



ADMINISTRATIVE & FINANCE COMMITTEE MEETING AGENDA

**Friday, September 10, 2021
9:30 A.M.**

Call meeting to order – Chair Davert

Public Communications to the Committee

Additional items arising after posting of agenda

1. Monthly Financial Reports – July 2021
Recommendation: Receive and File
2. Salary Range Adjustments
Recommendation: Recommend adoption of salary schedule
3. AALRR Rates
Recommendation: Recommend approval of new rates for District Counsel
4. Capital Loan Report
Recommendation: Receive and File

Adjournment

NOTE: Pursuant to California Governor’s Executive Order No. N-29-20, executed March 17, 2020, members of the Board of Directors may elect to attend this Regular Meeting by telephone or video conference due to concerns relative to COVID-19 Coronavirus and avoidance of public gatherings. **THERE WILL BE NO PUBLIC LOCATION TO ATTEND THIS MEETING IN PERSON.** The public may attend either telephonically by calling into, or by videoconference by logging into, the meeting at:

To Access the Meeting by Computer/Device:

<https://us02web.zoom.us/j/85413360081?pwd=UEN4ejlPRCtYUUtQcVJLeCswRWYrdz09> or
short link <https://bit.ly/3l0ZoK1>

To Access the meeting by Phone:

Dial: (669) 900-6833

Meeting ID: 854 1336 0081 Passcode: 641863

Members of the public may (i) e-mail comments to Sylvia Prado at sprado@eocwd.com up to 30 minutes before the meeting; (ii) submit a speaker request via the on-line chat feature at the beginning of the meeting prior to Item 3; or (iii) verbally indicate their desire to comment during the time designated on the agenda, and the comments shall either be heard by or read to the Board, as applicable. Members of the public wishing to attend the meeting that require other reasonable modifications or accommodation to facilitate such attendance should contact Ms. Prado at (714) 538-5815 or the e-mail provided above at least twenty-four (24) hours before the meeting to make such request.

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the East Orange County Water District Administrative & Finance Committee in connection with a matter subject to discussion or consideration at an open meeting of the Administrative & Finance Committee are available for public inspection in the District's office, 185 McPherson Road, Orange, California ("District Office"). If such writings are distributed to members of the Committee less than 72 hours prior to the meeting, they will be available via phone or email request to Ms. Sylvia Prado at (714) 538-5815 or sprado@eocwd.com.



MEMO

TO: ADMINISTRATION AND FINANCE COMMITTEE
FROM: GENERAL MANAGER
SUBJECT: MONTHLY FINANCIAL STATEMENTS FOR FEBRUARY
DATE SEPTEMBER 9, 2021

Background

July Monthly Financial Statements for Wholesale Zone, Retail Zone, and ID1 (wastewater).

