



San Gabriel Valley Council of Governments
AGENDA AND NOTICE OF THE REGULAR MEETING
OF THE SGVCOG EXECUTIVE COMMITTEE

Monday, October 7, 2024 – 10:00 AM

SGVCOG Monrovia Office

1333 S. Mayflower Ave, Suite 360, Monrovia, CA 91016

President

Tim Hepburn

1st Vice President

Ed Reece

2nd Vice President

April Verlato

3rd Vice President

Cory Moss

Past President

Becky Shevlin

Transportation Chair

Ed Reece

Homelessness Chair

Becky Shevlin

EENR Chair

Jennifer Stark

CPCC Chair

Tim Hepburn

Ex-Officio

Tim Sandoval, Metro

SGVCOG Representative

Ex-Officio

Jessica Binnquist, City

Managers' Steering

Committee Chair

Thank you for participating in tonight's meeting. The SGVCOG encourages public participation and invites you to share your views on agenda items.

MEETINGS: Regular Meetings of the Executive Committee are held on the first Monday of each month at 10:00 AM at the SGVCOG Monrovia Office (1333 South Mayflower Avenue, Suite 360, Monrovia, CA 91016). The agenda packet is available at the SGVCOG's Office, 1333 S. Mayflower Avenue, Suite 360, Monrovia, CA, and on the website, www.sgvkog.org. Copies are available via email upon request (sgv@sgvkog.org). A copy of the agenda is also posted for public viewing at the entrance of the SGVCOG Monrovia Office Building. Any additional agenda documents that are distributed to a majority of the Committee after the posting of the agenda will be available for review in the SGVCOG office during normal business hours and on the SGVCOG website noted above.

PUBLIC PARTICIPATION: Your participation is welcomed and invited at all Executive Committee meetings. Time is reserved at each regular meeting for those who wish to address the Committee. SGVCOG requests that persons addressing the meeting refrain from making personal, slanderous, profane, or disruptive remarks. A person who continues to disrupt the orderly conduct of the meeting, after being warned by the Board President or designee to cease the disruption, may be precluded from further participation in the meeting.

TO ADDRESS THE EXECUTIVE COMMITTEE: At a regular meeting, the public may comment: (i) on any matter within the subject matter jurisdiction of the SGVCOG that is not on the agenda during the public comment period at the beginning of the agenda; (ii) on any item(s) that is on the Consent Calendar prior to action taken on the Consent Calendar; and (iii) on any other agenda item prior to the time it is considered by the Committee. At a special meeting, the public may only comment on items that are on the agenda. Members of the public are requested to state their name prior to speaking. Comments are limited to a maximum of three minutes per person. The Board President may impose additional time limits if comments become repetitious, an individual member of the public seeks to speak on numerous items, or a large number of members of the public seek to speak on an item. Except in limited situations, the Committee may not take action on items not appearing on the agenda and/or discuss them at length.

If you would like to provide a public comment during a Committee meeting, please see "Instructions for Public Comments" below.

AGENDA ITEMS: The Agenda contains the regular order of business of the Executive Committee. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Executive Committee can be fully informed about a matter before making its decision.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and may be acted upon by one motion. There will be no separate discussion on these items unless a Committee member so requests. In this event, the item will be removed from the Consent Calendar and considered after the Committee takes action on the balance of the Consent Calendar.

TELECONFERENCE LOCATIONS: State law allows Committee members to teleconference from remote locations as long as certain conditions are met, including listing the teleconference locations in the agenda. The following locations are hereby noticed as teleconference locations, which are accessible to the public for the purposes of observing this meeting and/or addressing the Committee.

<p>Claremont City Hall 207 Harvard Avenue Claremont, CA 91711</p>
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Instructions for Public Comments: For those wishing to make public comments on agenda and non-agenda items, but within the SGVCOG’s subject matter jurisdiction, you may submit written comments via email or provide a verbal comment.

- Written Comments (Email): If you wish to submit written public comments to be distributed to the Executive Committee at the meeting, please submit these materials via email to Steph Wong at swong@sgvcog.org at least 1 hour prior to the scheduled meeting time. Please indicate in the “Subject” line of the email “FOR PUBLIC COMMENT” and the agenda item number to which the public comment is addressed. Written public comments may include, but are not limited to letters, reports, and presentations.
- Verbal Comments (In Person): If you would like to make a public comment at the Executive Committee meeting location, please fill out a public comment card. Comment cards will be made available to you by staff at the entrance to the meeting room. If you are attending the meeting at a noticed teleconference location and would like to make a public comment, please raise your hand when the item upon which you wish to speak comes up on the agenda.
- Verbal Comments (Zoom): If you would like to participate by teleconference from a private location, please email Steph Wong (swong@sgvcog.org) to request an attendee Zoom link at least 24 hours before the meeting. Through Zoom, you may provide a verbal comment by using the web interface “Raise Hand” feature when the agenda item upon which you wish to speak is to be considered. You will then be called upon to provide your verbal comments.

