Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

AGENDA
SOUTHEAST WATER COALITION
REGULAR BOARD OF DIRECTORS MEETING
THURSDAY, AUGUST 3, 2023, 7:00 PM

Vernon City Hall, Council Chamber
4305 S. Santa Fe Avenue
Vernon, CA 90058

1. **ROLL CALL**

2. **PUBLIC COMMENTS**

3. **CONSENT CALENDAR**

   a. **SEWC BOARD OF DIRECTORS MINUTES OF JUNE 1, 2023 REGULAR MEETING**
   Recommendation: Approve the meeting minutes as submitted.

   b. **WARRANT REGISTER**
   Recommendation: Approve Warrant Register.

****End of Consent Calendar****

4. **SEWC PROGRAM MANAGEMENT SUPPORT**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board Entity take the following action:
   Approve a two-year contract with Koa Consulting to provide SEWC with Program Management Support.

5. **SEWC AUDIT FOR FY 2022 / 2023**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board take the following action:
   Authorize the City of Vernon's Director of Finance, serving as SEWC Treasurer and Controller, to award a contract to The Pun Group to administer the annual audit of SEWC financial statements for Fiscal Year 2022 / 2023.

6. **PFAS SETTLEMENTS**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board Entity take the following action:
   Receive an update on the recent proposed settlements announced by PFAS manufacturers and industrial users.

7. **PROPOSED REDUCTION IN FUNDING FOR THE DRINKING WATER STATE REVOLVING FUND BY THE US HOUSE OF REPRESENTATIVES**
   Joanna Moreno, AE Chair, City of Vernon
   Recommendation: That the Board take the following action:

Send a letter to US Congress members representing SEWC member cities asking them to oppose the Congress' proposed cuts to the State Drinking Water Revolving Fund as part of a larger overall reduction in funding for the Environmental Protection Agency (EPA).

8. BOARD OF DIRECTORS COMMENTS

9. ADMINISTRATIVE ENTITY/LEAD AGENCY COMMENTS

10. ADJOURNMENT

On July 30, 2023, the foregoing agenda was posted in accordance with the applicable legal requirements. Regular and Adjourned Regular meeting agendas may be amended up to 72 hours and Special meeting agendas may be amended up to 24 hours in advance of the meeting.

Disability-related services are available to enable persons with a disability to participate in this meeting, consistent with the Federal Americans with Disabilities Act of 1990. Please contact the City of Vernon Public Utilities Department at least 24 hours in advance of the meeting at (323) 583-8811 ext. 888.

The next meeting of the Southeast Water Coalition Policy Board will be on Thursday, October 5, 2023, 7:00 PM, at Vernon City Hall, 4305 South Santa Fe Avenue, Vernon, CA 90058.

MINUTES OF THE
SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY

REGULAR MEETING OF THE POLICY BOARD

THURSDAY, JUNE 1, 2023
7:00 P.M.

The regular meeting of the Southeast Water Coalition Joint Powers Authority Policy Board, held in person at the City of Vernon, was called to order at 7:01 p.m. by Policy Board Chair Melissa Ybarra (Vernon).

1. ROLL CALL

Kevin Sales (KJServices Environmental Consulting) called roll and the following Board Members were present:

Chuong Vo	City of Cerritos
Hector Sosa	City of Downey
Todd Rogers	City of Lakewood
Ana Valencia	City of Norwalk
Maria del Pilar Avalos	City of South Gate
Melissa Ybarra	City of Vernon
Octavio Martinez	City of Whittier

Also Present:

Andrew Caraveo	City of Commerce
Dan Mueller	City of Downey
Derek Nguyen	City of Lakewood
Chris Castillo	City of South Gate
Joanna Moreno	City of Vernon
Kyle Cason	City of Whittier
Ray Cordero	City of Whittier

Others in Attendance:

Kevin Sales	KJServices Environmental Consulting
Nina Hawk	MWD (via Zoom)
Noosha Razavian	MWD (via Zoom)
Christina Cossich	Cossich, Sumich, Parsiola, and Taylor (via Zoom)
Chelsea O'Sullivan	RWG (via Zoom)

2. PUBLIC COMMENTS

No public comments were received.

