AGENDA

Each item on the agenda, no matter how described, shall be deemed to include any appropriate motion, whether to adopt a 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 QUORUM

2. PUBLIC COMMENT
   Pursuant to Government Code Section 54954.3

3. APPROVE THE MINUTES OF NOVEMBER 27, 2019
   Staff Recommendation: The Administrative Committee approve the minutes as submitted.

4. ADMINISTRATIVE CODE
   Staff Recommendation: For discussion and possible action.

5. UPDATE ON THE MANAGERS’ CLASSIFICATION AND COMPENSATION STUDY
   Staff Recommendation: For discussion and possible action.

6. 60-MONTH LEASE AGREEMENT WITH NEOPOST FOR DISTRICT’S POSTAGE MAILING EQUIPMENT
   Staff Recommendation: The Administrative Committee recommends that the Board of Directors enter into a Lease Agreement, subject to approval as to form by District Counsel, with Neopost to lease postage machine equipment for a 60-month period for an amount not to exceed $21,000 ($4,200 per year for 5 years).

7. DEPARTMENT REPORT
   Staff Recommendation: For discussion and possible action.

8. DIRECTORS’ REPORTS, INQUIRIES AND FOLLOW-UP OF DIRECTIONS TO STAFF

9. ADJOURNMENT
   The Committee will adjourn to the next currently scheduled meeting on January 22, 2020, at 9:30 AM.
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 are available at the District’s website, [www.wrd.org](http://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. 3

DATE: DECEMBER 17, 2019
TO: ADMINISTRATIVE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: APPROVE THE MINUTES OF NOVEMBER 27, 2019

SUMMARY
A special meeting of the Administrative Committee of the Board of Directors of the Water Replenishment District of Southern California was held on November 27, 2019 at 10:40 AM, at the District Office, 4040 Paramount Boulevard, Lakewood, California 90712. Committee Chair Sergio Calderon called the meeting to order and presided thereafter.

FISCAL IMPACT
None

STAFF RECOMMENDATION
The Administrative Committee approve the minutes as submitted.
A special meeting of the Administrative Committee of the Board of Directors of the Water Replenishment District of Southern California was held on November 27, 2019 at 10:40 AM, at the District Office, 4040 Paramount Boulevard, Lakewood, California 90712. Committee Chair Sergio Calderon called the meeting to order and presided thereafter.

1. **DETERMINATION OF QUORUM**
   A quorum was present, which included:
   - Committee: Committee Chair Sergio Calderon; President John D.S. Allen
   - Staff: Ted Johnson, Rob Beste, Lawrence Chiu, Greg Osti, Dina Hidalgo, Tenisha Simeon
   - Public: None

2. **PUBLIC COMMENT**
   Pursuant to Government Code Section 54954.3
   Online Data and Technology Specialist Greg Osti (Staff) provided public comment, stating that the creation of new positions would benefit from a union discussion.

3. **APPROVE THE MINUTES OF OCTOBER 23, 2019**

<table>
<thead>
<tr>
<th>First</th>
<th>Allen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second</td>
<td>Calderon</td>
</tr>
<tr>
<td>Discussion</td>
<td>None</td>
</tr>
<tr>
<td>Vote</td>
<td>Calderon, yes; Allen, yes</td>
</tr>
<tr>
<td>Result</td>
<td>The Administrative Committee approved the minutes as submitted.</td>
</tr>
</tbody>
</table>

4. **ADMINISTRATIVE CODE**
   Assistant General Manager/Chief Administrative Officer Mr. Johnson provided a brief overview on the Administrative Code. Mr. Johnson stated that the procurement policy is being reviewed by the general counsel and will likely be presented to the Administrative Committee once finalized. No action was taken.
5. **UPDATES TO WRD ORGANIZATIONAL STRUCTURE AND JOB CLASSIFICATIONS**

Mr. Johnson presented the recommended revisions to the District’s new organizational structure and job classifications. Discussion followed.

<table>
<thead>
<tr>
<th>First:</th>
<th>Allen</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second:</td>
<td>Calderon</td>
</tr>
<tr>
<td>Discussion:</td>
<td>None</td>
</tr>
<tr>
<td>Vote:</td>
<td>Calderon, Yes; Allen, Yes - 2,0</td>
</tr>
<tr>
<td>Result:</td>
<td>The Administrative Committee recommended that the Board of Directors adopt the District Organizational structure as described herein, along with the Job Classification Table and draft Organizational Chart.</td>
</tr>
</tbody>
</table>

This item will be placed on the Regular Calendar for review and approval on the Board of Directors meeting agenda.

6. **DEPARTMENT REPORT**

Mr. Johnson provided an update on the managers’ portion of the class and compensation study.

Manager of Administration and Human Resources Dina Hidalgo stated that the consultants would be scheduling dates for interviews.

No action was taken.

7. **DIRECTORS’ REPORTS, INQUIRIES AND FOLLOW-UP OF DIRECTIONS TO STAFF**

President Allen inquired about potentially raising the General Managers signing authority above the current $10,000 limit. He stated that he would like to discuss the topic in the coming month.

Director Calderon inquired about the signing off of sponsorship applications. Discussion followed.
8. **ADJOURNMENT**
There being no further business to come before the Committee, and upon a motion made by President Allen and seconded by Director Calderon, the meeting was adjourned at 10:55 AM.

