Work

### Background

As you know, management of the Pacheco Transit Hub Project will soon be turned over to either the Contra Costa Transportation Authority (CCTA) or the City of Martinez. To that end, CCTA has requested that County Connection complete the design work for this project to facilitate an orderly and smooth transition of the project from County Connection to either CCTA or Martinez. A letter from the CCTA Executive Director is attached for your reference.

For years, County Connection has been working in partnership with, CCTA, other transit operators, the City of Martinez, and TRANSPAC to build the Pacheco Transit Hub. This project will serve as a key piece to future express bus service and regional carpooling. All of the stakeholders are very interested in this top priority project being completed.

The project has evolved into a complex one that requires an entity with proper experience, expertise, and time to manage it successfully. Thus, for various reasons, it makes good sense to turn over the project to CCTA or Martinez at the appropriate time. Given that the project is about 90% complete in terms of design, the opportune time to turn over the project is upon completion of the design work. This is stated as such in the letter from CCTA.

To date, \$253,239 has been spent on the design, exhausting the General Manager's authority. County Connection's design consultant, Nolte believes it will take another \$59,000 to complete the design work. CCTA staff believes this a reasonable and justified request. The total grant funding available for the entire project started at \$2,821,585. Both CCTA and Martinez fully understand that the additional \$59,000 would come out the existing grant funds that County Connection will turn over to CCTA or Martinez with the transfer of the project. Both CCTA and Martinez would like County Connection to spend the \$59,000 to complete the design work.

### Financial Impact

There is no direct impact to County Connection. Spending an additional \$59,000 to complete the design work will come out of the existing grant sources for the project. Thus, CCTA or Martinez will have \$59,000 less in grant funding to complete the project once it is taken over from County Connection. The agreement that will be executed transferring the project from County

Connection to CCTA or Martinez will state clearly that other than the transfer of the existing grant funds to the new project manager, County Connection will be under no obligation to provide, seek, or otherwise help with any additional funding that may be needed to complete the project.

### **Staff Recommendation**

The Pacheco Transit Hub remains a vital project that many key stakeholders want to see completed. The nature of the project has evolved into a complex construction project. Others like CCTA or the City of Martinez are better suited to completing such a project than County Connection is at this time. Thus, either CCTA or Martinez will take the project over. However, it makes the most sense to make the transfer upon completion of the project design work. Thus, staff recommends that County Connection complete the design work and that County Connection spend an additional \$59,000 in project grant funds to do so. Upon completion of the design work, staff recommends that County Connection transfer the project over to CCTA or the City of Martinez. At that time, staff will return to the Board to seek action turning over the project to either CCTA or Martinez.

### **Action Requested**

The A & F Committee recommends that the Board approve Resolution No. 2012-005 authorizing the General Manager to execute an amendment to the Agreement with Nolte & Associates for planning, engineering, and design for the Pacheco Transit Hub for an amount not to exceed \$59,000 contingent on greater commitment from CCTA or the city of Martinez to assume management of the project upon completion of design work.

The Resolution shall reference that upon completion of the project design work, the project and its grant funds will be turned over to CCTA or the City of Martinez.



CONTRA COSTA  
transportation  
authority

COMMISSIONERS:

David Durant,  
Chair

Don Tetzl, Jr.,  
Vice Chair

Janet Abelson

Genoveva Calloway

Jim Frazier

Federal Glover

Dave Hudson

Karen Mitchoff

Julie Pierce

Karen Stepper

Robert Taylor

Randell H. Iwasaki  
Executive Director

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July 14, 2011

Rick Ramacier  
General Manager  
Central Contra Costa Transit Authority  
2477 Arnold Industrial Way  
Concord, CA 94520-5335

Re: Pacheco Transit Hub – Measure C Project 2210

Dear Mr. <sup>Rick</sup>Ramacier:

The Contra Costa Transportation Authority (CCTA) recognizes that the Central Contra Costa Transit Authority (County Connection) has been working for several years to develop a transit hub on Caltrans property near the park and ride lot located on Blum Road. This is an important project for the commuters of Contra Costa County and surrounding area. The City of Martinez, CCTA and County Connection staff recently met regarding the progress of the project and plan for completing construction. Caltrans has brought up some new minor comments on the 99% complete plans. County Connection will need to amend their current consultant design contract to address these comments and resubmit to Caltrans for final approval.

County Connection staff is requesting that either CCTA or the City take over the project to manage the construction phase. Their expertise is operating transit facilities, not construction management. The City is considering annexation of the area surrounding the project and would manage the construction phase if it is within City limits. CCTA staff is supportive of such an arrangement. However, if annexation does not occur in a timely fashion, CCTA will accept construction management responsibilities. The project appears to provide adequate funding for Construction, Construction Management and Project Management and includes an adequate contingency.

CCTA encourages the County Connection Board to approve the contract amendment with Nolte Vertical FIVE (NV5) so the project can proceed to the bidding phase.