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PRELIMINARY BUSINESS

1. Call to Order
2. Roll Call
3. Public Comment (*If necessary, the President may place reasonable time limits on all comments*)
4. Changes to the Agenda Order

CONSENT CALENDAR

5. Executive Committee Meeting Minutes – **Page 1**
Recommended Action: Review and approve.

ACTION ITEMS

6. Governing Board Agenda – **Page 4**
Recommended Action: Review and approve the draft Governing Board agenda.
7. Compensation Study Recommendations: Update Salary Resolution and Health Benefits Resolution – **Page 9**
Recommended Action: Based on the results of a comprehensive compensation study completed by Koff & Associates, recommend the Governing Board take the following actions:
 - 1) *Adopt Resolution 24-22 updating the SGVCOG Salary Resolution to update all salary ranges and establish a step-based compensation structure;*
 - 2) *Adopt Resolution 24-23 to update the SGVCOG Employee Health Benefits Resolution with an effective date of January 1, 2025.*
8. Annual Audit Workplan Update – **Page 15**
Recommended Action: Recommend the Governing Board approve the FY 2024-2025 Annual Audit Workplan.

UPDATE ITEMS

9. Legislative Report
10. President's Report
11. Executive Director's Report
12. General Counsel's Report

ANNOUNCEMENTS

13. Next Executive Committee Meeting – November 4, 2024
Recommended Action: For information only.

ADJOURN



**Unapproved SGVCOG Executive Committee Special Meeting Minutes
September 9, 2024**

10:00 AM
1333 S. Mayflower Ave., Monrovia, CA 91016

PRELIMINARY BUSINESS

- 1. Call to Order
The meeting was called to order at 10:02 AM.
- 2. Roll Call

Members Present

- T. Hepburn, President/CPCC Chair
- E. Reece, 1st Vice President
- C. Moss, 3rd Vice President
- B. Shevlin, Past President/Homelessness Chair
- J. Stark, EENR Chair
- J. Binnquist, CMS Committee Chair

Absent

- A. Verlato, 2nd Vice President
- T. Sandoval, Metro SGVCOG Representative

Staff/Guests:

- M. Creter, SGVCOG Executive Director
- S. Wong; R. Choi; R. Alimoren, N. Ryu; C. Sims;
- J. Talla; N. Arreaga; K. Ward; S. Akin;
- V. Urenia; T. Lott; P. Meija, SGVCOG Staff
- D. Dalan, SGVCOG Accountant
- D, DeBerry, Woodruff & Smart
- E. Thronson, Townsend Public Affairs
- C. Shelby, Townsend Public Affairs, Inc.
- G. Laudeman, ENTRUST Solutions

- 3. Public Comment
There were no public comments at this meeting.
- 4. Changes to the Agenda Order
Chair T. Hepburn announced that Item 11 will be postponed to a future meeting.

CONSENT CALENDAR

- 5. Review Executive Committee Meeting Minutes
Action: Review and approve.
- 6. SGVCOG Broadband Needs Assessment & Final Strategic Plan
Action: Recommend the Governing Board receive and file the SGVCOG Regional Broadband Needs Assessment and Strategic Plan.
- 7. 3rd Quarter Financial Report / Treasurer’s Report
Action: Receive and file.
- 8. Los Angeles Board of Supervisors (LACBOS) Restructuring

Unapproved Minutes

Action: Recommend the Governing Board take the following actions:

- 1) *Direct staff to monitor the proposed LACBOS restructuring plans and advocate through letters, comments, and discussion with relevant agencies for the following objectives:*
 - *Any committee or advisory board created by the County to assist with the restructuring of the Board of Supervisors, including to determine the job descriptions and selection of new appointed officials and to guide the redistricting process, should include robust and equitable representation from the San Gabriel Valley;*
 - *The process of redistricting the County should take into account the historic and cultural commonalities of the San Gabriel Valley’s diverse communities; the region’s racial and ethnic demographics; and its demonstrated track record of coordinating and acting as a region on critical matters;*
 - *The voice of San Gabriel Valley Council of Governments’ member agencies should be fully and fairly represented on the LACBOS consistent with its population and contributions to the County.*
- 2) *Direct staff to recommend qualified elected officials and private citizens of the San Gabriel Valley to sit on any committees or advisory boards formed to support this restructuring effort, as described above.*

There was a motion to approve the consent calendar. (M/S: B. Shevlin, J. Stark)

[Motion Passed]

AYES:	T. Hepburn, C. Moss, B. Shevlin, J. Stark
NOES:	
ABSTAIN:	
ABSENT:	E. Reece, A. Verlato

ACTION ITEMS

9. Governing Board Agenda

There was a motion to approve the draft Governing Board agenda.