3. CONSENT CALENDAR

SEWC Board Chair Ybarra asked for a motion to approve the Consent Calendar. The motion was made by Board Member Maria del Pilar Avalos (South Gate) and seconded by Board Member Ana Valencia (Norwalk). The motion passed with a unanimous roll call vote by all SEWC Board Members present.

4. APPROVAL OF FISCAL YEAR 2023 – 2024 SEWC BUDGET

Administrative Entity Chair Joanna Moreno (Vernon) presented the staff report for this item.

Each year the SEWC Board is presented with the proposed budget for the following fiscal year for its approval. For FY 2023 / 2024, the budget totals $97,800, based on a previous year budget carryover of $190,384 and an annual assessment of $4,000 per member city (a $10,000 normal annual assessment minus a $6,000 credit for a net assessment for FY 23/24 of $4,000). The FY 23/24 budget estimates an ending balance of $137,584.

The FY 23/24 budget includes line-item increases to Program Management Services and Administrative Entity Meetings, and decreases to As Needed Government Relations and Consultant Services.

SEWC Board Chair Ybarra asked for a motion to approve the FY 23/24 SEWC budget. A motion was received from Board Member del Pilar Avalos with a second made by Board Member Ana Valencia. The motion was approved by a unanimous vote of the SEWC Board.

5. WATER REPLENISHMENT DISTRICT'S REPLENISHMENT ASSESSMENT INCREASE FOR FY 23/24

Administrative Entity Chair Moreno presented the staff report for this Receive and File item.

On May 2, 2023, the Water Replenishment District (WRD) approved a 3.1% increase to the Replenishment Assessment (RA) for FY 2023 / 2024. The RA will increase by $12 per acre foot (AF), from $411/AF to $423/AF.

Staff from several SEWC member cities were very involved with the negotiations with the WRD doing the RA rate determination process. At their March 2023 meeting, the WRD initially approved a maximum RA increase of 8.7%. SEWC cities, along with many other water purveyors met with the WRD staff on several occasions to develop the data needed to determine what RA increase, if any, was appropriate.

In addition to working to develop an appropriate RA increase, staff was also able to establish three other issues that will be discussed by the WRD at future meetings of the Budget Advisory Committee (BAC):

1. Adopt a process and policy that would define how disagreements between the Budget Advisory Committee (BAC) and the Board (Finance and Audit Committee-FAC) should be resolved when setting the RA upper limits, possibly through third party fact finding and/or mediation.

2. Increase the number of members on the BAC and the Technical Advisory Committee (TAC) so that each category of pumpers has equal representation (3-3-3).
3. Implement a system for a Carryover Conversion fund, reserving funds in an account when paid, so that it could be used when storage water is pumped to avoid revenues losses from storage pumping.

Board Member Avalos asked the SEWC staff why the RA increase was set at 3.1% when the SEWC staff from Whittier and Lakewood had proposed an initial position of a 0% increase. Derek Nguyen (Lakewood staff) stated that the increasing costs faced by the WRD supported the 3.1% increase as reasonable. In addition, a previous lawsuit filed by 4 cities against the WRD regarding the setting of the RA, included a provision which allowed the Consumer Price Index (CPI) to be used to determine the RA increase when there is a disagreement between the WRD and the purveyors. Because of this provision, the possibility existed that the WRD could have used the CPI to set the RA, which would have meant an increase greater than 3.1%.

SEWC Board Vice Chair Valencia asked for a motion to Receive and File the WRD update. A motion was received from Board Member del Pilar Avalos, with a second made by Board Member Todd Rogers (Lakewood). The motion was approved by a unanimous vote of the SEWC Board.

6. CBMWD UPDATE

AE Chair Moreno presented this receive and file item to the Board.