Sincerely,

Randell H. Iwasaki  
Executive Director

Cc: City of Martinez

**RESOLUTION NO. 2012-005**

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
BOARD OF DIRECTORS**

**\* \* \***

**AUTHORIZING A FOURTH AMENDMENT TO THE AGREEMENT  
WITH NOLTE ASSOCIATES, INC.  
FOR DESIGN OF THE PACHECO TRANSIT HUB  
AND  
AUTHORIZING THE TRANSFER OF PROJECT MANAGEMENT RESPONSIBILITIES  
FOR THE PACHECO TRANSIT HUB PROJECT  
TO THE CONTRA COSTA TRANSPORTATION AUTHORITY  
OR THE CITY OF MARTINEZ**

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (hereinafter "Member Jurisdictions") have formed the Central Contra Costa Transit Authority ("CCCTA"), a joint exercise of powers agency created under California Government Code Section 6500 *et seq.*, for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions; and

WHEREAS, on March 16, 2006, the Board of Directors adopted Resolution No. 2006-029, authorizing the General Manager to execute an Agreement with Nolte Associates, Inc. for the design of the Pacheco Transit Hub; and

WHEREAS, by Resolution Nos. 2007-021, 2009-024, and 2010-014, the Board of Directors amended the Agreement to include additional work for this design project; and

WHEREAS, Nolte Associates, Inc. has advised that an additional \$59,000 is required to complete the design work; and

WHEREAS, funding has been provided from Proposition 1B bond funds, Measure C Commuter Way funds, and Regional Measure 2 to pay for the additional work for the Pacheco Transit Hub project; and

WHEREAS, upon completion of the final design, staff recommends that the management of the Pacheco Transit Hub project be transferred to either the Contra Costa Transportation Authority or the City of Martinez, given the familiarity of those agencies with the project and their expertise in construction management; and

WHEREAS, the City of Martinez and the Contra Costa Transportation Authority are willing to assume responsibility for the project upon completion of final design, whereupon it is



assumed the project grant funds will be transferred to the agency assuming responsibility for the project, and CCCTA will be relieved from any further financial or other obligations for completion of the project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Central Contra Costa Transit Authority, that the General Manager, or his designee, is hereby authorized to negotiate and execute an amendment to the Agreement with Nolte Associates, Inc. for completion of the design for the Pacheco Transit Hub, and to negotiate and execute agreements for the transfer of grant funding and project management responsibilities to the Contra Costa Transportation Authority or the City of Martinez, subject to approval by Legal Counsel, and with the understanding that CCCTA will have no further financial responsibility for the Pacheco Transit Hub project.

Regularly passed and adopted this 18th day of August 2011 by the following vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
David E. Hudson, Chair, Board of Directors

ATTEST: \_\_\_\_\_  
Janet Madrigal, Clerk to the Board

# The County Connection

To: Administration & Finance Committee

Date: August 8, 2011

From: Kathy Casenave *Kc*  
Director of Finance

Reviewed By:

**SUBJECT: ICMA 457 LOANS**

## SUMMARY OF ISSUES:

The Authority set up a 457 deferred compensation plan many years ago so that employees can voluntarily contribute on a tax deferred basis for retirement. The Authority **does not match** these contributions.

IRS allows for withdrawal in the event of an unforeseeable emergency. The withdrawal is a taxable event for the employee.

The qualifying events are very limited (see attached). Employees have financial needs that are hardships for them but do not qualify for the emergency withdrawal- such as moving expenses, legal expenses, emergency travel expenses to visit sick parents.

The most frequent qualifying request of our employees is for eviction. Most employees know beforehand they may be short on rent money, but they have to wait until they get an eviction notice before ICMA can approve the request. Besides being detrimental to their credit, getting the notice and then waiting for the approval and receipt of funds is a source of anxiety for employees.

There has been an increase in requests for the hardship withdrawal at the Authority and ICMA has told me that we are not unique.

IRS also allows for employees to borrow funds from their account balance. The loan is not a taxable event and it must be paid back over 5 years with interest). The Authority currently does not provide for this option; understandably the Board has been reluctant to do so because the purpose of the plan is to encourage employees to save additional funds for retirement.

Staff is requesting that the Board rethink this position because:

1. Some employees are experiencing financial hardships that do not qualify for the emergency withdrawal or they have to wait until the situation becomes desperate in order to qualify.
2. This is their money.
3. Some employees do not have any other savings.
4. Emergency withdrawals are subject to taxes and there is no mechanism to pay back the withdrawal.
5. All requests for emergency withdrawals must go through the Director of Finance, which has become more time consuming because of the number of requests and the number of denials. (The Director is notified of the denial and then has to contact employee).
6. To receive an emergency withdrawal, employees often must disclose personal, sensitive information about their financial situation.

There are some advantages to having a loan program:

1. Employees will deal directly with ICMA for the loan application. Only when the paperwork is complete between ICMA and employee will Authority staff be involved, and that will only be for setting up the payroll deduction to pay back the loan.
2. Employees will be paying themselves back with interest, thus preserving their retirement savings.

