

CONFIDENTIAL

**ORANGE COUNTY TRANSPORTATION AUTHORITY
COUNTER PROPOSAL TO TEAMSTERS LOCAL 952**

TENATIVE AGREEMENT

**ARTICLE 40
HEALTH AND INSURANCE-WELFARE BENEFITS**

SECTION 1. AUTHORITY PAYMENTS FOR PROVIDED HEALTH AND INSURANCE-WELFARE BENEFITS.

(a) ~~During the term of this Agreement, for employees covered under this agreement and who meet the eligibility requirements in Section 2, the Authority will provide health, dental, vision, and life insurance benefits pay on or before the 15th of each month, but no later than the 20th of each month, the sum of money specified herein multiplied by the number of eligible Operators for the purpose of purchasing health and life insurance for each such Operator.~~

~~(b)-The Authority's shall only be required to provide for health, dental, vision, and life insurance benefits on behalf of Full-time and Part-time Coach Operators who meet the eligibility requirements in Section 2 of this article and enroll in the benefit plans. contribution effective July 1, 2013, will be a maximum of nine hundred dollars (\$900) per eligible Operator per month.~~

~~(c) Eligible employees who participate in the medical, dental, and vision plans will be required to make an employee contribution to the medical, dental, and vision premium not to exceed 5% for Employee-Only coverage, 7% for Employee +1 coverage, or 10% for Employee + Family coverage of the total cost. Employee contributions can be made through payroll deductions. Effective July 1, 2014, the Authority will increase the monthly contribution to a maximum of one thousand forty dollars (\$1,040) per eligible Operator per month.~~

~~(d) A Life Insurance at benefit in the amount of \$25,000 per employee will be provided for every Full-time and Part-time Coach Operator, as defined under Article 11, Section 2, at no cost to the employee. Effective July 1, 2015, the Authority will increase the monthly contribution to a maximum of one thousand one hundred and thirty-nine dollars (\$1,139) per eligible Operator per month.~~

~~(e) In the event that the entire monthly contribution amounts are not needed for health and life insurance during the period July 1, 2014 through June 30, 2015, the unused amount will be retained for health and welfare contributions in the next year of the Agreement.~~

~~Any additional health and life insurance cost greater than the Authority's contribution shall be made by individual employee payroll deduction.~~

CONFIDENTIAL

**ORANGE COUNTY TRANSPORTATION AUTHORITY
COUNTER PROPOSAL TO TEAMSTERS LOCAL 952**

~~(f) It is understood that health and life insurance contribution payment will be made to the Union designated Plan for the purchase of health and life insurance benefits contingent upon the Authority's periodic verification that these contributions have been used exclusively only for the benefit of the bargaining unit employees, their spouses and eligible children. If at any time the Authority determines that payments have been used for other than the above purpose, or if adequate information is not provided so a determination can be made, the Authority may immediately stop contributions to the existing Plan and purchase medical and life insurance benefits from a Provider(s) with substantially equivalent benefits to those provided by the existing Plan, provided that there is no adverse impact upon the Bargaining Unit employees of the Authority.~~

SECTION 2. ELIGIBILITY

Full-time Coach Operators and Part-time Coach Operators as defined in Article 11, Section 2, and eligible dependents are eligible for Health and Welfare Benefits the 1st day of the month following 30 days of continuous service after becoming a certified Coach Operator.

- (a) Eligible dependent includes those defined by state and/or federal law.
- (b) Full-time Operators who have earnings in the preceding calendar month and Part-time Operators working a minimum of 120 hours per month with earnings in the preceding calendar month.
- (c) Waiver – Coach Operators can elect to waive health and welfare benefits. The employee must provide verification annually from the employer or the insurance carrier which verifies proof of other medical plan group coverage.

SECTION 2 – PURCHASE OF BENEFITS

~~Determinations regarding the Health and Life Insurance, including but not limited to, which company or carrier to select, the amount, type and extent of benefits purchased, shall be the joint decision of the Union and the Authority. The Authority is not bound as to the appropriateness, need or desirability of any of the Health and Life Insurance benefits that may be purchased with the money paid pursuant to Section 1 of this Article.~~

SECTION 3. AUTHORITY HELD HARMLESS

~~The Authority shall have no obligation or responsibility, now or at any time in the future, to maintain or continue any specific Health and Life Insurance or benefits other than to pay the amount set forth in Section 1. The Authority is released and forever discharged of any liability of any kind for any claims, demands, liabilities, debts, accounts, actions and causes of action which the Union or any eligible Operator may have or claim to have, in law or in equity, arising out of this Article. The Union will hold the Authority harmless from, and defend against, and indemnify the Authority from all claims, demands, liabilities, debts, accounts, actions, causes of action, judgments, and orders which the Union or any eligible Operator may have or claim to have, in law or in equity, arising out of, based on, or as a result of the Health and Life~~

CONFIDENTIAL

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COUNTER PROPOSAL TO TEAMSTERS LOCAL 952**

Insurance purchased with the money paid pursuant to the terms of this Article or benefits or services provided.