(M/S: B. Shevlin, C. Moss)

[Motion Passed]

AYES:	T. Hepburn, C. Moss, B. Shevlin, J. Stark
NOES:	
ABSTAIN:	
ABSENT:	E. Reece, A. Verlato

10. Expansion of SGVCOG Membership to Additional Special District Public Agencies

There was a motion to recommend the Governing Board take the following actions:

- 1) **Direct staff to survey the San Gabriel Valley’s unrepresented water agencies and special district public agencies to gauge their interest in memberships in the SGVCOG;**
- 2) **Direct staff to initiate an amendment process to add new member agencies that have a vested policy interest in the programs and projects led by SGVCOG.**

Unapproved Minutes

**(M/S: J. Stark, C. Moss)
[Motion Passed]**

AYES:	T. Hepburn, E. Reece, C. Moss, B. Shevlin, J. Stark
NOES:	
ABSTAIN:	
ABSENT:	A. Verlato

- 11. Compensation Study Recommendations: Update Salary Resolution and Health Benefits Resolution
This item was postponed.

UPDATE ITEM

- 12. Legislative Update
 - State Ballot Measures Update
C. Shelby, E. Thronson, and R. Choi reported on this item.
- 13. President’s Report
T. Hepburn reported on this item.
- 14. Executive Director’s Report
 - 2024 City Council Roadshow Announcement
M. Creter reported on this item.
- 15. General Counsel’s Report
D. DeBerry reported on this item.

ANNOUNCEMENTS

- 16. Next Executive Committee Meeting – October 7, 2024

ADJOURN

The meeting was adjourned at 10:54 AM



AGENDA/NOTICE OF THE REGULAR MEETING OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS (SGVCOG) GOVERNING BOARD

Thursday, October 10, 2024 - 4:00 P.M.
SGVCOG Office

1333 S. Mayflower Avenue, Suite 360, Monrovia, CA 91016

President
Tim Hepburn

1st Vice President
Ed Reece

2nd Vice President
April Verlato

3rd Vice President
Cory Moss

Members

Alhambra

Arcadia

Azusa

Baldwin Park

Bradbury

Claremont

Covina

Diamond Bar

Duarte

El Monte

Glendora

Industry

Irwindale

La Cañada Flintridge

La Puente

La Verne

Monrovia

Montebello

Monterey Park

Pasadena

Pomona

Rosemead

San Dimas

San Gabriel

San Marino

Sierra Madre

South El Monte

South Pasadena

Temple City

Walnut

West Covina

First District, LA County

Unincorporated Communities

Fifth District, LA County

Unincorporated Communities

SGV Water Districts

Thank you for participating in tonight's meeting. The SGVCOG encourages public participation and invites you to share your views on agenda items.

MEETINGS: *Regular Meetings of the Governing Board are held on the third Thursday of each month at 4:00 PM at the SGVCOG Monrovia Office (1333 South Mayflower Avenue, Suite 360, Monrovia, CA 91016).* The agenda packet is available at the SGVCOG's Office, 1333 S. Mayflower Avenue, Suite 360, Monrovia, CA, and on the website, www.sgvkog.org. Copies are available via email upon request (sgv@sgvcog.org). A copy of the agenda is also posted for public viewing at the entrance of the SGVCOG Monrovia Office Building. Any additional agenda documents that are distributed to a majority of the Board after the posting of the agenda will be available for review in the SGVCOG office during normal business hours and on the SGVCOG website noted above.

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2956 West Shorb Street Alhambra, CA 91803	Duarte City Hall 1600 Huntington Dr. Duarte, CA 91010	Industry City Hall 15625 Mayor Dave Way Industry, CA 91744	Pasadena City Hall Council Conference Room 100 N. Garfield Ave. Pasadena, CA 91101
Chuck Bader Conference Rm. 505 S. Garey Ave. Pomona, CA 91767	6131 Camellia Ave. Temple City, CA 91780	Three Valleys Municipal Water District 1021 E. Miramar Ave. Claremont, CA 91711	

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PRELIMINARY BUSINESS

5 MINUTES

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment (*If necessary, the President may place reasonable time limits on all comments*)
5. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting.

PRESENTATION ITEM

30 MINUTES

6. End of Legislative Session Review – Eric Thronson and Carly Shelby, Townsend Public Affairs
Recommended Action: For information only.

CONSENT CALENDAR

5 MINUTES

(It is anticipated that the SGVCOG Governing Board may take action on the following matters)

Administrative Items:

7. Governing Board Meeting Minutes
Recommended Action: Adopt Governing Board minutes.
8. Monthly Cash Disbursements/Balances/Transfers
Recommended Action: Approve Monthly Cash Disbursements/Balances/Transfers.
9. Committee/TAC/Governing Board Attendance
Recommended Action: Receive and file.
10. Legislative Monthly Report (September)
Recommended Action: Receive and file.
11. SGVCOG Governing Board Future & Recurring Agenda Items: FY25
Recommended Action: Receive and file.
12. CA Fire Safe Council Grant Award
Recommended Action: Receive and file.

