

**To:** Board of Directors

**Date:** 07/08/2025

**From:** Amber Johnson, Chief Financial Officer  
Kristina Martinez, Director of Human Resources

**Reviewed by:** WC.

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**SUBJECT: Employee Benefits Adjustments**

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**Background:**

Authority employees are organized into the following groups:

- Transit Operators (represented by the Amalgamated Transit Union (ATU)),
- Transit Supervisors (represented by the Teamsters Union),
- Mechanics and Maintenance Workers (represented by the Machinists Union)
- Unrepresented Administrative Staff

The Authority provides employer-sponsored health coverage for all employees. The Maintenance Workers receive healthcare coverage through the Machinists Union. For the other three groups, the Authority contracts with CalPERS to provide health coverage for active and retired employees and their dependents.

The CalPERS health program is governed by the Public Employees' Medical & Hospital Care Act (PEMHCA), which mandates a minimum employer contribution that must be applied equally to both retired and active employees. This amount is commonly referred to as the Other Post Employment Benefit (OPEB) contribution amount. In addition, the Authority contributes to a Cafeteria Plan for active employees in compliance with Internal Revenue Code Section 125.

CalPERS has advised that the Authority's current OPEB contribution structure is no longer workable and requested that the Authority implement a simplified OPEB contribution structure. The Authority's labor negotiators have completed bargaining with the ATU and Teamsters regarding Authority contributions to both the OPEB and Cafeteria plans. If ratified by the Board, the negotiated amounts will be applied to all three PEMHCA-covered groups (ATU, Teamsters and Administrative), and will take effect on January 1, 2026.

**OPEB Contributions:**

Under the new structure for OPEB contributions, the Authority would contribute to CalPERS (for both active employees and retirees) up to the following amounts:

- \$310 for self-only coverage,
- \$620 for coverage of the individual + one dependent, and
- \$800 for coverage of the individual + more than one dependent.

These contributions would apply regardless of the PEMHCA plan selected.

For retirees who would otherwise experience a reduction in the Authority's contribution, a one-time lump sum contribution would be deposited into the Authority's retiree health savings plan. This amount would equal the actuarial present value of the reduction.

At the Board of Directors' meeting in June 2025, the Board received a report from the Authority's actuarial firm regarding the projected effects of these changes to the Authority's OPEB plan in compliance with Government Code section 7507. The General Manager affirms understanding of the current and future cost of the change in this benefit as determined by the actuary.

**Cafeteria Plan Contributions:**

Under the new Cafeteria Plan structure, the Authority would make monthly contributions up to the following amounts for active employees (and their dependents):

- 100% of Kaiser rate less \$310 for employee-only coverage,
- 95% of Kaiser rate less \$620 for employee plus one coverage, and
- 90% of Kaiser rate less \$800 for employee plus two or more dependents coverage.

Employees who opt out of PEMHCA coverage and submit the required attestation would receive a \$200 per month stipend, which may be:

- Cashed out at year-end as a lump sum, or
- Applied toward the Authority's vision plan.

The current Cafeteria Plan, and proposed amendment reflecting these changes, are included as Attachments 1 and 2.

**MOU Language:**

The Memoranda of Understanding (MOUs) for ATU and Teamsters would be updated to reflect the above changes and clarify current practices, including:

- Operators are eligible for health and dental benefits upon hire (no training period required).
- The dental provider for part-time Operators is MetLife (formerly DentiCare).
- Employees may enroll in voluntary benefits at their own expense, including vision, flexible spending accounts, accident and illness coverage, and additional life insurance.

**Board Resolutions:**

In addition to the Authority's standard practice of bringing a Board resolution to effect these changes, CalPERS requires adoption of certain precisely worded resolutions. The three employee groups are distinct within the CalPERS system, and a separate resolution is required for each. Therefore, a total of four Board resolutions accompany this report at Attachments 3 through 6.

**Financial Implications:**

The financial impact of these changes will depend on future CalPERS rates and employee/retiree plan selections. Current estimates include:

- An annual increase of approximately \$250,000 in healthcare costs, and
- A one-time lump sum contribution of \$182,270 to retiree health savings plans.

These costs are accounted for in the FY 2026 budget.

**Recommendation:**

The A&F Committee and staff recommend that the Board of Directors review the negotiated changes to employer contributions to healthcare for ATU, Teamsters, and Administrative employee groups, including retirees.

**Action Requested:**

The A&F Committee and staff recommend that the Board of Directors adopt Resolution No. 2026-04 to amend the cafeteria plan document in accordance with the negotiated changes to employer healthcare contributions for ATU, Teamsters, and Administrative employee groups, including retirees.

**Attachments:**

- Attachment 1: Central Contra Costa Transit Authority Cafeteria Plan Document
- Attachment 2: Proposed Amendment to the Central Contra Costa Transit Authority Cafeteria Plan, effective January 1, 2026
- Attachment 3: Resolution No. 2026-04 Approving Changes to Employer Healthcare Contributions for ATU, Teamsters, and Administrative Employee Groups, Effective January 1, 2016
- Attachment 4: Resolution No. 2026-05 Fixing the Employer Contribution Under PEMHCA for Employee Group 001 – Administrative Employees, Effective January 1, 2026
- Attachment 5: Resolution No. 2026-06 Fixing the Employer Contribution Under PEMHCA for Employee Group 002 – Amalgamated Transit 1605 Employees, Effective January 1, 2026
- Attachment 6: Resolution No. 2026-07 Fixing the Employer Contribution Under PEMHCA for Employee Group 003 – Teamsters Local 856 Employees, Effective January 1, 2026

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
CAFETERIA PLAN**

**PLAN DOCUMENT**

**Amended and Restated Effective January 1, 2008**

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**CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
CAFETERIA PLAN**

**Amended and Restated Effective January 1, 2008**

**Article 1. Introduction**

**1.1 Purpose of Plan.** The Central Contra Costa Transit Authority (“Authority”) originally adopted this Central Contra Costa Transit Authority Cafeteria Plan (“Plan”) effective January 1, 2007, to provide covered employees with a choice of benefit options in accordance with the requirements of section 125 of the Internal Revenue Code. Effective January 1, 2008, the Authority hereby amends and restates the Plan as set forth below.

