

**SPECIAL MEETING OF THE BOARD OF DIRECTORS
WATER REPLENISHMENT DISTRICT OF SOUTHERN CALIFORNIA
4040 PARAMOUNT BLVD., LAKEWOOD, CA. 90712
12:00 PM, SATURDAY, AUGUST 18, 2018**

AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a minute motion, resolution, payment of any bill, approval of any matter or action, or any other action. Items listed as "For Information" or "For Discussion" may also be the subject of an "action" taken by the Board or a Committee at the same meeting

1. DETERMINATION OF A QUORUM

2. PLEDGE OF ALLEGIANCE

3. INVOCATION

4. PUBLIC COMMENT

Pursuant to Government Code Section 54954.3.

5. ADDITIONAL ITEMS TO THE AGENDA

Determine the need to add items to the agenda. In order for the Board to add an item to the agenda it must make a determination that: (i) The item came to the attention of the Board after the posting of the agenda; (ii) That there is a need for immediate action to be taken by the Board. If these two tests are met, the Board may add the item in question to the agenda for consideration consistent with the provisions of the Brown Act.

6. APPROVE INDEPENDENT FINANCIAL AUDITOR CONTRACT

Board of Directors Committee Recommendation: The Finance/Audit Committee had a split recommendation. Director Katherman recommends approving a 3-year contract with Vasquez and Company and Director Allen recommends approving a 3-year contract with Lance, Soll and Lunghard.

7. VACANCY DIVISION 5 DISCUSSION AND ADVANCEMENT OF APPOINTMENT PROCESS

Board of Directors Committee Recommendation: For discussion only.

8. WRD BOARD MEETING DATES

8A. August 25, 2018 - 12:00 p.m. - Special Board of Directors Meeting

8B. September 19, 2018 - 11:00 a.m. - Regular Board of Directors Meeting

8C. October 17, 2018 - 11:00 a.m. - Regular Board of Directors Meeting

8D. November 21, 2018 - 11:00 a.m. - Regular Board of Directors Meeting

9. CLOSED SESSION

9A. Conference with Legal Counsel – Existing Litigation, pursuant to Government Code §54956.9; (a) One Matter

10. CLOSED SESSION REPORT

11. ADJOURNMENT

The Board will adjourn to the Special Board of Directors meeting currently scheduled for August 25, 2018 at 12:00 p.m.

Agenda posted by BRANDON MIMS, on 08/17/2018. In compliance with ADA requirements, this document can be made available in alternative formats upon request.

In compliance with the Americans with Disabilities Act (ADA), if special assistance is needed to participate in the meeting, please contact Deputy Secretary at (562) 921-5521 for assistance to enable the District to make reasonable accommodations.

All public records relating to an agenda item on this agenda are available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. Such records shall be available at the District office located at 4040 Paramount Boulevard, Lakewood, California 90712.

Agendas and minutes are available at the District's website, www.wrd.org.

EXHAUSTION OF ADMINISTRATIVE REMEDIES – If you challenge a District action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the Deputy Secretary at, or prior to, the public hearing. Any written correspondence delivered to the District office before the District's final action on a matter will become a part of the administrative record.

**MEMORANDUM****ITEM NO. 6**

DATE: AUGUST 15, 2018

TO: BOARD OF DIRECTORS COMMITTEE

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: APPROVE INDEPENDENT FINANCIAL AUDITOR CONTRACT

SUMMARY

As required by Water Code §60292, at the end of each fiscal year, an independent certified public accounting firm audits the District's financial statements and renders an opinion on the accuracy of the financial statements. Additionally, whenever an agency expends \$750,000 or more of Federal Assistance in any one fiscal year, that agency must undergo a Single Audit also known as OMB A-133 Audit. This is a rigorous, organization-wide audit to provide assurance to the US federal government as to the management and use of such funds by the recipients.

With the approval of the Board of Directors, staff mailed request for proposals (RFP) for independent audit services and posted the request on the WRD website. The deadline for submission was July 10, 2018. The RFP responses were evaluated by the Chief Financial Officer and the Manager of Financial Services and ranked based on a questionnaire developed by the American Institute of Certified Public Accountants (AICPA).

At the meeting of the Finance/Audit Committee July 16, 2018, the Committee instructed staff to further evaluate the top five candidate firms and report back to the Committee with a recommendation based on the additional evaluation. The five firms are as follows:

- Davis Farr
- Lance, Soll and Lunghard (LSL)
- The Pun Group
- White Nelson Diehl Evans
- Vasquez and Company

Staff reviewed the proposals and contacted references for all of firms. Staff reported back to the Committee stating that the top two firms were LSL and Vasquez and Company.

FISCAL IMPACT

Lance, Soll & Lunghard's proposed fees are \$141,255 for the three year contract term. Vasquez and Company's proposed \$130,000.

STAFF RECOMMENDATION

The Finance/Audit Committee had a split recommendation. Director Katherman recommends approving a 3-year contract with Vasquez and Company and Director Allen recommends approving a 3-year contract with Lance, Soll and Lunghard.



MEMORANDUM
ITEM NO. 7

DATE: AUGUST 18, 2018

TO: BOARD OF DIRECTORS

FROM: ROBB WHITAKER, GENERAL MANAGER

SUBJECT: SELECTION PROCESS FOR DIVISION 5

SUMMARY

The selection process for filling the vacancy of Director of Division 5 will be discussed.

FISCAL IMPACT

None at this time.

STAFF RECOMMENDATION

For discussion only.