Committee Items:

13. Compensation Study Recommendations: Update Salary Resolution and Health Benefits Resolution
Recommended Action: Based on the results of a comprehensive compensation study completed by Koff & Associates, take the following actions:
 - 1) *Adopt Resolution 24-22 updating the SGVCOG Salary Resolution to update all salary ranges and establish a step-based compensation structure;*
 - 2) *Adopt Resolution 24-23 to update the SGVCOG Employee Health Benefits Resolution with an effective date of January 1, 2025.**Committee Action(s): Executive Committee – Support/Oppose (X-X).*
14. Annual Audit Workplan Update
Recommended Action: Approve the FY 2024-2025 Annual Audit Workplan.
Committee Action(s): Executive Committee – Support/Oppose (X-X).

Program Continuation Items:

15. Declaration of Surplus Property Under Parcel 208Y
Recommended Action: Authorize the Executive Director to declare SGVCOG Parcel 208Y located at Durfee Avenue, North of Whittier Boulevard, Los Angeles County, Pico Rivera, CA and bearing Assessor Parcel No. 6374-015-906 as surplus.
Previous Action(s): The Durfee Avenue Grade Separation Project was adopted as part of ACE Phase II Project by the Governing Board on June 21, 2012 – Support/Oppose (26-0). The Capital Projects and Construction Committee approved the Plans, Specifications and

- Estimate for the Durfee Avenue Grade Separation Construction Project on July 23, 2018 – Support/Oppose (9-0).*
16. Declaration of Surplus Property Under Parcel 208Q
Recommended Action: Authorize the Executive Director to declare SGVCOG Parcel 208Q located at Durfee Avenue, North of West Boulevard, Los Angeles County, Pico Rivera, CA and bearing Assessor Parcel No. 6374-015-902 as surplus.
Previous Action(s): The Durfee Avenue Grade Separation Project was adopted as part of ACE Phase II Project by the Governing Board on June 21, 2012 – Support/Oppose (26-0). The Capital Projects and Construction Committee approved the Plans, Specifications and Estimate for the Durfee Avenue Grade Separation Construction Project on July 23, 2018 – Support/Oppose (9-0).
17. Proposition 47 Grant Program Funding Awarded for SGV CARE
Recommended Actions:
1) *Adopt Resolution 24-26 delegating authority to the Executive Director to execute the grant agreement with the California Board of State & Community Corrections (BSCC);*
2) *Authorize the Executive Director to negotiate and execute the necessary agreements to accept funding from the BSCC Proposition 47 Grant Program and implement the Grant Program, including authority to negotiate and execute any future amendments.*
Previous Action(s): The Executive Director was authorized to execute amendment five of the San Gabriel Valley Crisis Response & Engagement Program (SGV CARE) by the Governing Board on May 30, 2024 – Support/Oppose (20-0).
18. Approval of Task Order 1 to Professional Services Agreement with Transystems for Design Services for the Pomona Hamilton Blvd and Park Ave ATP Work Elements
Recommended Actions:
1) *Authorize the Executive Director to execute Task Order No. 1 (Attachment A) in the not to exceed amount of \$589,531 for design services for the Pomona Hamilton Blvd and Park Ave ATP Work elements; and*
2) *Negotiate and execute any future amendments up to 10 percent of the original task order amount related to budget and scope.*
Previous Action(s): The Executive Director was authorized to execute master agreements and task orders for engineering design services with the approved bench of consultants by the Capital Projects and Construction Committee on August 12, 2024 – Support/Oppose (6-0).

PRESENTATION ITEM

20 MINUTES

19. Proposition 1 Behavioral Health Transformation Update – Vishesh Anand, Deputy Regional Director, External Affairs, Office of California Governor Gavin Newsom
Recommended Action: For information only

UPDATE ITEMS

10 MINUTES

20. President’s Report
21. Executive Director’s Report
22. General Counsel’s Report

COMMITTEE/BOARD REPORTS

10 MINUTES

- 23. Capital Projects and Construction Committee
- 24. Energy, Environment and Natural Resources Committee
- 25. Homelessness Committee
- 26. San Gabriel Valley Regional Housing Trust Board
- 27. Transportation Committee

LIAISON REPORTS

10 MINUTES

- 28. Foothill Transit
- 29. Gold Line Foothill Extension Construction Authority
- 30. League of California Cities
- 31. Los Angeles County Metropolitan Transportation Authority
- 32. San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy
- 33. San Gabriel Valley Mosquito & Vector Control District
- 34. South Coast Air Quality Management District
- 35. Southern California Association of Governments

ANNOUNCEMENTS

- 36. Upcoming Governing Board Meetings
 - Regular Meeting – November 21, 2024 at 4pm

GOVERNING BOARD MEMBER COMMENTS

ADJOURN

DRAFT

REPORT

DATE: October 7, 2024

TO: Executive Committee
City Managers' Steering Committee
Governing Board

FROM: Marisa Creter, Executive Director

RE: **COMPENSATION STUDY RECOMMENDATIONS: UPDATE SALARY RESOLUTION AND HEALTH BENEFITS RESOLUTION**

RECOMMENDED ACTIONS

Based on the results of a comprehensive compensation study completed by Koff & Associates, recommend the Governing Board take the following actions:

- 1) Adopt Resolution 24-22 updating the SGVCOG Salary Resolution to update all salary ranges and establish a step-based compensation structure;
- 2) Adopt Resolution 24-23 to update the SGVCOG Employee Health Benefits Resolution with an effective date of January 1, 2025.