At their May 22, 2023 meeting, the Directors of the Central Basin Municipal Water District (CBMWD) approved their FY 23/24 budget. In addition, the Board approved a meter standby charge of $10 per parcel (or per acre for parcels larger than one acre). The past resolution fixes a standby assessment to be levied against each lot or parcel within the District for the fiscal year commencing July 1, 2023, for the purpose of financing water recycling and water conservation projects. This standby charge extends the standby charge levied during the Fiscal Year that commenced on July 1, 2022. This charge is imposed pursuant to the Municipal Water District Law of 1911 (Water Code Section 71638, et seq).

The Central Basin MWD was accused of violating the Brown Act at their March 27, 2023 meeting by refusing to allow a local resident to speak during a public comment period. After telling a Downey resident and vocal critic of the board that he was “out of order” for mentioning criminal charges against district general manager Alejandro “Alex” Rojas, and then ordering security to eject the resident from the meeting, the district’s board has been accused of violating the Ralph M. Brown Act, a California law that guarantees the public’s right to attend and participate in government meetings.

The Brown Act allows people to speak about matters of public interest that are within the Board's purview during public comment periods.

The Central Basin Board received a cease-and desist letter from the American Civil Liberties Union (ACLU) which stated, in part "It is abundantly clear ... that the Board had no legitimate or legal basis for its actions, which violated the Board's obligation to allow public comment,"

At their May 22nd meeting, the Central Basin Board affirmed a letter sent from Board President Chacon in response to the ACLU's "cease-and-desist" demand.

As this item was a Receive and File, Board Chair Ybarra asked for a motion for the Receive and File. A motion was received from Board Member Valencia with a second from Board Member del Pilar Avalos. The motion to receive and file was approved by the Board.

7. PFAS LITIGATION UPDATE

AE Chair Moreno presented this Receive and File item to the Board.

The Board received a telephone update from Christina Cossich of Cossich, Sumich, Parsiola, and Taylor. This is the law firm representing the cities of Downey and Whittier in the litigation against the manufacturers and PFAS chemicals.

Mrs. Cossich stated that there would be an important announcement the next day, June 2, 2023, that would impact the on-going PFAS litigation. Because of the pending announcement she was unable to provide many additional details regarding the active nationwide litigation.

As this item was a Receive and File, Board Chair Ybarra asked for a motion for the Receive and File. A motion was received from Board Member del Pilar Avalos with a second from Board Member Vo (Cerritos). The motion to receive and file was approved by the Board.

8. MWD PRESENTATION UPDATE ON THE STATE WATER PROJECT

AE Chair Moreno introduced Nina Hawk, Chief of Bay Delta Resources for the Metropolitan Water District (MWD). Ms. Hawk, and her associate, Noosha Razavian, presented the Board members with an overview of the State Water Project and the MWD's part in it, and then gave a presentation on the State's proposed Delta Conveyance Project.

The State Water project, which is run by the California Department of Water Resources, is made up of 700 miles of canals, tunnels, and pipelines, along with 34 water storage facilities and 20 pumping plants that move water from Northern to Southern California. The WMD receives approximately 50% of the water provided by the State Water project and acts as the water wholesale provider for 19 million people across 5,200 square miles in six Southern California Counties.

The Metropolitan Water District is made up of 26 member agencies. Approximately 30% of Southern California's water supply comes through the State Water Project, with another 20% coming through the Colorado River Aqueduct.

The MWD is also involved with groundwater capture and storm water purification projects to further increase available water supplies in Southern California.

Ms. Hawk and Ms. Razavian, went on to discuss the proposed Delta Conveyance Project, a project in the EIR stage which would use a tunnel located to the east of the Sacramento Delta to move water around the Delta's fragile ecosystem and pump it to the Bethany Reservoir and then into the State Water Project's existing infrastructure. The project would overcome the current restrictions faced in moving water through the Sacramento Delta region.