Recommendation

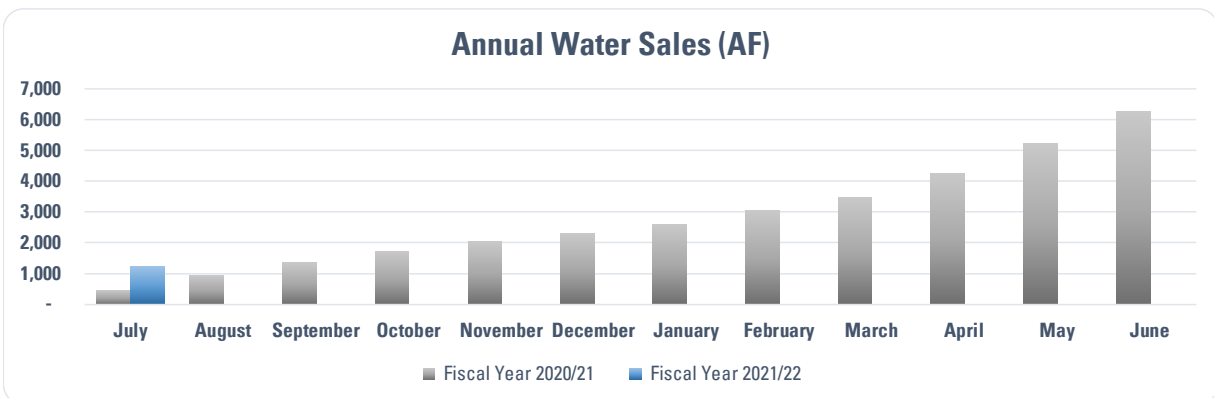
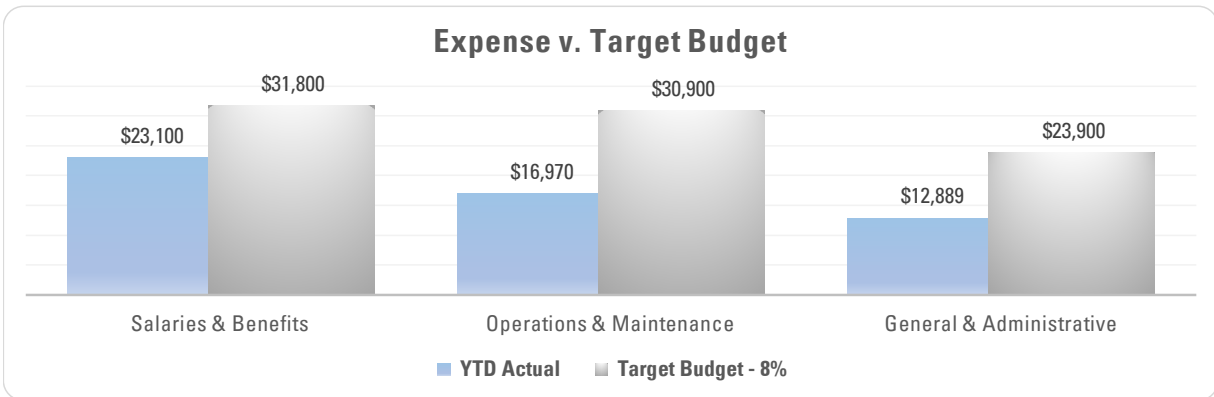
Informational.

Attachment(s): WZ, RZ, and ID1 Financial Statements for July



Operating Summary Wholesale Zone (Unaudited) Period Ending July 31, 2021

	JULY 2021 ACTUAL REVENUE	YTD ACTUAL REVENUE	2021/22 ANNUAL BUDGET	BUDGET \$ OVER / (UNDER)	YTD PERCENT OF BUDGET
1 REVENUES					
2 Operating Revenues	\$ 1,232,359	\$ 1,232,359	\$ 5,616,500	\$ (4,384,141)	22%
3 Non-Operating Revenues	10,787	10,787	1,192,300	(1,181,513)	1%
4 TOTAL REVENUES	1,243,146	1,243,146	6,808,800	(5,565,654)	18%
5 EXPENSES					
6 Source of Supply	1,187,083	1,187,083	5,116,900	(3,929,817)	23%
7 Salaries & Benefits	22,414	22,414	389,800	(367,386)	6%
8 Operations & Maintenance	16,970	16,970	386,700	(369,730)	4%
9 General & Administrative	12,889	12,889	298,600	(285,711)	4%
10 TOTAL EXPENSES	1,239,355	1,239,355	6,192,000	(4,952,645)	20%
11 NET INCOME / (LOSS) BEFORE DEBT, CAPITAL & ADPS	3,791	3,791	616,800	(613,009)	
12 Less: Section 115 Pension Trust Contribution	-	-	(50,000)	50,000	0%
13 Less: CalPERS Additional Discretionary Payments	(149,485)	(149,485)	(149,500)	15	100%
14 Less: Capital Expenses (Reserve-Funded)	-	-	(2,595,400)	2,595,400	0%
15 NET INCREASE / (DECREASE) TO RESERVES	\$ (145,694)	\$ (145,694)	\$ (2,178,100)	\$ 2,032,406	