BACKGROUND

In March 2023, the SGVCOG entered into an agreement with Koff & Associates (K&A), a Gallagher company, to complete a comprehensive compensation study of all the SGVCOG's positions. The purpose of the compensation study was to assist the SGVCOG in ensuring employee compensation, including pay and benefits, is competitive and based upon market data to improve recruitment and retention outcomes of qualified staff. A summary of the compensation study report can be found below:

- **Benchmark classifications:** The study included a total of 32 classifications; and of these classifications, 21 were selected as benchmark classifications.
- **Comparator agencies:** 22¹ comparator agencies were surveyed during the study using the 21 benchmark classifications.
- **Salary and benefits data:** To determine the salary and benefit data for each position, monthly base salary, employee retirement, insurance, leave, and auto allowance were requested for each benchmark position at the comparator agencies. Sufficient data was collected from the comparator agencies for 20 of the 21 benchmark classifications.

¹The Executive Committee and Governing Board reviewed a proposed list of 12 comparator agencies to be included in the study in June 2023. In January 2024, a City Manager Compensation Study Review Group was formed to oversee the SGVCOG compensation study. The Review Group recommended 10 additional member cities be included, for a total of 22 comparator agencies. The following is an alphabetical list of all the surveyed comparator agencies: Association of Bay Area Governments, City of Arcadia, City of Azusa, City of Baldwin Park, City of Diamond Bar, City of Glendora, City of Monrovia, City of Monterey Park, City of Pomona, City of Rosemead, City of San Dimas, City of Temple City, City of Walnut, Coachella Valley Associations of Governments, Los Angeles County Metropolitan Transportation Authority, Orange County Transportation Authority, Sacramento Area Council of Governments, San Bernardino County Transportation Authority, South Bay Cities Council of Governments, Southern California Association of Governments, Upper San Gabriel Valley Municipal Water District (replaced by San Diego Association of Governments), and Western Riverside Council of Governments.

- **Market compensation findings:** The data collection results conducted by K&A show the base salary of 4 classifications are paid below the market median and 14 are paid above the market median. For total compensation, 9 classifications are paid below the market median, and 9 classifications are paid above the market median. Generally, a classification falling within 5% of the median is competitive in the labor market for salary survey purposes because of the differences in compensation policy, actual scope of work, and position requirements.
- **Benefits:** The market benefits data reveals the major contributing factors that put SGVCOG in a less competitive position compared to the market, in terms of total compensation, are deferred compensation and paid administrative/management leave.
 - **Deferred compensation:** SGVCOG does not provide a direct or matching contribution to deferred compensation. In looking at the market, 16 of the comparator agencies provide a direct or matching contribution.
 - **Health insurance:** Market data indicates that the average employer contribution (excluding SGVCOG) toward health insurance premiums is approximately \$1,885 per month. SGVCOG's current contribution of \$1,961 per month is in alignment with the market average.
 - **Paid administrative/management leave:** 17 of the assessed agencies provide paid administrative leave to management and/or executive classifications, whereas SGVCOG only offers administrative leave for the Executive Director. Examining all offered leave together, including vacation, holidays, and management leave; the SGVCOG offers about the same amount of vacation and holidays combined (total of 256 hours) as the market average (total of 247 hours).

Overall, the differences between market base salaries and total compensation indicate that SGVCOG's benefits package puts SGVCOG in a less competitive market position. Further analysis indicates that, on average, classifications are 3.3% above the market median for top monthly salaries, while that figure changes to 0.6% below the market median for total compensation. Attachment A contains a copy of the full total compensation study report.

RECOMMENDATIONS

Based on the results of the compensation study, there are several recommendations for the Governing Board to consider. First, K&A has developed a step grade compensation structure and recommended placements of each grade for all SGVCOG classifications. The proposed step compensation structure has 14 steps with each step set 2.5% apart and the salary grades are set 5% apart. The proposed salary grade placement for each classification is based on the market data analysis as well as the internal relationship analysis. The recommendations are based on top monthly salary market median results. Each benchmark classification was placed into the salary grade with a maximum or Step 14 salary closest to the market median. The proposed step grade structure is shown below in Table 1 (note that not all steps are displayed for each position due to size limitations).