**1.2 Cafeteria Plan Status.** The Plan is intended to qualify as a “cafeteria plan” under Section 125 of the Internal Revenue Code of 1986, as amended, and is to be interpreted in a manner consistent with the requirements of Section 125.

**Article 2. Definitions**

Capitalized terms used in this Plan have the meanings set out below, unless a different meaning is clearly required by the context:

**2.1 “Administrator”** means the Authority or any other person or committee that is appointed by the Authority to administer the Plan.

**2.2 “ATU”** means the Amalgamated Transit Union AFL-CIO Local 1605.

**2.3 “Authority”** means the Central Contra Costa Transit Authority.

**2.4 “Code”** means the Internal Revenue Code of 1986, as amended.

**2.5 “Effective Date”** means January 1, 2008.

**2.6 “Eligible Employee”** means an Employee classified by the Authority as one of the following: (1) a non-represented administrative employee; (2) a member of the collective bargaining unit represented by ATU who is eligible under the governing Authority–ATU MOU to participate in the Plan; or (3) effective January 1, 2009, a member of the collective bargaining unit represented by the Teamsters who is eligible under the governing Authority–Teamsters MOU to participate in the Plan.

**2.7 “Employee”** means an individual who is actively employed by the Authority.

**2.8 “MOU”** means the governing memorandum of understanding between the Authority and the ATU or the Teamsters, as applicable.

**2.9 “Optional Benefit Coverages”** means the coverages available to a Participant under the Authority-sponsored plan(s) set forth in Appendix A. Each Optional Benefit Coverage will constitute a “qualified benefit” within the meaning of Section 125(f) of the Code.

**2.10** “**Participant**” means an individual who participates in the Plan in accordance with Article 3.

**2.11** “**Plan**” means this Central Contra Costa Transit Authority Cafeteria Plan, together with any and all appendices, amendments and supplements hereto.

**2.12** “**Teamsters**” means the Teamsters union, Local 856.

**2.13** “**Year**” means the calendar year.

**Article 3. Eligibility and Participation**

**3.1** **Commencement of Participation.** Only Eligible Employees may participate in the Plan. Each Eligible Employee will become a Participant on the Effective Date or, if later, the date he or she becomes an Eligible Employee.

**3.2** **Cessation of Participation.** A Participant will cease to be a Participant on the earlier of (a) the date the Plan terminates or (b) the date he or she ceases to be an Eligible Employee.

**3.3** **Reinstatement of Former Participant.** A former Participant will become a Participant again if and when he or she again becomes an Eligible Employee.

**Article 4. Benefits**

**4.1** **Benefit Options.** The benefit options available to Participants under the Plan for any Year will be specified in Appendix A. Benefit options may, as determined by the Administrator, include paid vacation days, one or more Optional Benefit Coverages, cash, or any combination of the foregoing, as long as the available options include at least one taxable benefit and one Optional Benefit Coverage.

**4.2** **Benefit Elections.** Each Participant must elect among the available benefit options by filing a completed benefit election form with the Administrator, at the time and in the manner specified in Sections 4.5 and 4.6, as applicable. The election form will specify the following:

- (a) the Participant’s name;
- (b) the available benefit options;
- (c) the benefits elected by the Participant;
- (d) the Year or other time period for which such election is effective;
- (e) the Participant’s consent to reductions in his or her Authority compensation, to the extent required to purchase benefits elected under the Plan; and
- (f) any other information as the Administrator deems appropriate.

**4.3 Paid Vacation Days.** Any paid vacation days elected under the Plan by a Participant (“elective vacation days”) will be provided in accordance with the Authority’s vacation policy and the MOU, and will be separate from and in addition to any vacation days separately accrued by the Participant under such policy or MOU (“non-elective vacation days”). Notwithstanding anything to the contrary, any vacation days taken by the Participant for the Year will be debited first against his or her accrued non-elective vacation days before elective vacation days, until there is no remaining balance of non-elective vacation days. On or before December 31 of the Year, any unused elective vacation days will be paid in cash to the Participant.

**4.4 Optional Benefit Coverages.** While a Participant may elect one or more Optional Benefit Coverages under this Plan, the coverages and benefits thereunder will be provided not by this Plan but by the plans specified in Appendix A. The types and amounts of benefits available under each plan described in Appendix A, the requirements for participating in such plan, the claims procedures, and the other terms and conditions of coverage and benefits under such plan are as set forth in that plan’s governing documents, including but not limited to any group insurance contracts, prepaid health plan contracts, or other governing instruments.

**4.5 Initial Election Period.**

(a) Prior to the Effective Date, the Administrator will provide each Eligible Employee (and any other person who is expected to become a Participant on the Effective Date) with an initial benefit election form. Each such person must complete and file the form with the Administrator by the December 31st preceding the Effective Date (or by an earlier date specified by the Administrator). A Participant’s benefit elections on this form will be effective for the Year beginning on the Effective Date, subject to Section 4.8.

(b) Each person who becomes a Participant on or after the Effective Date must complete and file an initial benefit election form with the Administrator no later than 30 days after becoming a Participant (or by an earlier date specified by the Administrator). The Participant’s elections on this form will be effective for the period beginning on the date the form is filed (or a later date specified by the Administrator) and ending on the last day of the Year in which such elections become effective.