At the end of their presentation Board Member Martinez (Whittier) asked why, since the MWD's presentation showed that only 10% of the water provided by the State Water Project went to residential use, there is such a great emphasis placed on conservation efforts at the City and residential level? The MWD commented that since many local municipalities use mostly or entirely groundwater for their residents, local conservation during drought conditions is essential.

Board Member Rogers asked the MWD's thoughts on the future of storm water capture projects in the Southern California area? MWD responded that these projects are essential in helping to recharge local aquifers and that the MWD is continuing to provide funding for these types of projects.

As this item was a Receive and File, Board Chair Ybarra asked for a motion for the Receive and File. A motion was received from Board Member del Pilar Avalos with a second from Board Member Martinez (Whittier). The motion to receive and file was approved by the Board.

9. BOARD OF DIRECTORS COMMENTS

1. Board Member Maria del Pilar Avalos of the City of South Gate invited all present to join the city on June 2nd, 3rd, and 4th at the Tweedy Mile Street Fair.
2. Board Member Todd Rogers shared the passing of long-time SEWC Board member Tom Hansen, former councilman and Mayor of the City of Lakewood.

10. ADMINISTRATIVE ENTITY CHAIR / LEAD AGENCY COMMENTS

NO COMMENTS WERE RECEIVED.

10. ADJOURNMENT

Policy Board Chair Ybarra adjourned the meeting at 8:00 p.m. in memory of former SEWC Board Member Tom Hansen.

_____
CHAIR

ATTEST:

_____

Southeast Water Coalition
Warrant Listing May 16, 2023 thru July 23, 2023

Checks

Check#	Amount	Check Date	Transaction Description	Vendor name
611087	1,120.00	5/25/2023	SEWC CONSULTING	KJSERVICES ENVIRONMENTAL
611188	150.00	6/15/2023	SEWC BOARD MEETING STIPEND	ANA VALENCIA
611195	150.00	6/15/2023	SEWC BOARD MEETING STIPEND	CHUONG V VO
611207	150.00	6/15/2023	SEWC BOARD MEETING STIPEND	MARIA DEL PILAR AVALOS
611209	150.00	6/15/2023	SEWC BOARD MEETING STIPEND	OCTAVIO C MARTINEZ
611211	323.00	6/15/2023	SEWC LEGAL FEES	RICHARDS, WATSON & GERSHON
611215	150.00	6/15/2023	SEWC BOARD MEETING STIPEND	TODD ROGERS
611236	150.00	6/22/2023	SEWC BOARD MEETING STIPEND	HECTOR O SOSA
611241	2,440.00	6/22/2023	SEWC CONSULTING	KJSERVICES ENVIRONMENTAL
	4,783.00			

EFT

14980	136.00	5/26/2023	SEWC LEGAL FEES	RICHARDS, WATSON & GERSHON
15134	150.00	6/16/2023	SEWC BOARD MEETING STIPEND	MELISSA YBARRA
15145	5,550.00	6/21/2023	SEWC AUDIT FESS	DAVIS FARR LLP
15204	417.50	6/30/2023	SEWC LEGAL FEES	RICHARDS, WATSON & GERSHON
	6,253.50			

Total **11,036.50**

Southeast Water Coalition
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SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: August 3, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, AE Chair, City of Vernon

Subject: **Program Management Services Agreement**

Recommendation: That the Board take the following action:

Award the Program Management Services Agreement to Koa Consulting, Inc. of Huntington Beach, CA in an amount not to exceed $54,480 per year for a two-year term through June 30, 2025.

Background:
At their April 6, 2023 Board of Directors meeting, the SEWC Policy Board voted to approve the Request for Proposals (RFP) for Program Management Services for the Southeast Water Coalition and authorized the Administrative Entity to begin informal bid process for Program Management Services. The Standard Consultant Agreement included in the RFP stipulates a two-year contract for Program Management Services and includes the Scope of Work and the SEWC Strategic Plan.