3. The loan is nontaxable to the employee; it will become taxable only if the employee terminates before the loan is paid back or defaults on the loan.
4. Staff is proposing that there be only one loan at a time .

**FINANCIAL IMPLICATIONS:**

None for the Authority. Some payroll staff time involved, but less time for Director of Finance. Also will be less intrusive for employees needing additional funds during a financial hardship.

**ACTION REQUESTED:** The A&F Committee recommends that the Board of Directors approve the resolution allowing loans from the 457 deferred compensation plan.

**ATTACHMENTS:**

Examples of Emergency Withdrawal Qualifying and Non-qualifying requests

Proposed resolution allowing Participant loans

Examples of <b>Non-Qualifying</b> Requests	Examples of <b>Qualifying</b> Requests
<ul style="list-style-type: none"> <li>• Purchase of a home or automobile</li> <li>• Education expenses, such as college tuition</li> <li>• Normal monthly expenses, including rent or mortgage payments, utilities, credit card bills and car payments</li> <li>• Loss of overtime or second job</li> <li>• Routine medical and dental bills, elective/cosmetic surgery, or orthodontia</li> <li>• Normal maternity leave</li> <li>• Routine home or auto maintenance</li> <li>• Tax liability (payment of income tax, back taxes, or fines associated with back taxes)*</li> <li>• Travel expenses</li> <li>• Personal bankruptcy (except when resulting directly and solely from illness or casualty loss)*</li> <li>• Legal expenses (except in criminal cases)</li> <li>• Marital separation, divorce or child support*</li> <li>• Repayment of loans</li> </ul> <p><i>*Although not reflected in the Internal Revenue Code, the IRS has stated in question-and-answer sessions that these situations would not comply.</i></p>	<ul style="list-style-type: none"> <li>• Lost wages (realized)</li> <li>• Medical bills resulting from an accident or unexpected illness that are not covered by insurance</li> <li>• Damage to your home due to an accident or natural disaster (beyond insurance reimbursement)</li> <li>• Damage to your car or other personal property due to an accident or natural disaster (beyond insurance reimbursement)</li> <li>• Loss of your property due to theft (beyond insurance reimbursement)</li> <li>• Legal bills involving criminal charges against you or your dependent(s)</li> <li>• Expenses associated with the imminent foreclosure of, or eviction from, a participant's residence</li> <li>• Non-refundable deductibles and prescription medicine expenses associated with medical expenses resulting from the <i>sudden</i> illness or accident of you or one of your dependents</li> <li>• Funeral expenses for a spouse or dependent</li> </ul> <p><i>Please note: Unreimbursed medical expenses and expenses related to property loss or damage must be incurred and supported by bills – estimates will not be accepted.</i></p>

## EMERGENCY WITHDRAWAL PROCEDURES

Before an emergency withdrawal disbursement is made, you must:

- Determine that suspending contributions will not satisfy the financial need
- Exhaust all available loan options from your deferred compensation or defined contribution account(s)
- Obtain all proper documentation
- Obtain your employer's authorization

### Documenting Your Request

The *Emergency Withdrawal Form* asks you to describe the emergency and confirm that it meets the guidelines. The form requires that you attach any documents supporting your request, including information about the circumstances, financial impact of the emergency, and the nature of your

other resources available to meet the emergency. For example, a request for lost wages should include:

- ✓ a pay stub showing your normal pay rate
- ✓ pay stubs showing no wages and all leave balances exhausted
- ✓ a letter from your employer (or doctor, if applicable) explaining the reason for your absence.

If you do not provide adequate documentation with your emergency withdrawal request, processing may be delayed. Before submitting your request, be sure that you have included the following:

- ✓ Fully completed *Emergency Withdrawal Form*
- ✓ Fully completed *Emergency Withdrawal Worksheet*
- ✓ Copies of bills detailing unreimbursed medical expenses or property damage/loss

RESOLUTION No. 2012-006  
CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
BOARD OF DIRECTORS

Section 457 deferred Compensation Plan

ICMA-RC Plan # 303117

Name of Employer: Central Contra Costa Transit Authority (CCCTA)

State: California

Resolution of the above named Employer ("CCCTA")

WHEREAS, the CCCTA has employees rendering valuable services; and

WHEREAS, the CCCTA has established a retirement plan (the "Plan") for such employees which serves the interest of the CCCTA by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the CCCTA has determined that permitting participants in the retirement plan to take loans from the Plan will serve these objectives.

NOW THEREFORE BE IT RESOLVED that the Plan will permit loans.

I, Janet Madrigal, Clerk of the Board of Directors of the CCCTA do hereby certify that the foregoing resolution, proposed by the CCCTA Administration and Finance Committee was duly passed and adopted by the CCCTA Board of Directors at a regular meeting thereof assembled this 18<sup>th</sup> day of August 2011 by the following vote.

AYES:

NAYS:

ABSENT:

ABSTAIN:

(Seal)

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Clerk of the Board of Directors  
Central Contra Costa Transit Authority