**4.6 Annual Election Period.** For each subsequent Year following the initial Year of participation, a Participant must complete and file a benefit election form by the December 31st preceding the first day of such Year (or by an earlier date specified by the Administrator). The Participant’s benefit elections on this form will be effective for such Year.

**4.7 Deemed Election.** If a Participant fails to make an election under Sections 4.5 or 4.6 by the applicable due date, the Administrator may specify a “default election” under Appendix A. The default election for a Year may (but need not) specify, if applicable, that the Participant’s election under the Plan for the preceding Year will be reinstated.

**4.8 Revocation or Change.** Any election made under the Plan (including a deemed election under Section 4.7) for a Year will be irrevocable by a Participant during the Year, except as follows:

(a) The Participant may revoke an election in writing for the balance of the Year and, if desired, file a new election in writing if, under the facts and circumstances, (1) a change in status occurs, and (2) the requested revocation and new election satisfy the consistency requirements in Section 4.9. For this purpose, a change in status includes the following events:

(1) An event that changes the Participant's legal marital status that is recognized under federal law, including marriage, death of spouse, divorce, legal separation or annulment.

(2) An event that changes the Participant's number of dependents, including birth, death, adoption or placement for adoption.

(3) An event that changes the employment status of the Participant or the Participant's spouse or dependent, including termination or commencement of employment, a strike or lockout, a commencement or return from an unpaid leave of absence, and a change in worksite, as well as any other change in the individual's employment status that results in the individual becoming (or ceasing to be) eligible under a benefit plan of his or her employer.

(4) An event that causes a dependent to satisfy or cease to satisfy the requirements for coverage on account of attainment of age, student status, or any similar circumstance.

(5) A change in the place of residence of the Participant, his or her spouse or dependent.

(6) Such other events that the Administrator determines will permit the revocation of an election (and, if applicable, the filing of a new election) during a Year under regulations and rulings of the Internal Revenue Service.

(b) In the case of coverage under a medical plan identified in Appendix A, the Participant may revoke an election in writing for the balance of the Year and file a new election in writing that corresponds with the special enrollment rights provided in Section 9801(f) of the Code, whether or not the change in election is permitted under Section 4.8(a) above.

(c) In the case of a judgment, decree or order resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order) that requires accident or health coverage for the Participant's child or for a foster child who is a dependent of the Participant, the Participant may change his or her election (1) in order to provide coverage for the child under a health coverage identified on Appendix A if the order so requires, or (2) in order to cancel a health coverage identified on Appendix A for the Participant's child if such order requires the Participant's spouse or former spouse or another individual to provide coverage for the child and that coverage is, in fact, provided.

(d) In the case of a medical coverage identified on Appendix A, the Participant may revoke an election for the balance of the Year and file a new election in order to cancel or reduce such medical coverage for the Participant or any covered dependent of the Participant to the extent that the Participant or dependent becomes entitled to coverage under Part A or Part B of Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social

Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). In addition, if the Participant or any eligible dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, the Participant may file a new election in writing for the balance of the Year to commence or increase a medical coverage identified on Appendix A.

(e) In the case of an Optional Benefit Coverage identified on Appendix A, if the Participant's share of the cost of such coverage significantly increases or significantly decreases during the Year, the Participant may make a corresponding change in election under the Plan for the balance of the Year, which will include (but not be limited to) the following:

(1) for a significant cost increase, the Participant electing such coverage for the Year may revoke his or her election and either elect a similar coverage identified on Appendix A for the balance of the Year, or drop such coverage if there is no similar coverage identified on Appendix A; or

(2) for a significant cost decrease, the Participant may elect to commence participation in the Optional Benefit Coverage with the significant cost decrease and may make corresponding election changes regarding similar coverage, for the balance of the Year.

(f) In the case of an Optional Benefit Coverage identified on Appendix A, if the Participant or his or her spouse or dependent experience a significant curtailment in coverage during the Year, the Participant may make a corresponding change in election under the Plan for the balance of the Year as follows:

(1) for a significant curtailment that is not a loss of coverage, the Participant electing such coverage for the Year may revoke his or her election and elect a similar coverage identified on Appendix A for the balance of the Year; or

(2) for a significant curtailment that is (or is deemed by the Administrator to be) a loss of coverage, the Participant electing such coverage for the Year may revoke his or her election and either elect a similar coverage identified on Appendix A for the balance of the Year, or drop such coverage if there is no similar coverage identified on Appendix A.

(g) If during the Year a new Optional Benefit Coverage becomes available, or an existing Optional Benefit Coverage is significantly improved, the Participant may elect the new or significantly improved coverage, and may make corresponding election changes regarding similar coverage, for the balance of the Year.

(h) In the event that the Participant's spouse or dependent makes an election change under a plan maintained by his or her employer, and the Participant provides evidence satisfactory to the Administrator of the election change, the Administrator may permit the Participant to revoke an election under this Plan and make a new election for the balance of the Year that is on account of and corresponds with the election change made by the Participant's spouse or dependent, if:

(1) the election change made by the Participant's spouse or dependent under his or her employer's plan satisfies the regulations and rulings under Section 125 of the Code; or

(2) the period of coverage under the plan maintained by the employer of the Participant's spouse or dependent does not correspond with the Year of this Plan.

(i) In the event that the Participant or his or her spouse or dependent loses group health coverage sponsored by a governmental or educational institution, the Participant may elect health coverages identified on Appendix A for the balance of the Year for the Participant, his or her spouse or dependent.

(j) Any application for a revocation and new election under this Section 4.8 must be made within the time specified by the Administrator following the date of the actual event and will be effective at such time as the Administrator prescribes, unless otherwise required by law.