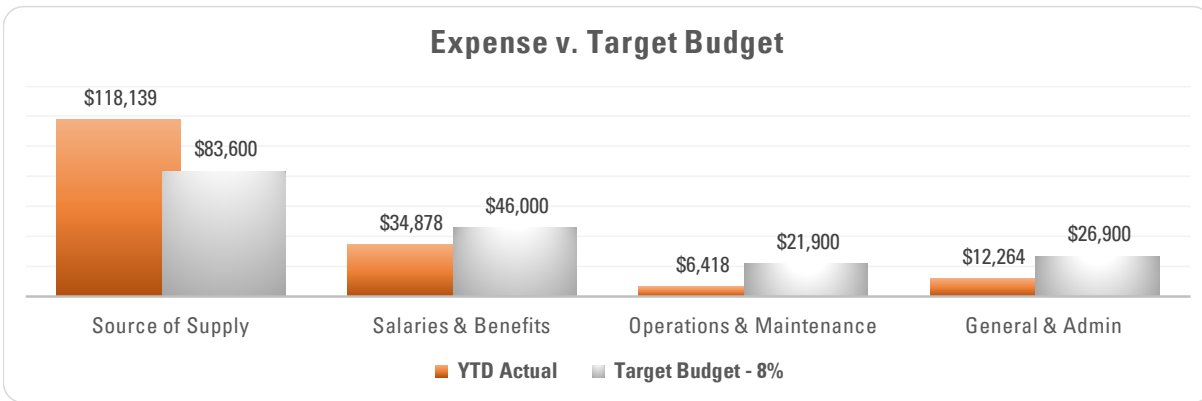


*No assurance provided on these financial statements. These financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the United States not included.



**Operating Summary
Retail Zone (Unaudited)
Period Ending July 31, 2021**

	JULY 2021	YTD	2021/22	BUDGET \$	YTD
	ACTUAL	ACTUAL	ANNUAL	OVER /	PERCENT
	REVENUE	REVENUE	BUDGET	(UNDER)	OF BUDGET
1 REVENUES					
2 Operating Revenues	\$ 6,136	\$ 6,136	\$ 2,667,300	\$ (2,661,164)	0%
3 Non-Operating Revenues	168	168	505,500	(505,332)	0%
4 TOTAL REVENUES	6,304	6,304	3,172,800	(3,166,496)	0%
5 EXPENSES					
6 Source of Supply	118,139	118,139	1,044,900	(926,761)	11%
7 Salaries & Benefits	34,878	34,878	574,600	(539,722)	6%
8 Operations & Maintenance	6,418	6,418	273,400	(266,982)	2%
9 General & Administrative	12,264	12,264	336,200	(323,936)	4%
10 TOTAL EXPENSES	171,699	171,699	2,229,100	(2,057,401)	8%
11 NET INCOME / (LOSS) BEFORE DEBT, CAPITAL & ADPs	(165,396)	(165,396)	943,700	(1,109,096)	
12 Less: Debt Service	-	-	(259,100)	259,100	0%
13 Less: Section 115 Pension Trust Contribution	-	-	(50,000)	50,000	0%
14 Less: CalPERS Additional Discretionary Payments	(149,485)	(149,485)	(149,500)	15	100%
15 Less: Capital Expenses (Reserve-Funded)	(3,600)	(3,600)	(2,174,900)	2,171,300	0%
16 NET INCREASE / (DECREASE) TO RESERVES	\$ (318,480)	\$ (318,480)	\$ (1,689,800)	\$ 1,371,320	

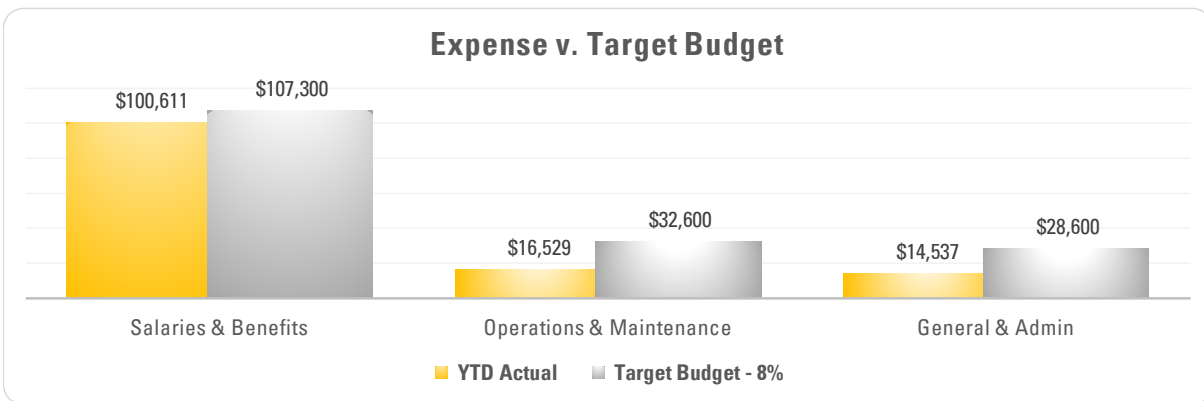


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**Operating Summary
Sewers (Unaudited)
Period Ending July 31, 2021**

