



SunLine Transit Agency
January 22, 2025
10:55 a.m. – 11:30 a.m.

AGENDA

BOARD OPERATIONS COMMITTEE

Wellness Room
32-505 Harry Oliver Trail
Thousand Palms, CA 92276

NOTICE TO THE PUBLIC

SunLine has discontinued its COVID-19 Emergency Declaration and has returned its Board and Board Committee meetings to live and in-person attendance at the location noted above. These meetings are no longer available for viewing, attendance, or comment by two-way audiovisual platform, two-way telephonic service, webcasting, or streaming video broadcast. SunLine may prepare audio or video recordings of Board meetings. In accordance with the Brown Act and California Public Records Act, these recordings are subject to public inspection for a period for thirty (30) days after the meeting.

In compliance with the Brown Act, agenda materials distributed 72 hours or less prior to the meeting, which are public records relating to open session agenda items, will be available for inspection by members of the public prior to or at the meeting at SunLine Transit Agency's Administration Building, 32505 Harry Oliver Trail, Thousand Palms, CA 92276 and on the Agency's website, www.sunline.org.

In compliance with the Americans with Disabilities Act, Government Code Section 54954.2, and the Federal Transit Administration Title VI, please contact the Clerk of the Board at (760) 343-3456 if disability-related modification(s) and/or interpreter services are needed to participate in a Board meeting. Notification of at least 72 hours prior to the meeting time will assist staff in ensuring reasonable arrangements can be made to provide assistance at the meeting.

ITEM

RECOMMENDATION

1. CALL TO ORDER
2. FLAG SALUTE
3. ROLL CALL
4. FINALIZATION OF AGENDA

ITEM

RECOMMENDATION

5. PUBLIC COMMENTS

RECEIVE COMMENTS

NON AGENDA ITEMS

Members of the public may address the Committee regarding any item within the subject matter jurisdiction of the Committee; however, no action may be taken on off-agenda items unless authorized. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Comments may be limited to 3 minutes in length.

6. PRESENTATIONS

7. COMMITTEE MEMBER COMMENTS

RECEIVE COMMENTS

**8. ADOPT AMENDMENT TO THE SUNLINE TRANSIT
AGENCY RETIREMENT INCOME PLAN FOR
TEAMSTERS LOCAL 1932**

APPROVE
(PAGE 3-10)

(Staff: Luis Garcia, Chief Financial Officer)

**9. FORMAL SELECTION OF PENSION COMMITTEE
MEMBERS**

APPROVE
(PAGE 11-12)

(Staff: Luis Garcia, Chief Financial Officer)

**10. APPROVE RESOLUTION NO. 0811 TO INCREASE
THE BOARD MEMBER STIPEND**

APPROVE
(PAGE 13-16)

(Staff: Edith Hernandez, Clerk of the Board/Director of
Legislative Affairs)

11. ADJOURN

SunLine Transit Agency

DATE: January 22, 2025 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

RE: Adopt Amendment to the SunLine Transit Agency Retirement Income Plan for Teamsters Local 1932

Recommendation

Recommend the Board of Directors (Board) adopt the attached First Amendment to the SunLine Transit Agency (SunLine) Retirement Income Plan for Teamsters Local 1932 (“Teamsters Plan”) to provide that the Teamsters Plan shall be administered by a Committee, as are the other two (2) SunLine pension plans.

Background

SunLine maintains three (3) defined benefit pension plans for its employees: the SunLine Transit Agency Non-Union Restated Employees Retirement System (“Non-Union Plan”), the SunLine Transit Agency Restated Retirement Income Plan for Bargaining Unit Personnel (“ATU Plan”) and the newer Teamsters Plan.

All three (3) plan documents authorize SunLine, as the “Plan Sponsor” to amend the plan, with certain restrictions, and to designate the “plan administrator,” meaning the person or entity responsible for plan management and oversight. The Non-Union Plan and the ATU Plan documents provide that the plans shall be administered by a “Committee,” the powers and duties of which are specified in the plans.

Although the Teamsters Plan document includes several provisions regarding the administrative authority of a “Committee,” which are similar to provisions regarding the administrative authority of the “Committee” in the other two (2) pension plans, it does not expressly provide that the Plan shall be administered by a Committee. Currently, SunLine’s Chief Financial Officer has been designated by the Board as the administrator of the Teamsters Plan.

The Teamsters Plan is similar to the ATU Plan, as both Plans provide pension benefits to SunLine’s represented employees. The Committee authorized to administer the ATU Plan consists of five (5) members, with two (2) each being appointed by the Board and the ATU, and a fifth member to be appointed by the other four members.