#### **4.9 Consistency Rules.**

(a) A Participant's requested revocation and new election under Section 4.8(a) will be consistent with a change in status if the election change is on account of and corresponds with a change in status that affects eligibility for coverage under a plan of the Authority or under a plan maintained by the employer of the Participant's spouse or dependent. A change in status that affects the eligibility under an employer's plan will include a change in status that results in an increase or decrease in the number of a Participant's family members or dependents who may benefit from coverage under the plan.

(b) A Participant's election to either increase or decrease the amount of the Participant's group-term life insurance and/or group disability coverage (if any) identified in Appendix A in response to a change in status described in Section 4.8(a) will be deemed to meet the requirements of Section 4.9(a).

**4.10 Changes by Administrator.** If the Administrator determines, before or during any Year, that the Plan or a benefit option may fail to satisfy for such year any nondiscrimination or other requirement imposed by the Code, the Administrator shall take such action as the Administrator deems appropriate, under rules uniformly applicable to similarly situated participants, to assure compliance with such requirement. Such action may include, without limitation, a modification of elections by highly compensated employees (as defined by the Code for purposes of the nondiscrimination requirement in question) without the consent of such employees.

**4.11 Adjustment of Compensation Reductions.** If the cost of an Optional Benefit Coverage of a Participant increases or decreases during a Year, including any increase or decrease due to a change in the Participant's compensation, a corresponding change will be made in the compensation reductions of the Participant in an amount reflecting such increase or decrease, as determined by the Administrator.

**4.12 Automatic Termination of Election.** Any election made under this Plan (including a deemed election under Section 4.7) will automatically terminate on the date on which the Participant ceases to be a Participant, although coverage or benefits under a plan identified on Appendix A may continue if and to the extent provided by such plan. In the event such a former Participant again becomes a Participant before the end of the same Year, the elections previously in effect for the Participant under the Plan will be automatically reinstated for the balance of the Year, except as otherwise elected by the Participant in accordance with Section 4.8.

**4.13 Maximum Compensation Reductions.** The maximum amount of any reductions to a Participant's compensation under the Plan for a Year will not exceed the aggregate cost to the Participant for the Optional Benefit Coverages selected by the Participant for the Year.

**4.14 Cessation of Required Contributions.** Nothing in this Plan will prevent the cessation of coverage or benefits under any plan identified on Appendix A, in accordance with the terms of such plan, on account of a Participant's failure to pay the Participant's share of the cost of such coverage or benefits, through compensation reduction or otherwise.

**4.15 Elections Via Other Media.** The Administrator may, in its discretion, use any telephonic, electronic or other alternative media form that it deems necessary or appropriate for the election of benefits under the Plan.

**4.16 Coordination with FMLA.** Notwithstanding any other provision of this Plan, to the extent the Administrator deems necessary or appropriate to assure the Plan's compliance with the provisions of the Family and Medical Leave Act of 1993, or California's Family Rights Act, and any regulations under such laws, the Administrator may (a) permit a Participant to revoke (and subsequently reinstate) his or her election of one or more Optional Benefit Coverages under the Plan, (b) adjust a Participant's compensation reduction as a result of a revocation or reinstatement, or (c) permit payment of the Participant's share of the cost of an Optional Benefit Coverage during an unpaid leave with after-tax dollars.

## **Article 5. Administration of Plan**

**5.1 Plan Administrator.** The Administrator shall administer the Plan for the exclusive benefit of persons entitled to participate in the Plan. The Administrator will have full discretionary power to administer the Plan in all of its details, subject to applicable requirements of law. For this purpose, the Administrator's discretionary powers will include, but will not be limited to, the following discretionary authority, in addition to all other powers provided by this Plan:

- (a) to make and enforce such rules and regulations as it deems necessary or proper for the efficient administration of the Plan;
- (b) to interpret the Plan;
- (c) to decide all questions concerning the Plan and the eligibility of any person to participate in the Plan;

(d) to appoint such agents, counsel, accountants, consultants and other persons as may be required to assist in administering the Plan; and

(e) to delegate its responsibilities under the Plan and to designate other persons to carry out any of its responsibilities under the Plan, any such delegation or designation to be in writing.

Any determination by the Administrator, or any authorized delegate, will be final and conclusive on all persons, in the absence of clear and convincing evidence that the Administrator or delegate acted arbitrarily and capriciously. Notwithstanding the foregoing, any claim that arises under any plan identified on Appendix A will not be subject to review under this Plan, and the Administrator's authority under this Section 5.1 will not extend to any matter as to which an administrator under any such other plan is empowered to make determinations under such plan or policy.

**5.2 Reliance on Tables, etc.** In administering the Plan, the Administrator will be entitled to the extent permitted by law to rely conclusively on all tables, valuations, certificates, opinions and reports that are furnished by, or in accordance with the instructions of, the administrators of the plans identified on Appendix A, or by accountants, counsel, or other experts employed or engaged by the Administrator.

**5.3 Nondiscriminatory Exercise of Authority.** Whenever, in the administration of the Plan, any discretionary action by the Administrator is required, the Administrator will exercise its authority in a nondiscriminatory manner so that all persons similarly situated will receive substantially the same treatment.

**5.4 Indemnification of Administrator.** The Authority agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator or acting for the Administrator in connection with the Plan, including any Employee or former Employee who formerly served or acted in such capacity, against all liabilities, damages, costs and expenses (including attorneys' fees and amounts paid in settlement of any claims approved by the Authority) occasioned by any act or omission to act in such person's capacity as Administrator, if such act or omission is in good faith.

**5.5 Claims Procedures.**

(a) The Administrator shall receive all claims filed for benefits under the Plan. Upon receipt, the Administrator shall review the claims and determine whether the claimant is entitled to receive any benefits pursuant to such claim. The Administrator shall notify the claimant in writing of any adverse decision with respect to his or her claim within 120 days after its submission.