	JULY 2021 ACTUAL REVENUE	YTD ACTUAL REVENUE	2021/22 ANNUAL BUDGET	BUDGET \$ OVER / (UNDER)	YTD PERCENT OF BUDGET
1 REVENUES					
2 Operating Revenues	\$ 2,432	\$ 2,432	\$ 3,171,300	\$ (3,168,868)	0%
3 Non-Operating Revenues	69,694	69,694	878,500	(808,806)	8%
4 TOTAL REVENUES	72,126	72,126	4,049,800	(3,977,674)	2%
5 EXPENSES					
6 Salaries & Benefits	100,611	100,611	1,340,800	(1,240,189)	8%
7 Operations & Maintenance	16,529	16,529	407,900	(391,371)	4%
8 General & Administrative	14,537	14,537	358,000	(343,463)	4%
9 TOTAL EXPENSES	131,677	131,677	2,106,700	(1,975,023)	6%
10 NET INCOME / (LOSS) BEFORE DEBT, CAPITAL & ADPs	(59,551)	(59,551)	1,943,100	(2,002,651)	
11 Less: Debt Service	-	-	(1,036,300)	1,036,300	0%
12 Less: Section 115 Pension Trust Contribution	-	-	(50,000)	50,000	0%
13 Less: CalPERS Additional Discretionary Payments	(17,333)	(17,333)	(17,400)	67	100%
14 Less: Capital Expenses (Reserve-Funded)	-	-	(2,488,600)	2,488,600	0%
15 NET INCREASE / (DECREASE) TO RESERVES	\$ (76,884)	\$ (76,884)	\$ (1,649,200)	\$ 1,572,316	



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MEMO

TO: ADMINISTRATION & FINANCE COMMITTEE
FROM: GENERAL MANAGER
SUBJECT: REVISED SALARY SCHEDULE
DATE SEPTEMBER 9, 2021

Background

The District recently approved the 2021-22 annual budget. The budget was built on several assumptions including a cost-of-living adjustment (COLA) of 3.5%. This adjustment was based on the Bureau of Labor and Statistics' consumer price index for the region. The attached pay schedule reflects the pay ranges adjusted for the COLA increase.

As part of our ongoing work to both stay competitive in the marketplace and fiscally responsible to the public, we have reviewed several positions against our surrounding agencies and recommend a few changes to the salary schedule. The attached schedule includes both the COLA of 3.5% as well as the revisions to several ranges. Also attached are the compensation comparison prepared for the ranges that were adjusted.

Recommendation

The Committee recommend to the Board adoption of the revised pay schedule.

Attachment(s): Revised Salary Schedule
Compensation Study (Eng. Manger, Ops. Manager, Office Manager, WW Supervisor)



2021 Revised Salary Schedule

Position	Monthly Salary Range	
	Min	Max
General Manager	Determined by contract	
Engineering Manager	\$13,000	\$18,000
Operations Manager	\$13,000	\$17,000
Wastewater Supervisor	\$9,000	\$12,000
Office Manager	\$7,500	\$11,000
Administrative Assistant II	\$6,508	\$9,113
Administrative Assistant I	\$5,659	\$7,923
Management Analyst I	\$6,117	\$8,566
Water Operator III	\$5,736	\$8,032
Water Operator II	\$5,693	\$7,866
Water Operator I	\$4,865	\$6,728
Wastewater Operator II	\$4,829	\$6,761
Wastewater Operator I	\$4,199	\$5,879
Office Assistant	\$3,684	\$5,158
Part Time Employees (Hourly)		
P/T Management Analyst	\$28.78	\$38.87
P/T Administrative Assistant	\$28.78	\$38.87
P/T Office Assistant	\$15.53	\$25.32
Interns	\$15.99	\$26.07