Grade	Step 1 (Min)	Step 14 (Max)	Classification
1	\$33,339	\$45,958	
2	\$35,006	\$48,256	
3	\$36,756	\$50,669	
4	\$38,594	\$53,202	
5	\$40,524	\$55,862	Intern – Undergraduate ²
6	\$42,550	\$58,656	Intern – Graduate
7	\$44,677	\$61,588	Office Assistant
8	\$46,911	\$64,668	Project Assistant
9	\$49,257	\$67,901	
10	\$51,720	\$71,296	Administrative Assistant
11	\$54,306	\$74,861	Accounting Technician
12	\$57,021	\$78,604	
13	\$59,872	\$82,534	Management Aide Senior Administrative Assistant
14	\$62,866	\$86,661	
15	\$66,009	\$90,994	
16	\$69,309	\$95,544	Accountant Executive Assistant Management Analyst
17	\$72,775	\$100,321	
18	\$76,414	\$105,337	
19	\$80,234	\$110,604	Auditor
20	\$84,246	\$116,134	Senior Accountant Senior Analyst
21	\$88,458	\$121,941	
22	\$92,881	\$128,038	
23	\$97,525	\$134,440	Senior Auditor
24	\$102,402	\$141,162	Principal Management Analyst
25	\$107,522	\$148,220	
26	\$112,898	\$155,631	Manager ³
27	\$118,543	\$163,412	
28	\$124,470	\$171,583	Procurement Officer
29	\$130,693	\$180,162	
30	\$137,228	\$189,170	
31	\$144,089	\$198,629	Senior Project Manager
32	\$151,294	\$208,560	
33	\$158,858	\$218,988	Assistant Director ⁴
34	\$166,801	\$229,937	
35	\$175,141	\$241,434	Director ⁵
36	\$183,898	\$253,506	
37	\$193,093	\$266,181	
38	\$202,748	\$279,490	
39	\$212,885	\$293,465	
40	\$223,530	--	Executive Director ⁶

**Table 1.
Proposed Step Compensation Structure.**

²Intern positions are hired on a part-time basis using a calculated hourly rate based on the outlined steps.

³The Manager classification includes, but is not limited to, the following positions: Accounting, Administrative Services, Audits, Contracts, Outreach, Projects, Regional Planning, Sustainability, and Transportation.

⁴The Assistant Director position is a new classification being proposed based on the new salary structure to allow flexibility if a future need for this classification arises.

⁵The Director classification includes, but is not limited to, the following positions: Capital Projects, Finance, Government Relations, and Regional Planning.

⁶The Governing Board assigns salary and compensation to the Executive Director through a separate contract.

Currently, SGVCOG has an open grade salary structure, with each salary grade having a minimum and a maximum salary, with no steps. Staff is recommending adopting a step grade compensation structure due to having clearly established steps for any given position that can be tied directly to the amount of experience, and education of an employee. Additionally, this step-based system allows for more transparency for how salary is determined, as steps can be used based on years of experience (e.g., 1 step per 1 year of experience) or tied to performance (e.g., an employee may move up a step only if an exceptional rating is received during a performance evaluation).

The second recommendation is to update the health insurance contributions for all SGVCOG employees. Staff recommends the health insurance contribution amounts be updated to equal 100% of the CalPERS Kaiser Permanente premium amounts⁷ for full-time employees, which is the medical plan that the majority of SGVCOG staff are currently enrolled in⁸.

In relation to the other CalPERS health plans, the cost of the Kaiser health plans serves as the midpoint, with the highest CalPERS plan premium base plan at \$1,131 and the highest family premium amount exceeding \$2,940. To ensure that these contribution amounts follow the market, staff recommends the method for the annual adjustment to the health plan rates be updated as well. Currently, the adopted SGVCOG health insurance resolution provides for an annual adjustment to the health insurance contribution rates, up to an additional 5% based on the CalPERS Kaiser premium. Staff recommends removing this 5% adjustment and replacing the annual premium adjustment amount to reflect the actual health premium rates for the CalPERS Kaiser Permanente, released by CalPERS in July of each year. In recent years, health premium rates have far exceeded the 5% cap that the SGVCOG has imposed, with rates increasing by over 10% year over year.

IMPLEMENTATION

Based on the proposed step compensation structure, 1 incumbent has a salary below the proposed Step 1 or minimum for their positions. The amount to adjust this incumbent to the new proposed minimum is \$1,955. 4 incumbents have salaries that are over the proposed Step 14 or maximum for their positions. The 4 incumbents will be y-rated.

Staff is recommending that the proposed step compensation structure be adopted, with existing staff being placed in steps for their given classifications by July 1, 2025. Resolution 24-xx (Attachment B) outlines these proposed changes to the compensation structure and implementation timeline.

Furthermore, the proposed updates to the health plan contribution rates would be effective July 1, 2025, with annual adjustments to be effective on January 1 of each year as outlined in the

⁷The premium amounts will be based on the amounts for CalPERS Region 3, which include Los Angeles, Riverside and San Bernadino Counties.

⁸Staff also recommends consolidating the employee health benefit tiers to be under a single tier. Due to the integration with the former Alameda Corridor East Construction Authority, there were previously two tiers of health benefit contribution plans, one for employees hired prior to January 2019 and another tier for employees hired after January 2019. This change would also make all staff eligible for a cash-out option by having the ability to decline health benefits with proof of existing insurance.

SGVCOG's adopted Health Benefits resolution. Resolution 24-xx (Attachment C) contains the full proposed updates to the Health Benefits resolution.