(b) If the circumstances require an extension of time for processing the initial claim, a written notice of the extension will be furnished to the claimant before the end of the initial 120-day period. In no event will such extension exceed a period of 120 days from the last day of the initial 120-day period. The extension notice must indicate the circumstances requiring an extension of time.

(c) If a claim for benefits is denied or if the Administrator has given no response to such claim within the time period set out in the preceding paragraph (in which case the claim for benefits will be deemed to be denied), the claimant or his or her duly authorized representative, at the claimant's sole expense, may appeal the denial by submitting written notice of such appeal to the Administrator (or a person or entity appointed by the Administrator) within 90 days of the receipt of written notice of the denial or 60 days from the date such claim is deemed to be denied.

(d) The claimant will be notified of the decision on review within 90 days of receipt of the request for review, unless circumstances require an extension of time for processing, in which case a decision will be rendered as soon as possible, but not later than 120 days after receipt of a request for review. If such an extension of time is required, written notice of the extension will be furnished to the claimant before the end of the original 90-day period. The notice of decision on review must be made in writing. If the decision on review is not furnished within the time specified above, the claim will be deemed denied on review.

**Article 6. Amendment and Termination of Plan**

**6.1 Amendment of Plan.** The Authority reserves the power to amend the Plan at any time or times, to any extent that it deems advisable. The Authority may delegate such power, in whole or in part, to any officer of the Authority. Any amendment to the Plan will be effected by a written instrument signed by an officer of the Authority, or his or her authorized delegate, and delivered to the Administrator.

**6.2 Termination of Plan.** The Authority has no obligation whatsoever to maintain the Plan for any given length of time. The Authority may discontinue or terminate the Plan at any time without liability, by a written instrument signed by an officer of the Authority, or his or her authorized delegate, and delivered to the Administrator.

**Article 7. Miscellaneous Provisions**

**7.1 Information to be Furnished.** Participants shall provide the Authority and the Administrator with such information and evidence, and shall sign such documents, as may reasonably be requested from time to time for the purpose of administration of the Plan.

**7.2 Limitation of Rights.** Neither the establishment of the Plan nor any amendment thereof, nor the payment of any benefits, will be construed as giving to any Participant or other person any legal or equitable right against the Authority or the Administrator, except as provided herein.

**7.3 Service Not Guaranteed.** Nothing contained in the Plan nor any action taken hereunder will be construed as a contract of employment or service or as giving any person any right to be retained in the employ or service of the Authority.

**7.4 Governing Law.** Except to the extent federal law applies, this Plan will be construed, administered and enforced according to the laws of California.

IN WITNESS WHEREOF, the Authority has caused this Plan to be executed in its name and behalf by an officer or a duly authorized delegate this 15 day of 2009, 12.

CENTRAL CONTRA COSTA TRANSIT  
AUTHORITY

By: *Phil Purn*

Title: General Manager

## APPENDIX A

### Benefit Options Under the Central Contra Costa Transit Authority Cafeteria Plan

Effective January 1, 2017

The provisions set out under Sections A - D below will apply for the Year beginning January 1, 2017. Such provisions will remain in effect for subsequent Years unless and until modified by the Authority or, if earlier, the termination of the Plan.

#### A. ATU Participants

1. This Section A applies to each Participant who is a member of the ATU bargaining group (“ATU Participant”).
2. Each ATU Participant may elect under the Plan coverage under the health plan maintained by the Authority, namely the Public Employees’ Medical and Hospital Care Act (PEMHCA), and may be eligible to receive an Authority Contribution, as follows:

- *PEMHCA coverage:* If the ATU Participant elects PEMHCA coverage, the Authority will make monthly contributions under the Plan for such coverage, in the following amounts:

<u>Coverage Election</u>	<u>Authority Contributions per Calendar Month</u>
Employee only	\$501.25
Employee plus one	\$809.92
Employee plus two or more dependents	\$1078.57

- *No PEMHCA coverage:* If the ATU Participant elects not to enroll in PEMHCA and makes the required attestation described in Section D, below, he or she will receive an Authority Contribution under the Plan in the amount of \$150 per month, which may be applied toward the cost of coverage under the Authority’s vision plan, or for paid vacation days in accordance with Section 4.3 of the Plan, or both.
3. Each ATU Participant may elect to receive coverage for the Year under the Authority’s vision plan. If the Participant so elects, the coverage premium will be deducted on a pre-tax basis from the Participant’s Authority compensation, unless the Authority Contribution for a Participant who elects not to enroll in PEMHCA is applied toward the cost of the coverage.

**B. Teamster Participants**

1. This Section B applies to each Participant who is a member of the Teamster bargaining group (“Teamster Participant”).
2. Each Teamster Participant may elect under the Plan PEMHCA coverage as follows:
  - *PEMHCA coverage:* If the Teamster Participant elects PEMHCA coverage, the Authority will make monthly contributions under the Plan for such coverage, in the following amounts:

<u>Coverage Election</u>	<u>Authority Contributions per Calendar Month</u>
Employee only	\$481.13
Employee plus one	\$769.65
Employee plus two or more dependents	\$1026.23

- *No PEMHCA coverage:* If the Teamster Participant elects not to enroll in PEMHCA and makes the required attestation described in Section D, below, he or she will receive an Authority Contribution under the Plan in the amount of \$50 per month, which may be applied toward the cost of coverage under the Authority’s vision plan, or for paid vacation days in accordance with Section 4.3 of the Plan, or both.
3. Each Teamster Participant may elect to receive coverage for the Year under the Authority’s vision plan. If the Participant so elects, the coverage premium will be deducted on a pre-tax basis from the Participant’s Authority compensation, unless the Authority Contribution for a Participant who elects not to enroll in PEMHCA is applied toward the cost of the coverage.