Staff recommends that, in order to align the Teamsters Plan's administrative process with the two (2) other pension plans, the Board adopt the attached Amendment to the Teamsters Plan to expressly provide that the Plan shall be administered by a Committee composed of two (2) members appointed by the Teamsters union, two (2) members appointed by the Board, and a fifth member selected by the other four (4) members, similar to the composition of the Committee for the ATU Plan.

Financial Impact

There is no financial impact.

Performance Goal

Goal 3: Organizational Health & Resiliency – Approval of this item will ensure transparency and good governance by improving pension oversight.

Attachments:

- [Item 8a](#) – Resolution No. 0810
- [Item 8b](#) – First Amendment to the SunLine Transit Agency Retirement Income Plan for Teamsters Local 1932

SUNLINE TRANSIT AGENCY

RESOLUTION NO. 0810

**RESOLUTION AMENDING THE SUNLINE TRANSIT AGENCY RETIREMENT
INCOME PLAN FOR TEAMSTERS LOCAL 1932**

WHEREAS, SunLine Transit Agency (SunLine) and Teamsters Local 1932 entered into a Memorandum of Understanding effective March 24, 2022, which provides for pension benefits for certain employees represented by Teamsters Local 1932; and

WHEREAS, the Board of Directors (Board) approved and established the SunLine Transit Agency Retirement Income Plan for Teamsters Local 1932, effective July 1, 2022 (Teamsters Plan); and

WHEREAS, Section 9.01 of the Teamsters Plan authorizes the Board to amend the Teamsters Plan; and

WHEREAS, the Teamsters Plan provides that the administrator of the plan is the person or group of persons designated by the Board as the administrator of the plan; and

WHEREAS, the Board previously designated SunLine's Chief Financial Officer as the administrator of the Teamsters Plan; and

WHEREAS, the Board has determined that the Teamsters Plan should be amended, effective January 1, 2025, to expressly provide that the Plan Administrator of the Plan is a Committee, to align the administration of the Teamsters Plan with the administration of the two other pension plans maintained for SunLine employees, each of which is administered by a committee, as provided for in the respective plans; and

WHEREAS, the Board has further determined that the Teamsters Plan Committee shall consist of five members, comprised of two members appointed by the Board, two members appointed by Teamsters Local 1932, and a fifth member appointed by the four members.

NOW THEREFORE, BE IT RESOLVED that the Board hereby adopts the attached First Amendment to the SunLine Transit Agency Retirement Income Plan for Teamsters Local 1932.

BE IT FURTHER RESOLVED, that the appropriate officers of SunLine be, and they hereby are, authorized and empowered to take any action and execute any writing they deem necessary to carry out the purpose and intent of the foregoing resolutions.

APPROVED AND ADOPTED by the Board of Directors of SunLine Transit Agency on the 22nd day of January, 2025.

AYES:

NOES:

ABSENT:

Nancy Ross
Chair of the Board

ATTEST:

Edith Hernandez
Clerk of the Board

APPROVED AS TO FORM:

General Counsel
Catherine Groves

FIRST AMENDMENT TO THE
SUNLINE TRANSIT AGENCY
RETIREMENT INCOME PLAN FOR TEAMSTERS LOCAL 1932

The SunLine Transit Agency Retirement Income Plan for Teamsters Local 1932, adopted by the Board of Directors (“Board”) of the SunLine Transit Agency effective July 1, 2022, is hereby amended as follows, to be effective January 1, 2025:

1. A new Section 1.12A is added to the Plan, to read in its entirety as follows:
1.12A Committee means the Committee appointed to administer the Plan.
2. Plan Section 8.01 is deleted in its entirety and replaced in lieu thereof with the following:
8.01 Administrator of the Plan. The Plan shall be administered by a Committee. The Committee shall consist of at least five members. The Board of Directors of the Employer and the Union shall each appoint two members and a fifth member shall be appointed by the four members.
3. Plan Section 8.02 is deleted in its entirety and replaced in lieu thereof with the following:
8.02 Resignation and Removal of Members. Any member of the Committee may resign at any time by giving written notice to other members and to the Board of Directors of the Employer, effective as therein stated. At any time, the Board of Directors of the Employer, the Union or the Committee shall remove or appoint members by written notice.
4. Plan section 8.03 is deleted in its entirety and replaced in lieu thereof with the following:
8.03 Appointment of Successors. Upon death, resignation or removal of any member of the Committee, the Board of Directors of the Employer, Union, or the Committee shall, at its next regular meeting or at a special meeting, if so desired, appoint by resolution a successor.
5. All references to “Administrator” in Plan sections 8.06, 8.09 and 8.11 shall be replaced with “Committee.”
6. Plan section 8.07 is deleted in its entirety and replaced in lieu thereof with the following:
8.07 Extent of Committee’s Powers. The Committee shall have no power to add to or subtract from or to modify any of the provisions of the Plan, to change or add to any benefit provided by the Plan, or to waive or fail to apply any requirement of eligibility for a benefit under the Plan, except to the extent necessary to maintain the Plan’s compliance with applicable legal requirements.