___________________________  
Chair

ATTEST:

___________________________  
Member

Approved the minutes of:

___________________________

MEMORANDUM
ITEM NO. 5

DATE: DECEMBER 17, 2019
TO: ADMINISTRATIVE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: UPDATE ON THE MANAGERS’ CLASSIFICATION AND COMPENSATION STUDY

SUMMARY
On October 3, 2019, the Board of Directors approved entering into a contract with Koff Associates to perform a Classification and Compensation study for District Managers. A similar study was recently completed for District staff and this new study will be similar in nature. Updates will be provided to the Committee as the study progresses.

FISCAL IMPACT
None

STAFF RECOMMENDATION
For discussion and possible action.
MEMORANDUM
ITEM NO. 6

DATE: DECEMBER 17, 2019
TO: ADMINISTRATIVE COMMITTEE
FROM: ROBB WHITAKER, GENERAL MANAGER
SUBJECT: 60-MONTH LEASE AGREEMENT WITH NEOPOST FOR DISTRICT’S POSTAGE MAILING EQUIPMENT

SUMMARY
The District has been leasing a postage machine from Pitney Bowes since June 2006. The lease agreement, Contract #440, was renewed in March 2015. The current agreement ends in July 2020, however, upgraded/updated equipment was not included in the 2015 agreement and therefore the District is using older and outdated equipment at a monthly cost of $212.89. There are opportunities for improvements at this time.

As part of WRD’s Asset Management Master Plan initiatives and its larger plan to improve the technological capabilities at WRD, Finance staff has been investigating postage machine leasing options. It is important for the equipment to seamlessly integrate with the features and functionality that are currently in place at the District, yet offer newer technological advances to enhance efficiency, productivity and cost savings. Therefore, staff has been researching alternative equipment and vendors to improve management and administration of District postage and mailing handling.

As part of staff’s research, three companies were invited to provide demonstrations on machines that are comparable in-service options they provide, including software integration, equipment installation, training and multi-year ongoing support. Each demonstration was required to offer the following basic requirements:

- High quality, modern equipment;
- Lower postage rates, provided through the United States Postal Service (USPS);
- Shorter time to process mail to minimize non-productive work hours;
- More accurate posting costs due to exact weight measurements;
- The opportunity to create custom branded mailing labels; and
- Machine allows large batches all at once, with automatic feeding capabilities.

The three postage machine service providers that were compared are as follows:
1. Pitney Bowes – Model SendPro 2000 with 36, 48 or 60 month leasing options for $354.52, $306.25 and $281.99 per month respectively, billed quarterly. The lease would commence 1/20/20.

2. NeoPost, Inc. – Model IN-710 with 36, 48 or 60 month leasing options for $396.91, $350.37 and $299.00 per month respectively, billed quarterly. Also, NeoPost will pay Pitney Bowes the balance on WRD’s contract through July 2020.

3. FP Mailing Solutions USA (Francotyp-Postalia, Inc.) - $354 per month for a model they said would be comparable but did not provide specifics.

The following table provides addition information on staff’s evaluations:

<table>
<thead>
<tr>
<th>Company</th>
<th>NeoPost</th>
<th>Pitney Bowes</th>
<th>FP Mailing Solutions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Staff’s Ranking</strong></td>
<td>1&lt;sup&gt;st&lt;/sup&gt;</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt;</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt;</td>
</tr>
<tr>
<td>Representatives in Local Area</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Length of time in business</td>
<td>1976</td>
<td>1920</td>
<td>1994</td>
</tr>
<tr>
<td><strong>Product</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>User Interface ease for all staff</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Accounting Reporting Available</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Connected or Wifi</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Support</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Installation support</td>
<td>Yes-local</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt; party installed</td>
<td>Assist by phone</td>
</tr>
<tr>
<td>Maintenance/Customer Service</td>
<td>Local office for support, maintenance and equipment (Torrance)</td>
<td>3&lt;sup&gt;rd&lt;/sup&gt; Party contractors for maintenance (Customer Service on East Coast)</td>
<td>Return by mail for new equip if any issues (Customer Service in Illinois - avail. by phone but no maintenance service)</td>
</tr>
<tr>
<td>Rental/Lease Equipment</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

As a result of its research, WRD staff is recommending NeoPost products as offering the best postage meter solution because of their professional presentation, suitability of equipment for WRD’s needs, negotiated price for a 60-month lease, payout of the remaining Pitney Bowes contract, local availability, and fast response to communications. Additionally, the equipment is warehoused in Torrance, California for fastest physical response to maintenance and/or replacement requests. Lastly, this
lease is going through the State of California Department of General Services Participating Addendum through the National Association of State Procurement Officials (NASPO) Master Agreement for the pricing, equipment, lease, maintenance, etc.

**FISCAL IMPACT**

The total cost of the 60-month lease with NeoPost is $299 per month, for a quarterly amount of $897 or $3,588 per year. The total amount for this lease for 60 months (5 years) will be $17,940. With tax and contingency, a not to exceed amount of $21,000 for the 5-year lease ($4,200 per year) is recommended.

**STAFF RECOMMENDATION**

The Administrative Committee recommends that the Board of Directors enter into a Lease Agreement, subject to approval as to form by District Counsel, with Neopost to lease postage machine equipment for a 60-month period for an amount not to exceed $21,000 ($4,200 per year for 5 years).