**C. Unrepresented Participants**

1. This Section C applies to each Participant who is an unrepresented administrative employee (“Unrepresented Participant”).
2. Each Unrepresented Participant may elect under the Plan PEMHCA coverage as follows:
  - *PEMHCA coverage:* If the Unrepresented Participant elects PEMHCA coverage, the Authority will make monthly contributions under the Plan for such coverage, in the following amounts:

<u>Coverage Election</u>	<u>Authority Contributions per Calendar Month</u>
Employee only	\$428.26
Employee plus one	\$663.91
Employee plus two or more dependents	\$888.76

- *No PEMHCA coverage:* If the Unrepresented Participant elects not to enroll in PEMHCA coverage, and makes the required attestation described in Section D, below, he or she will receive an Authority Contribution under the Plan in the amount of \$200 per month, which may be applied toward the cost of coverage under the Authority's vision plan, or for paid vacation days in accordance with Section 4.3 of the Plan, or both.
3. Each Unrepresented Participant may elect to receive coverage for the Year under the Authority's vision plan. If the Participant so elects, the coverage premium will be deducted on a pre-tax basis from the Participant's Authority compensation, unless the Authority Contribution for a Participant who elects not to enroll in PEMHCA is applied toward the cost of the coverage.

**D. All Participants**

1. This Section D applies to all Participants.
2. A Participant who elects not to enroll in PEMHCA coverage will receive an Authority Contribution in the amount listed under Section A, B or C above, as applicable, for the Year only if the Participant attests, in the manner required by the Authority, that the Participant and all of his or her tax dependents have other group health coverage that provides minimum value within the meaning of the Affordable Care Act. No Authority Contribution will be provided to any employee who makes such an attestation, if the Authority knows or has reason to know that the employee, or a tax dependent of the employee, does not have alternative coverage.
3. If a Participant who is not enrolled in PEMHCA coverage fails to elect an option under Sections A - C above (as applicable) by the due date specified by the Administrator for each Year, the Participant will be treated as having elected not to participate in the Cafeteria Plan.
4. For each calendar month, a Participant will be entitled to benefits under this Appendix A only if he or she either completes the minimum number of hours required by the Authority's benefits policy for the month, or qualifies for coverage under the Family and Medical Leave Act for the month.
5. Contributions made by the Authority under this Appendix for a Participant's PEMHCA coverage will be in addition to any other contributions made by the Authority directly to PEMHCA (outside the Plan) for such coverage. To the extent the required premiums for the Participant's PEMHCA coverage exceed the aggregate Authority Contributions for the Participant's PEMHCA coverage, the excess premiums will be deducted on a pre-tax basis from the Participant's Authority compensation, but only if the Participant provides written consent to those deductions in the time and manner required by the Administrator. If the Participant does not provide such consent, he or she will be solely responsible for paying the premiums owed on an after-tax basis. Notwithstanding this Section D.5, a Participant who made an initial election to enroll in PEMHCA coverage in accordance with Section 4.5 of the Plan and consented to deductions associated

with such election may be deemed to have consented to continue such election for subsequent Years, in accordance with Section 4.7 of the Plan.

**AMENDMENT  
TO THE CENTRAL CONTRA COSTA TRANSIT AUTHORITY  
CAFETERIA PLAN**

The Central Contra Costa Transit Authority Cafeteria Plan, as amended and restated effective January 1, 2008, (the "Plan") is hereby amended, effective January 1, 2026.

1. Section 4.1 is amended in its entirety to read as follows:

"The benefit options available to Participants under the Plan for any Year will be specified in Appendix A. Benefit options may, as determined by the Administrator, include one or more Optional Benefit Coverages, cash, or any combination of the foregoing, as long as the available options include at least one taxable benefit and one Optional Benefit Coverage."

2. The header of Section 4.3 is amended to read "Reserved" and the text of Section 4.3 is deleted in its entirety.

3. Appendix A is amended as attached.

To record the amendment of the Plan as set forth herein, the Authority has caused its authorized representative to sign this amendment.

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

**APPENDIX A**

**Benefit Options Under the  
Central Contra Costa Transit Authority Cafeteria Plan**

**Effective January 1, 2026**

The provisions set out under Sections A - D below will apply for the Year beginning January 1, 2026. Such provisions will remain in effect for subsequent Years unless and until modified by the Authority or, if earlier, the termination of the Plan.

**A. ATU Participants**

1. This Section A applies to each Participant who is a member of the ATU bargaining group (“ATU Participant”).
2. Under the Plan, each ATU Participant may elect coverage under the health plan maintained by the Authority, namely the Public Employees’ Medical and Hospital Care Act (PEMHCA), and may be eligible to receive an Authority Contribution, as follows:

- *PEMHCA coverage:* If the ATU Participant elects PEMHCA coverage, the Authority will make monthly contributions under the Plan for such coverage, in the following amounts:

<u>Coverage Election</u>	<u>Authority Contributions per Calendar Month</u>
Employee only	100% of Kaiser rate less \$310
Employee plus one	95% of Kaiser employee plus one rate less \$620
Employee plus two or more dependents	90% of Kaiser family rate less \$800

- *No PEMHCA coverage:* If the ATU Participant elects not to enroll in PEMHCA and makes the required attestation described in Section D, below, he or she will receive an Authority Contribution under the Plan in the amount of \$200 per month, which may be applied toward the cost of coverage under the Authority’s vision plan. On or before December 31 of the Year, the balance of such Authority Contribution that was not applied toward the cost of coverage under the Authority's vision plan shall be paid out as taxable compensation.
3. Each ATU Participant may elect to receive coverage for the Year under the Authority’s vision plan. If the Participant so elects, the coverage premium will be deducted on a pre-tax basis from the Participant’s Authority compensation, unless the Authority Contribution for a Participant who elects not to enroll in PEMHCA is applied toward the cost of the coverage.