FISCAL IMPACT

The total cost of bringing the 1 incumbent full-time staff to the new position minimums will be \$1,955.

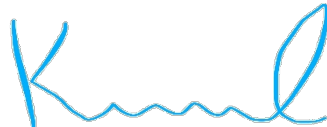
The exact cost of the increase for benefits will vary based on the number of dependents covered by the employee (i.e., Employee only, E+1 or Family) and which CalPERS health plan the employee is enrolled in. The average annual increase in cost per employee based on plan/dependents would be as follows:


- Employee Only: \$0-\$155
- E+1: \$0-\$1,082
- Family: \$0-\$4,417

Note that some employees are enrolled in health plans that are less than the Kaiser premium amount, which will result in zero additional costs to the SGVCOG.

Overall, the SGVCOG's long-term financial health as an agency is more than able to support the recommendations outlined in this report. The SGVCOG currently has 40 full-time employees. The cost of these salary and benefit adjustments for employees are mostly fully reimbursed (over 95%) through capital projects and other grant-funded programs, which will be accounted for during the annual budget process for each project/program. As of the most recently completed external audit, the SGVCOG has \$2,745,817 in reserves.

In addition to reserves, the SGVCOG maintains a separate Section 115 Trust to offset potential future CalPERS pension costs. In September 2020, the Governing Board established a Section 115 trust with CalPERS known as the California Employers' Pension Prefunding Trust (CEPPT) Fund. The CEPPT Fund was established as a means for the SGVCOG to offset potential future costs associated with the SGVCOG's Unfunded Accrued Liability (UAL). Currently, SGVCOG has \$1,393,876 invested in the CEPPT Fund, which covers 100% of the SGVCOG's PEPPRA and Classic UAL estimate as of the 2023 CalPERS valuation report. Lastly, starting this fiscal year, the SGVCOG implemented cost-sharing contributions for Classic SGVCOG employees, which will result in approximately \$37,000 year over year savings for the SGVCOG.

Prepared by: 
Katie Ward
Administrative Services Manager

Approved by: 
Marisa Creter
Executive Director

ATTACHMENTS

[Attachment A – Total Compensation Study Final Report](#)

[Attachment B – Resolution 24-22: Update Salary Resolution](#)

[Attachment C – Resolution 24-23: Update Health Benefits Resolution](#)

REPORT

DATE: October 7, 2024
TO: The Executive Committee
FROM: Marisa Creter, Executive Director
RE: ANNUAL AUDIT WORK PLAN UPDATE

RECOMMENDED ACTION

Recommend the Governing Board approve the FY 2024-2025 Annual Audit Workplan

BACKGROUND

In accordance with the Audit Charter, Management Audit Services department (MAS) presents the Annual Audit Work Plan (Audit Plan) for Fiscal year 2024/2025, as shown in Attachment A (revised). The Audit Plan is a list of proposed audits, and evaluations which we expect to perform. The proposed work addresses the scope of services approved in the Audit Charter. Work carried forward from the previous year is planned for substantial completion in the first quarter of FY 24/25.

We developed the audit plan based on the agency wide risk assessment and three-year audit plan report prepared by CliftonLarsonAllen LLC (CLA). The three-year audit plan activities are designed to address the high and moderate risks identified. We also leveraged our knowledge of the agency internal control environment, management input and the results of process assessments conducted by Deloitte and Touche. The Audit Plan addresses risks identified in Finance & Accounting, Procurement, Grants & Contracts, and Internal Audit effectiveness. In view of the higher than anticipated audit responses to the risks identified, and based on management direction, MAS has attempted to spread the workload over four instead of three years. Also, consistent with the CLA advice, MAS will outsource a significant portion of the audit activities.

MAS may reprioritize the proposed activities, to accommodate management concerns, changes in resources or other new developments. The expected utilization of the estimated budgeted hours of 2,650, is summarized below.

CARRY OVERS	# CARRY OVERS	CARRY OVER HOURS	# NEW PROJECTS	NEW PROJECT HOURS	TOTAL HOURS
Grants & Contract Audits	6	260	7	1325	1585
Management requests	2	20	2	200	220
Process Reviews	8	120	4	725	845
Totals	16	400	13	2250	2650

Since contract and grant audits make up a significant portion of audit work, we recommend that the agency tracks and maintains a complete and updated schedule which captures pertinent details including contract/grant numbers, form of compensation, dollar amounts, types of services, vendor names, performance period, billed amounts, date last audited etc.

Simba Mandizvidza, the SGVCOG Audit Manager, will provide a presentation on the Audit Plan update.