No determination of the Committee in one case shall create a basis for retroactive adjustment in any other case.

The Committee shall act by a majority of its members at the time in office, and such action may be taken either by a vote at a meeting or in writing without a meeting. The Committee may authorize any one or more of its members to execute any document or documents on its behalf.

The Committee may adopt such bylaws and regulations as it deems desirable for the conduct of its affairs, and may retain such accountants, legal counsel, actuaries and other persons as it deems necessary or desirable in connection with the administration of the Plan. The Committee and any person designated by the Committee to exercise an administrative power shall be entitled to rely conclusively upon, and shall be fully protected in any action taken in good faith, in relying upon any opinions or reports which shall be furnished by any such accountant, legal counsel, actuary or other specialist.

7. All references to "Plan Administrator" in Plan section 8.08 shall be replaced with "Committee member."
8. The reference to "Plan Administrator" in Plan section 8.10 shall be replaced with "Committee."
9. The following Section 8.12 is added to the Plan, to read in its entirety as follows:
8.12 Arbitration of Disputes. Only disputes, claims or grievances arising between members of the Plan and the Committee concerning the following matters shall be submitted to arbitration:

- (a) The physical or mental condition of a member;
- (b) The member's earned income from other sources as defined by Section 7.04;
- (c) The determination of a member's age;
- (d) The determination of a member's service;
- (e) Computation of Compensation;

No other dispute matters shall be submitted to arbitration without the prior consent of the Committee and the aggrieved member.

The Union shall submit a written request for arbitration within 48 hours after the next regularly scheduled Union meeting following the adverse decision of the Committee. The matter shall then be submitted to an Arbitration Board.

The Arbitration Board shall consist of 3 persons, one appointed by the Union, one appointed by the Employer. Such appointments shall be made, and each party shall notify the other of their respective appointment, within 10 days from the date the matter was submitted for arbitration. The two so appointed shall endeavor to select the third member. In the event the persons appointed cannot agree on the third member within 10 days of the last appointment, he shall be selected in the following manner:

The parties shall, within 10 days, jointly request the State Conciliation Service to list 7 persons qualified to act as an impartial member of the Arbitration Board. The Union and Employer shall each, within 10 days of the receipt of said list, alternately strike 3 names from said list, and the seventh remaining name shall thereupon be accepted as the third member of the Arbitration Board. The decision as to which shall be first to start the elimination proceedings shall be determined by lot.

The issue to be submitted to the Arbitration Board shall be limited to the dispute as submitted in writing and, unless otherwise agreed in writing, the jurisdiction of the Arbitration Board shall be limited to the determination of said issue. The Arbitration Board shall have no authority to modify, vary, alter, amend, add to or take away from, in whole or in part, any of the terms or provisions of this Plan.

The Arbitration Board shall meet in the Palm Springs area within 10 days after the selection of the third member, or as soon thereafter as possible. The Arbitration Board, or either party, may call any member as a witness and such member, if on duty, shall be released from duty for the purpose of such appearance. The ruling of the Arbitration Board with respect to procedure and all obligations to the exclusion or inclusion of evidence shall be binding on the parties.

Each party shall bear the expenses and fees of the Arbitration Board member appointed by it and its own expenses involved in the matter. All other expenses incurred by the Arbitration Board, including the making of a record, if the Arbitration Board deems it necessary, shall be borne equally by the parties. The reimbursement of wages for members called as witnesses where a loss of wages has been incurred by said member, shall be paid by the party calling such witness.

The Arbitration Board's decision shall be in writing and shall be submitted within ten (10) days from the conclusion of the hearing. The decision of the majority of the Arbitration Board shall be final and binding on the parties.

IN WITNESS WHEREOF, the Board has caused this First Amendment to the SunLine Transit Agency Retirement Income Plan for Teamsters Local 1932 to be signed on its behalf by the undersigned duly authorized officer on the date set forth below.