**B. Teamster Participants**

1. This Section B applies to each Participant who is a member of the Teamster bargaining group (“Teamster Participant”).
2. Under the Plan, each Teamster Participant may elect PEMHCA coverage, and may be eligible to receive an Authority Contribution, as follows:

- *PEMHCA coverage:* If the Teamster Participant elects PEMHCA coverage, the Authority will make monthly contributions under the Plan for such coverage, in the following amounts:

<u>Coverage Election</u>	<u>Authority Contributions per Calendar Month</u>
Employee only	100% of Kaiser rate less \$310
Employee plus one	95% of Kaiser employee plus one rate less \$620
Employee plus two or more dependents	90% of Kaiser family rate less \$800

- *No PEMHCA coverage:* If the Teamster Participant elects not to enroll in PEMHCA and makes the required attestation described in Section D, below, he or she will receive an Authority Contribution under the Plan in the amount of \$200 per month, which may be applied toward the cost of coverage under the Authority’s vision plan. On or before December 31 of the Year, the balance of such Authority Contribution that was not applied toward the cost of coverage under the Authority's vision plan shall be paid out as taxable compensation.

3. Each Teamster Participant may elect to receive coverage for the Year under the Authority’s vision plan. If the Participant so elects, the coverage premium will be deducted on a pre-tax basis from the Participant’s Authority compensation, unless the Authority Contribution for a Participant who elects not to enroll in PEMHCA is applied toward the cost of the coverage.

**C. Unrepresented Participants**

1. This Section C applies to each Participant who is an unrepresented administrative employee (“Unrepresented Participant”).
2. Under the Plan, each Unrepresented Participant may elect PEMHCA coverage, and may be eligible to receive an Authority Contribution, as follows:

- *PEMHCA coverage:* If the Unrepresented Participant elects PEMHCA coverage, the Authority will make monthly contributions under the Plan for such coverage, in the following amounts:

<u>Coverage Election</u>	<u>Authority Contributions per Calendar Month</u>
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Employee only	100% of Kaiser rate less \$310
Employee plus one	95% of Kaiser employee plus one rate less \$620
Employee plus two or more dependents	90% of Kaiser family rate less \$800

- *No PEMHCA coverage:* If the Unrepresented Participant elects not to enroll in PEMHCA coverage, and makes the required attestation described in Section D, below, he or she will receive an Authority Contribution under the Plan in the amount of \$200 per month, which may be applied toward the cost of coverage under the Authority's vision plan. On or before December 31 of the Year, the balance of such Authority Contribution that was not applied toward the cost of coverage under the Authority's vision plan shall be paid out as taxable compensation.
3. Each Unrepresented Participant may elect to receive coverage for the Year under the Authority's vision plan. If the Participant so elects, the coverage premium will be deducted on a pre-tax basis from the Participant's Authority compensation, unless the Authority Contribution for a Participant who elects not to enroll in PEMHCA is applied toward the cost of the coverage.

#### **D. All Participants**

1. This Section D applies to all Participants.
2. A Participant who elects not to enroll in PEMHCA coverage will receive an Authority Contribution in the amount listed under Section A, B or C above, as applicable, for the Year only if the Participant attests, in the manner required by the Authority, that the Participant and all of his or her tax dependents have other group health coverage that provides minimum value within the meaning of the Affordable Care Act. No Authority Contribution will be provided to any employee who makes such an attestation, if the Authority knows or has reason to know that the employee, or a tax dependent of the employee, does not have alternative coverage.
3. If a Participant who is not enrolled in PEMHCA coverage fails to elect an option under Sections A - C above (as applicable) by the due date specified by the Administrator for each Year, the Participant will be treated as having elected not to participate in the Cafeteria Plan.
4. For each calendar month, a Participant will be entitled to benefits under this Appendix A only if he or she either completes the minimum number of hours required by the Authority's benefits policy for the month, or qualifies for coverage under the Family and Medical Leave Act for the month.
5. Contributions made by the Authority under this Appendix for a Participant's PEMHCA coverage will be in addition to any other contributions made by the Authority directly to PEMHCA (outside the Plan) for such coverage. To the extent the required premiums for the Participant's PEMHCA coverage exceed the aggregate Authority Contributions for the Participant's PEMHCA coverage, the

excess premiums will be deducted on a pre-tax basis from the Participant's Authority compensation, but only if the Participant provides written consent to those deductions in the time and manner required by the Administrator. If the Participant does not provide such consent, he or she will be solely responsible for paying the premiums owed on an after-tax basis. Notwithstanding this Section D.5, a Participant who made an initial election to enroll in PEMHCA coverage in accordance with Section 4.5 of the Plan and consented to deductions associated with such election may be deemed to have consented to continue such election for subsequent Years, in accordance with Section 4.7 of the Plan.