~~SECTION 4. PAYMENTS USED FOR PURCHASE OF BENEFITS~~

All monies paid by the Authority pursuant to the terms as set forth in Section 1 of this Article shall be made payable to the Insurance Administrator selected as provided herein.

~~SECTION 5. ACCOUNTING AND AUDIT~~

The Administrator shall keep a separate account of all money received under the terms of this Article, and the Authority shall have the right at all times to audit and otherwise review said account in order to determine that all monies paid by the Authority pursuant to the terms as outlined herein have been used and expended in compliance with this Article.

~~SECTION 6. ADMINISTRATION OF PLANS~~

(a) ~~The Union may, at its election, notify the Authority that it desires to divert from the monthly amounts set forth above in Section 1 of this Article, up to a maximum of five percent (5%) per month to be used to retain a recognized, independent Insurance Administration Agency to assist Operators solely in the processing of medical and life insurance forms and claims, under the following conditions. The balance of the amount will only be utilized to provide Health and Life Insurance benefits.~~

(b) ~~The Authority retains the right of approval and disapproval of the Agency at all times. The Authority will not arbitrarily deny or revoke such approval.~~

(c) ~~The Authority will forward the amount so diverted, as per above, directly to the Agency selected. The Agency will not, and must certify to the Authority that it will not, directly or indirectly, pay or give to any employee, agent, attorney, member or officer of the Authority or the Union any of the fees it receives hereunder and that the sole use of monies to be received will be spent by it solely in connection with administration of insurance claims. The Agency will not, and must certify initially it will not, pay or give, directly or indirectly anything of material value to any employee, agent, attorney or member of the Authority or the Union.~~

~~SECTION 7 3. AUTHORITY CONTRIBUTING CRITERIA PREMIUM PAYMENTS~~

(a) ~~The Authority contributions for health and life insurance shall be made for Full-time Operators employed by the Authority who have earnings in the preceding calendar month and Part-time Operators working a minimum of 120 hours per month with earnings in the preceding calendar month who have elected to participate in the Health and Life Insurance Plan provided through the Union. Eligibility ceases the last day of the month any Operator is terminated from employment.~~

CONFIDENTIAL

**ORANGE COUNTY TRANSPORTATION AUTHORITY
COUNTER PROPOSAL TO TEAMSTERS LOCAL 952**

(b) Operators who are eligible and receive for health and welfare insurance benefits through the Authority's Plan contributions and who are absent from work due to an illness or injury shall be considered to be in a paid status for the calendar month in which such illness or injury occurs for the purposes of Operator eligibility. ~~The Authority shall pay the monthly Health and Welfare contribution on behalf of Operators who are absent because of a bona fide sickness or injury subject to Article 21, Section 9. For an employee's leave during the FMLA/CFRA~~ twelve (12) week time frame, the Authority shall continue to pay the employer portion of the monthly health and welfare contributions and the employees will continue to pay their portion of the monthly health welfare premiums. For employees on unpaid leave, the employee will be responsible for the premium payment except where required by law. In all cases, the employee is responsible for his/her portion of the health and welfare insurance premium. Failure to make the premium payment may result in lapse of coverage.

SECTION 8 4.

The Authority will offer pre-retirement counseling through Authority presentations twice a year.

SECTION 9 5. DESIGNATED DEFERRED COMPENSATION CONTRIBUTIONS

The following amounts will be contributed by the Authority to a designated deferred compensation account jointly selected by the parties for the purpose of providing additional funds for Coach Operator retiree medical insurance or supplemental retirement funds.

(a) Each year of the Agreement, one percent (1%) annual base salary, computed on a maximum of 2080 hours of compensation earned, for Operators with five to nine (5-9) years of service.

(b) Each year of the Agreement, two percent (2%) annual base salary, computed on a maximum of 2080 hours of compensation earned, for Operators with ten (10) years or more service.

(c) Matching Contribution:

In addition to the two percent (2%) contribution stated in (b) above, for an Operator with fifteen to nineteen (15-19) years of service, the Authority will match one hundred percent (100%) of the Coach Operator's contribution up to one percent (1%) of annual base salary. Coach Operator contributions will be made through payroll deductions.

(d) Matching Contributions:

In addition to the two percent (2%) contribution stated in (b) above, for an Operator with twenty (20) or more years of service, the Authority will match one hundred percent (100%) of the Coach Operator's contribution up to three percent (3%) of annual base salary. Coach Operator contributions will be made through payroll deductions.

CONFIDENTIAL


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~~(e) Contributions under this Article may only be allocated to the designated fund and may not be transferred to another deferred compensation fund.~~

(f e) This designated deferred compensation account is separate from, and in addition to, the Orange County Employees Retirement System (OCERS) and/or any supplemental retirement account such as the Authority Additional Retiree Benefit Account (ARBA) plan administered through OCERS.



Maggie McJilton
OCTA



Patrick D. Kelly
Teamsters Local 952

5/2/18

Date

5-02-18

Date