9/7/2021

**East Orange County Water District
Classification and Compensation Study
September 2021**

BENCHMARK TITLE: Engineering Manager

Agency	Class Title	Monthly Salary Range		Spread
		Min	Max	
Irvine Ranch Water District	Engineering Manager	\$10,472	\$16,048	53%
Mesa Water	Senior Civil Engineer	\$9,422	\$12,988	38%
Yorba Linda Water District	Engineering Manager	\$12,288	\$15,732	28%
Laguna Beach County Water District	Manager of Engineering	\$11,786	\$16,941	44%
El Toro Water District (Recruiting)	Director of Engineering	\$11,694	\$16,373	40%
South Coast Water District	Manager of Engineering	\$10,646	\$16,175	52%
Median =		\$11,051	\$15,709	42%

Current Salary Range	\$15,956	\$22,339	40%
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Proposed Salary Range	\$13,000	\$18,000	38%
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**East Orange County Water District
Classification and Compensation Study
September 2021**

BENCHMARK TITLE: Operations Manager

Agency	Class Title	Monthly Salary Range		Spread
		Min	Max	
Irvine Ranch Water District	Operations Manager	\$9,292	\$13,854	49%
Mesa Water	Water Operations Manager	\$12,988	\$17,904	38%
Yorba Linda Water District	Operations Manager	\$12,288	\$15,732	28%
Laguna Beach County Water District	Manager of Operations	\$11,786	\$16,941	44%
El Toro Water District	Operations Manager	\$10,994	\$15,116	37%
South Coast Water District	Chief Operations Officer	\$14,136	\$19,011	34%
Median =		\$11,914	\$16,426	38%

Current Salary Range	\$11,820	\$16,549	40%
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Proposed Salary Range	\$13,000	\$17,000	31%
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**East Orange County Water District
Classification and Compensation Study
September 2021**

BENCHMARK TITLE: Wastewater Supervisor

Agency	Class Title	Monthly Salary Range		Spread
		Min	Max	
Irvine Ranch Water District	Collection Systems Sup.	\$6,623	\$9,899	49%
Mesa Water	Water Ops Supervisor	\$8,535	\$11,766	38%
Yorba Linda Water District	Operations Superintendent	\$9,636	\$11,749	22%
Laguna Beach County Water District	Field Services Supervisor	\$8,912	\$12,810	44%
El Toro Water District	Operations Superintendent	\$9,654	\$13,517	40%
South Coast Water District	Collection Systems Sup.	\$8,011	\$10,774	34%
Median =		\$8,562	\$11,752	37%

Current Salary Range	\$6,883	\$9,637	40%
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Proposed Salary Range	\$9,000	\$12,000	33%
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**East Orange County Water District
Classification and Compensation Study
September 2021**

BENCHMARK TITLE: Office Manager

Agency	Class Title	Monthly Salary Range		Spread
		Min	Max	
Irvine Ranch Water District	District Secretary	\$7,689	\$11,533	50%
Mesa Water	Ex Assistant to GM	\$7,733	\$10,660	N/A
Yorba Linda Water District	Ex. Assistant	\$7,329	\$9,381	28%
Laguna Beach County Water District	HR/Office Administrator	\$7,750	\$11,140	44%
Santa Margarita Water District	Secretary to Board	\$8,614	\$11,844	37%
South Coast Water District	Ex Assistant to GM	\$8,211	\$11,043	34%
Median =		\$7,888	\$10,933	39%

Proposed Salary Range	\$7,500	\$11,000	47%
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MEMO

TO: ADMINISTRATION & FINANCE COMMITTEE
FROM: GENERAL MANAGER
SUBJECT: GENERAL COUNSEL RATE INCREASE
DATE SEPTEMBER 9, 2021

Background

The District's General Counsel, Atkinson, Andelson, Loya, Ruud & Romo (AALRR) has requested an increase in their service rates. AALRR has not requested an increase in rates since 2018. With the increased cost of doing business over the last 3 years, AALRR is proposing a new fee schedule.

Proposed Rates	Existing Rates
\$270/hr – Partners	\$255/hr – Partners
\$245/hr – Senior Associate	\$235/hr – Senior Associate
\$235/hr – Associate	\$225/hr – Associate
\$140/hr – Paralegal	\$135/hr – Paralegal

AALRR's letter requesting the proposed fee schedule is attached to this report.

Recommendation

The Committee recommend to the Board approval of proposed AALRR fee schedule.