SUNLINE TRANSIT AGENCY

By: _____

Title: _____

Date: _____

SunLine Transit Agency

DATE: January 22, 2025 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Luis Garcia, Chief Financial Officer

RE: Formal Selection of Pension Committee Members

Recommendation

Recommend that the Board of Directors affirm the following appointments as members of the Non-Union and Amalgamated Transit Union (ATU) Pension Committees, and approve the following appointments as members of the Teamsters Union Pension Plan Committee:

1. Non-Union Pension Plan:
 - a. Chief Financial Officer
 - b. Chief of Human Relations
 - c. Chief Safety Officer
 - d. Chief of Capital Projects
 - e. Chief Transportation Officer
2. Amalgamated Transit Union Pension Plan:
 - a. Chief Financial Officer
 - b. Chief of Human Relations
3. Teamsters Union Pension Plan (New):
 - a. Chief Financial Officer
 - b. Chief of Human Relations

Background

SunLine Transit Agency has three (3) distinct self-administered pension plans for its union (ATU and Teamsters) and non-union employees. The plan document for each pension plan provides written terms governing retirement benefits paid under the plan and administration of the plan, including oversight of plan assets, to be conducted by a "Committee". Under each of the plan documents, the Board of Directors is authorized to appoint members to the Pension Committees. Under the non-union plan, the Board must appoint at least three (3) Committee members; currently, the five (5) members listed by employee position above comprise the non-union Pension Committee. Under

each of the union plans, the Committee must be comprised of two (2) members appointed by the Board of Directors, two (2) members appointed by the respective union, and a fifth member to be selected by the four (4) appointed Committee members. For the ATU Pension Committee, the Board previously appointed the two (2) members listed by employee position above. Staff recommends that, consistent with the ATU Pension Committee and pursuant to the Teamsters Plan amendment adopted at Item 15, the Board appoint the two (2) members listed by employee position above to the Teamsters Pension Committee.

Financial Impact

There is no financial impact.

Performance Goal

Goal 3: Organizational Health & Resiliency – Approval of this item will ensure transparency and good governance by appointing responsible individuals over decisions relating to the financial health of the pension plans for Agency employees.

SunLine Transit Agency

DATE: January 22, 2025 **ACTION**

TO: Board Operations Committee
Board of Directors

FROM: Edith Hernandez, Clerk of the Board/Director of Legislative Affairs

RE: Approve Resolution No. 0811 to Increase the Board Member Stipend

Recommendation

Recommend that the Board of Directors approve and adopt Resolution No. 0811 to increase the Board Member stipend.

Background

SunLine Transit Agency (SunLine) currently provides each member of the Board of Directors (Board) with a \$50 stipend for each Board meeting attended, and \$25 stipend for each Committee meeting attended. At the December 4, 2024, Board Operations Committee meeting, staff was directed to increase the Board Member stipend to \$75 for each Board meeting attended; Committee meeting compensation remains unchanged at \$25 per committee meeting. The proposed increase allows members to continue and serve on up to three (3) Committees while staying at or below the \$150 per month requirement.

SunLine's Joint Powers Agreement (JPA) was amended in 2017 to allow the Board to adopt a resolution providing stipends for Board and subcommittee meetings, subject to a \$150 monthly cap, in accordance with Government Code Section 36516(c). The Board has not increased stipends since the JPA amendment was adopted.

In addition, staff has been directed to amend the JPA to include provisions that authorize the Board to set compensation amounts by resolution. SunLine staff and legal counsel will prepare an amendment to the JPA and circulate it to the member agencies for approval.

Financial Impact

The financial impact related to the \$25 stipend increase would result in an maximum increase of \$2,500 per year. The estimated \$1,500 financial impact for the remainder of fiscal year 2025 is within the board approved budget.

Performance Goal

Goal 3: Organizational Health & Resiliency – Ensure equitable compensation, fostering Board engagement, and implementing administrative best practices.

Attachments:

- [Item 10a](#) – Resolution No. 0811

SUNLINE TRANSIT AGENCY

RESOLUTION NO. 0811

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
SUNLINE TRANSIT AGENCY APPROVING AN INCREASE
IN BOARD COMPENSATION**

WHEREAS, SunLine Transit Agency (SunLine) currently compensates each Board Member \$50 for attending each meeting of the Board and \$25 for attending each committee meeting; and

WHEREAS, SunLine's Joint Powers Agreement (JPA) authorizes SunLine to pay each Board Member up to \$150 per month as compensation for attending Board and Committee meetings; and

WHEREAS, the Board of Directors desires to increase its compensation consistent with the limitations in the JPA.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of SunLine Transit Agency:

Section 1. Each member of the Board of Directors of SunLine Transit Agency may receive a stipend for their attendance at SunLine meetings as follows:

- a. Meetings of the Board of Directors - \$75 per meeting
- b. Meetings of Board Committees (standing and/or ad hoc) - \$25 per meeting

Notwithstanding the foregoing, no Board Member shall receive more than \$150 per month in aggregate in stipends for attendance at SunLine meetings.

APPROVED AND ADOPTED by the Board of Directors of SunLine Transit Agency on this 22nd day of January, 2025.

AYES:

NOES:

ABSENT:

ABSTAIN:

Nancy Ross
Chair of the Board

ATTEST:

Edith Hernandez
Clerk of the Board

APPROVED AS TO FORM:

Catherine Groves
General Counsel