Prepared by: Rey Alimoren
Rey Alimoren
Director of Finance

Approved by: Marisa Creter
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A (revised) - FY 2024/2025 Audit Work Plan
Attachment A-1 - FY 2023/2024 Audit Work Carried Forward

Audit Ref #	SCOPE STATEMENT	\$000 if Applicable	EST HOURS	TIMING
23-24 Work Plan	Refer to Attachment A-1	273,397	400	Qtr 1
25 MAS 016	Perform an audit of the accounts payable process and determine whether controls are adequate to ensure accurate recording and reporting of expenditure.		200	Qtr 2
25 MAS 017	Determine if the Grant Management process and controls, including sub recipient monitoring, is adequate to ensure compliance with granting agency requirements and SGVCOG policies		200	Qtr 2
25 MAS 018	Shimmick Construction audit- ontract Contract #15-07; Fullerton Road GS -Compliance, financial & control review of construction process from bid solicitation to final payment.	83,983	200	Qtr 2
25 MAS 019	PreScience contract # 17-02 - SEC Consulting; Durfee CM Services; Compliance with contract & propriety of payments	12,287	190	Qtr 3
25 MAS 020	Contract # 22-02 Affordable Housing Incubator-Contract Compliance, contract management controls & propriety of billed costs.	1,300	160	Qtr 2
25 MAS 021	Pre -Award Audit- Determine contractor responsibility, compliance & reasonableness of cost proposal		200	TBD
25 MAS 022	Contract # 20-08 Anser Advisory, Durfee CM services; Contract Compliance, contract management controls & propriety of billed costs.	5,352	175	Qtr 2
25 MAS 023	Skanska Construction audit 22-13; 57/60 Interchange improvements - Compliance, financial & control review of construction process from bid solicitation to final payment.	266,900	200	Qtr 2
25 MAS 024	Evaluate the MAS function and assess its ability to promote governance, provide assurance over risk management, internal control and compliance and to provide value added services.		150	Qtr 4
25 MAS 025A	Review revised Audit Policy Manual to ensure it is properly updated to reflect the 2024 IIA and GAGAS Standards		100	Qtr 4
25 MAS 025B	Evaluate MAS Peer Review readiness for FY 18-20 and FY21-23.		75	Qtr 4
25 MAS 026	Evaluate the effectiveness of SGVCOG and SGVRHT budgeting, financial planning and monitoring practices in achieving fiscal sustainability and performance goals.		200	Qtr 3
25 MAS 027	TBD Management requests		200	TBD
Subtotals		643,219	2,650	-
Other activities				
	MAS Peer Review readiness for FY 18-20 and FY21-23.		100	
	Develop an Indirect Cost Rate Acceptance Policy		100	
	Training		100	
	Modify and update Audit Policy Manual to reflect Orange Book Standards		200	
	Administration		400	
Subtotals		-	900	
Total estimated effort hours			3,550	

Audit Ref #	AUDIT TYPE	SCOPE STATEMENT	\$000 if Applicable	EST HOURS	TIMING
24 COG 258	14-01 OHL USA, Inc. Construction contract- Fairway GS	Compliance, financial & control review of construction process from bid solicitation to final payment.	123,234		Qtr 1
24 COG 259	18-02 Riverside Construction Contract-Durfee Ave	Compliance, financial & control review of construction process from bid solicitation to final payment.	45,367		Qtr 1
24 COG 261	21-08 Skanska construction contract -Fullerton Rd GS	Compliance, financial & control review of construction process from bid solicitation to final payment.	100,045		Qtr 1
24 COG 260	20-05 Various contractors-ULAR	Contract Compliance, contract management controls & propriety of billed costs.	3,698		Qtr 1
24 COG 262	21-13 SCS Engineers, Food Recovery program	Contract Compliance, contract management controls & propriety of billed costs.	1,053	60	Qtr 1
24 COG 263	UPRR-Design, Construction, Operation & Maintenance of Highway Railroad underpasses	Billing process & control review to determine compliance with master agreement.		200	Qtr3
22 IAD 005	Revenue & Expenditure account coding	Reporting on the adequacy of account coding structure and controls		50	Qtr 1
23 MAS 009	Vendor risk & performance review	Evaluation of third party risk, agency approval and payment process for contractor services		70	Qtr 1
23 MAS 008	Management request	Advise on UPRR cost allowability		5	Qtr 1
23 MAS 016	Management request	Assist with development of a Pre - Award Compliance Checklist		15	Qtr 1
23 MAS 014	Internal Control Assessment	Determine whether the internal control system helps to ensure the agency is secure, reliable and compliant with relevant regulations.			Qtr 1
23 MAS 012	IT & Cybersecurity evaluation	Identify opportunities to strengthen the agency's IT & cybersecurity controls.			Qtr 1
23 MAS 010	Fraud risk controls awareness	Raise the level of employee awareness to fraud by recognizing the red flags, ways to protect the agency and provide a possible basis for fraud risk policy implementation.			Qtr 1
23 MAS 013	Organizational performance assessment	High level identification of key governance, internal organization and service delivery issues for future management focus.			Qtr 1
23 MAS 015	Agency Risk Assessment	Understand agency risk landscape AND plan audits accordingly			Qtr 1
23 MAS 011	CAIPers contract oversight	Evaluation of CalPers oversight and processing controls.			Qtr 1
<i>Sub totals from carried forward</i>			273,397	400	