Attachment(s): AALRR Proposed Rate Increase

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A PROFESSIONAL LAW CORPORATION

ATTORNEYS AT LAW

20 PACIFICA, SUITE 1100
IRVINE, CALIFORNIA 92618-3371
(949) 453-4260

FAX (949) 453-4262
WWW.AALRR.COM

CERRITOS
(562) 653-3200

FRESNO
(559) 225-6700

MARIN
(628) 234-6200

PASADENA
(626) 583-8600

PLEASANTON
(925) 227-9200

RIVERSIDE
(951) 683-1122

SACRAMENTO
(916) 923-1200

SAN DIEGO
(858) 485-9526

OUR FILE NUMBER:

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Jeff.Hoskinson@aalrr.com
(949) 453-4287

May 28, 2021

VIA E-MAIL (DYOUNGBLOOD@EOCWD.COM)

David Youngblood, General Manager
East Orange County Water District
185 N. McPherson Rd.
Orange, CA

Re: General Counsel Legal Service Rate Increase Request

Dear Dave:

As we hope you are aware, we are most appreciative of the long-standing opportunity we have had to provide legal services to the East Orange County Water District ("District"). It has been our pleasure serving the District for many years, and we look forward to continuing to do so into the future.

As the District is aware, our last rate adjustment occurred in 2018. Since such time, we have all experienced increased costs of doing business. Consequently, we are respectfully requesting that the District review and adjust our current rate restructure. We are currently proposing the following fee schedule to be applicable in Fiscal Year 2021-2022 (commencing with services provided on or after July 1, 2021):

<u>Proposed Rates</u>	<u>Existing Rates</u>
\$270/hr – Partners	\$255/hr – Partners
\$245/hr – Senior Associate	\$235/hr – Senior Associate
\$235/hr – Associate	\$225/hr – Associate
\$140/hr – Paralegal	\$135/hr – Paralegal

We continue to believe that a comparison of these rates for general counsel services, as compared to those of similarly situated local water agencies, will demonstrate that these rates remain extremely competitive.

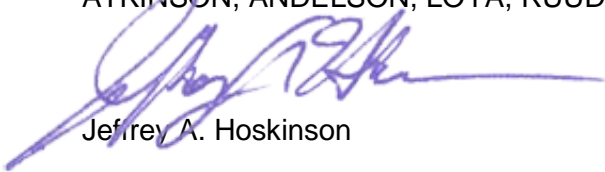
ATKINSON, ANDELSON, LOYA, RUUD & ROMO

David Youngblood, General Manager
East Orange County Water District
May 28, 2021
Page 2

On behalf of the Firm, as well as me personally, we would like to express to you our appreciation for the privilege of providing legal services to the District. If you have any questions, or wish to discuss this further, please do not hesitate to let me know.

Sincerely,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A handwritten signature in blue ink, appearing to read "Jeffrey A. Hoskinson", is written over the printed name.

Jeffrey A. Hoskinson

JAH:ad



MEMO

TO: ADMINISTRATION & FINANCE COMMITTEE
FROM: GENERAL MANAGER
SUBJECT: INSTALLMENT PURCHASE AGREEMENT REPORT
DATE SEPTEMBER 9, 2021

Background

The District approved an Installment Purchase Agreement with Sterling Bank in December, 2020. The intent of that agreement was to finance costs from three large capital projects totaling approximately \$20.1 million. Recently the board inquired about current status of the agreement.

Staff prepared a statement with costs funded to date by the agreement. To date, a total of \$1,348,805 of capital spending has been funded via the installment purchase agreement with the majority of those costs attributable to the CRA Project. This report is attached.

Recommendation

Informational.