**RESOLUTION NO. 2026-04**

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

\* \* \*

**APPROVING CHANGES TO EMPLOYER  
HEALTHCARE CONTRIBUTIONS FOR ATU, TEAMSTERS, AND ADMINISTRATIVE  
EMPLOYEE GROUPS, INCLUDING RETIREES**

**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 (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 certain unincorporated portions of Contra Costa County;

**WHEREAS**, CCCTA provides employer-sponsored health coverage for all employees, with its Maintenance Workers receiving coverage through the Machinists Union and all other groups receiving coverage pursuant to CCCTA's contract with CalPERS to provide health coverage for active and retired employees and their dependents;

**WHEREAS**, the CalPERS health program is governed by the Public Employees' Medical & Hospital Care Act (PEMHCA), which mandates a minimum employer contribution (MEC) that must be applied equally to both retired and active employees, which is referred to by CCCTA as the Other Post Employment Benefit (OPEB) contribution amount;

**WHEREAS**, in addition, CCCTA contributes to a Cafeteria Plan, which was adopted by the Board of Directors in December 2006, for active employees, in compliance with Internal Revenue Code Section 125;

**WHEREAS**, CCCTA's labor negotiators have successfully completed bargaining with the ATU and Teamsters regarding CCCTA contributions to both the OPEB and Cafeteria Plan that comply with changes to CCCTA's OPEB contribution structure requested by CalPERS;

**WHEREAS**, the negotiated contribution amounts will be applied to all three PEMHCA-covered groups (ATU, Teamsters and Administrative) including retirees, and will take effect on January 1, 2026, as further detailed in the accompanying staff report, amendment to the Cafeteria Plan, and individual CalPERS-required resolutions for each employee group;

**WHEREAS**, the Memoranda of Understanding (MOUs) for ATU and Teamsters will also be amended to reflect such changes and clarify current practices, as further detailed in the accompanying staff report;

**WHEREAS**, at its meeting in June 2025, the Board of Directors received a report from CCCTA's actuarial firm regarding the projected effects of these changes to CCCTA's OPEB plan in compliance with Government Code section 7507; and

**WHEREAS**, staff recommends, and the Administration & Finance Committee concurs, that the Board of Directors approve the foregoing changes to CCCTA's employee healthcare contribution amounts.

**NOW, THEREFORE, BE IT RESOLVED** that the Central Contra Costa Transit Authority Board of Directors hereby approves the foregoing changes to CCCTA's employee healthcare contribution amounts for all three PEMHCA-covered groups (ATU, Teamsters and Administrative) including retirees; and

**BE IT FURTHER RESOLVED** that the General Manager, or his designee, is authorized to execute any agreements and documents, including the amended Cafeteria Plan and the MOUs with the ATU and Teamsters, and take any other necessary or appropriate actions to carry out the provisions of this Resolution.

Regularly passed and adopted this 17th day of July 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Kevin Wilk, Chair, Board of Directors

ATTEST:

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Lathina Hill, Clerk to the Board

**RESOLUTION NO. 2026-05**  
**FIXING THE EMPLOYER CONTRIBUTION**  
**UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT**  
**AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS**  
**WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION**

WHEREAS, (1) Central Contra Costa Transit Authority is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of 001 Administrative Employees; and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members in a health benefits plan up to a maximum of \$310.00 per month with respect to employee enrolled for self alone, \$620.00 per month for employee enrolled for self and one family member, and \$800.00 per month for employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Central Contra Costa Transit Authority has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Central Contra Costa Transit Authority shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Central Contra Costa Transit Authority would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the Chief Financial Officer to file with the Board a verified copy of this resolution, and to perform on behalf of Central Contra Costa Transit Authority all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2026.

Adopted at a regular meeting of the Central Contra Costa Transit Authority at Concord, California, this 17<sup>th</sup> day of July, 2025.

Signed: \_\_\_\_\_  
Kevin Wilk, Chair, Board of Directors

Attest: \_\_\_\_\_  
Lathina Hill, Clerk to the Board

**RESOLUTION NO. 2026-06**  
**FIXING THE EMPLOYER CONTRIBUTION**  
**UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT**  
**AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS**  
**WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION**

WHEREAS, (1) Central Contra Costa Transit Authority is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of 002 Amalgamated Transit 1605; and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members in a health benefits plan up to a maximum of \$310.00 per month with respect to employee enrolled for self alone, \$620.00 per month for employee enrolled for self and one family member, and \$800.00 per month for employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Central Contra Costa Transit Authority has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Central Contra Costa Transit Authority shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Central Contra Costa Transit Authority would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the Chief Financial Officer to file with the Board a verified copy of this resolution, and to perform on behalf of Central Contra Costa Transit Authority all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2026.

Adopted at a regular meeting of the Central Contra Costa Transit Authority at Concord, California, this 17<sup>th</sup> day of July, 2025.

Signed: \_\_\_\_\_  
Kevin Wilk, Chair, Board of Directors

Attest: \_\_\_\_\_  
Lathina Hill, Clerk to the Board

**RESOLUTION NO. 2026-07**  
**FIXING THE EMPLOYER CONTRIBUTION**  
**UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL CARE ACT**  
**AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS**  
**WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION**

WHEREAS, (1) Central Contra Costa Transit Authority is a contracting agency under Government Code Section 22920 and subject to the Public Employees’ Medical and Hospital Care Act (the “Act”) for participation by members of 003 Teamsters Local 856; and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members in a health benefits plan up to a maximum of \$310.00 per month with respect to employee enrolled for self alone, \$620.00 per month for employee enrolled for self and one family member, and \$800.00 per month for employee enrolled for self and two or more family members, plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) Central Contra Costa Transit Authority has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of Central Contra Costa Transit Authority shall be subject to determination of its status as an “agency or instrumentality of the state or political subdivision of a State” that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Central Contra Costa Transit Authority would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the Chief Financial Officer to file with the Board a verified copy of this resolution, and to perform on behalf of Central Contra Costa Transit Authority all functions required of it under the Act; and be it further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2026.

Adopted at a regular meeting of the Central Contra Costa Transit Authority at Concord, California, this 17<sup>th</sup> day of July, 2025.

Signed: \_\_\_\_\_  
Kevin Wilk, Chair, Board of Directors

Attest: \_\_\_\_\_  
Lathina Hill, Clerk to the Board