Attachment(s): Installment Agreement Report

Installment Purchase Agreement Spending Report

VENDOR NAME	DATE PAID	AMOUNT
Ashok Dhingra (AKD Consulting) - EOCWD	1/9/2021	\$ 9,442.50
Quanta Services	1/14/2021	\$ 118,352.70
Quanta Services	1/14/2021	\$ 89,903.21
ARC Document Solutions	1/29/2021	\$ 333.06
AKM Consulting Engineers - EOCWD	1/29/2021	\$ 307.50
Communications Lab - EOCWD	2/11/2021	\$ 675.00
Quanta Electric Power Construction	2/11/2021	\$ 139,135.61
Communications Lab - EOCWD	2/24/2021	\$ 2,500.00
Ashok Dhingra (AKD Consulting) - EOCWD	2/24/2021	\$ 8,675.00
Ashok Dhingra (AKD Consulting) - EOCWD	2/24/2021	\$ 12,195.00
Tom Dodson & Assoc - EOCWD	2/24/2021	\$ 1,807.50
Quanta Services	3/11/2021	\$ 56,361.78
ENGEO Incorporated	3/11/2021	\$ 11,877.50
Tom Dodson & Assoc - EOCWD	3/11/2021	\$ 5,108.75
Communications Lab - EOCWD	4/5/2021	\$ 3,500.00
Tom Dodson & Assoc - EOCWD	4/6/2021	\$ 1,514.40
Steve Andrews Engineering	4/6/2021	\$ 11,890.80
Ashok Dhingra (AKD Consulting) - EOCWD	4/6/2021	\$ 5,028.00
Ardurra Group, Inc.	4/23/2021	\$ 390.00
ENGEO Incorporated	4/23/2021	\$ 1,237.50
Quanta Electric Power Construction	4/23/2021	\$ 98,463.83
Communications Lab - EOCWD	4/23/2021	\$ 7,500.00
Ardurra Group, Inc.	5/10/2021	\$ 975.00
ENGEO Incorporated	5/10/2021	\$ 4,885.00
Tom Dodson & Assoc - EOCWD	5/10/2021	\$ 6,760.00
Steve Andrews Engineering	5/10/2021	\$ 6,936.30
Communications Lab - EOCWD	5/26/2021	\$ 1,128.75
Steve Andrews Engineering - EOCWD	5/26/2021	\$ 7,881.70
CDM Smith - EOCWD	5/26/2021	\$ 10,558.50
Quanta Electric Power Construction	5/26/2021	\$ 167,952.39
ENGEO Incorporated	6/9/2021	\$ 4,006.25
Steve Andrews Engineering	6/9/2021	\$ 8,214.50
Tom Dodson & Assoc	6/9/2021	\$ 9,742.75
CDM Smith	6/17/2021	\$ 1,791.50
Quanta Electric Power Construction	6/17/2021	\$ 90,414.64
Ashok Dhingra (AKD Consulting)	6/25/2021	\$ 19,961.00
Quanta Electric Power Construction	6/25/2021	\$ 82,586.08
Communication Lab	6/25/2021	\$ 5,512.92
ENGEO Incorporated	6/25/2021	\$ 1,807.50
Tom Dodson & Assoc	6/25/2021	\$ 2,070.00
Ashok Dhingra (AKD Consulting)	7/22/2021	\$ 21,168.00
Steve Andrews Engineering	7/22/2021	\$ 2,725.00

Communications Lab - EOCWD	7/22/2021	\$	5,601.20
Communications Lab - EOCWD	7/30/2021	\$	2,500.00
Tom Dodson & Assoc	7/30/2021	\$	2,950.85
United Water Works Inc.	7/30/2021	\$	1,003.09
ENGEO Incorporated	7/30/2021	\$	1,290.00
City of Orange	7/30/2021	\$	2,743.00
Ardurra Group, Inc.	8/19/2021	\$	97.50
Ashok Dhingra (AKD Consulting)	8/19/2021	\$	16,201.56
California Concrete Ready Mix, Inc.	8/19/2021	\$	10,305.00
G.O. Rodriguez Trucking, Inc.	8/19/2021	\$	2,992.00
Trench Shoring Company	8/19/2021	\$	1,378.80
Alhambra Foundry Co Ltd.	8/19/2021	\$	1,646.92
Mar-Con Products, Inc	8/19/2021	\$	520.57
Solutions Project Management, LLC	8/19/2021	\$	2,175.00
Communications Lab - EOCWD	9/1/2021	\$	175.00
County of Orange - EOCWD	9/1/2021	\$	1,462.22
California Concrete Ready Mix, Inc.	9/1/2021	\$	975.00
Steve Andrews Engineering	9/1/2021	\$	7,336.30
Trench Shoring Company	9/1/2021	\$	1,258.62
Tom Dodson & Assoc	9/1/2021	\$	472.50
Quanta Electric Power Construction	9/1/2021	\$	241,927.05
ENGEO Incorporated	9/1/2021	\$	515.00
		\$	1,348,804.60