The RFP was initially sent out to prospective candidates on April 11, 2023 with a deadline of May 8, 2023. No proposals were received in response to the initial request. The RFP was re-issued on May 18, 2023. Proposals were due on June 8, 2023 by 5pm.

Discussion:

On June 8, 2023, staff received a proposal from Koa Consulting for $85,740 per year. The proposal included the following tasks:

1. Monthly meeting support - $2,480 per month.
2. Administrative Support and Document Management - $1,620 per month.
3. Tracking of Strategic Plan and Grant Opportunities - $2,940 per month.

The total proposed monthly cost was $7,145, with an estimated annual cost of $85,740.

A committee of Administrative Entity (AE) members reviewed and discussed Koa Consulting's June 8th proposal. In an effort to reduce costs, the committee deemed that some tasks could be completed by the AE. These tasks include monitoring of legislative bills and tracking the strategic plan and grant opportunities. Subsequent to committee discussion, the AE Chair provided Koa Consulting a revised scope of work and requested they submit a modified proposal.

Koa Consulting's modified proposal was submitted on July 10, 2023, and included the following tasks and their associated costs:

1. Monthly meeting support - $2,585 per month.
2. Administrative Support and Document Management - $1,405 per month.
3. Filings - $550 per month.

The total proposed monthly cost as submitted in the modified proposal is $4,540 per month, with an estimated annual cost of $54,480.

Attachment(s):

1. Koa Consulting proposal – June 8, 2023
2. Koa Consulting modified proposal – July 10, 2023
3. Revised Scope of Work

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Proposal for

MANAGEMENT SERVICES



Submitted by:

Koa CONSULTING

June 8, 2023



June 8, 2023

Joanna Moreno, P.E.
Administrative Entity Chair
The Southeast Water Coalition (SEWC)
City of Vernon (SEWC Lead Agency)
4305 S. Santa Fe Avenue
Vernon, CA 90058

Subject: Southeast Water Coalition (SEWC) Program Management Services

Dear Ms. Moreno:

Koa Consulting, Inc. would be proud to provide the Southeast Water Coalition (SEWC) program management services. We look forward to providing these services with a devoted team, comprehensive approach, and a strong understanding that we have detailed throughout our Statement of Qualifications.

Our team is specifically comprised of qualified staff to assure that SEWC is provided with the desirable services for program-specific requirements. Our team's makeup and focus, as per the RFP Scope of Work, will be turn-key management services. Having provided the Gateway Water Management Authority with similar program management services for the past 12 years and more recently retained to manage the Rio Hondo/San Gabriel River Watershed Management JPA, our team has the refined skills and talents to successfully deliver the services you need.

We will work with SEWC to provide administrative support for the Administrative Entity (AE) and Policy Board's bi-monthly meetings, provide general administrative support for your meetings and throughout the month, track the Strategic Plan progress, update the project list, and more.

Koa Consulting team's experience that demonstrates our perfectly matched qualifications is featured in our proposal. Should you have any questions, please do not hesitate to contact me at (949) 887-0731 or by email at kekoa@koaconsulting.net.

Respectfully submitted,

Kekoa Anderson, PE
CEO
Koa Consulting, Inc.
S Corporation

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

Firm Profile

Koa Consulting, Inc. (Koa) is committed to providing quality professional program management, civil, and environmental services and developing long term relationships with our clients. Our approach to providing professional excellence relies on proactive and experienced staff who listen and understand our clients' needs. We provide service with clear lines of authority, communication, responsibility, and accountability. Though Koa has only been in formation as an S Corporation since 2014, our listed staff has been providing services as described in the RFP to the public sector for a minimum of 30+ years. Having strong technical backgrounds, we are able to provide a complete and timely turn-around of each task.

Our professional practices include management for private and public sectors for various programs and entities as well as for projects ranging from feasibility studies, preliminary studies, environmental evaluation, and technical studies to final design and construction support services. Services provided by Koa Consulting are:

Koa CONSULTING

Organization Type:
S Corporation since 2014

Federal Tax ID:
45-5705017

Point of Proposal Contact:
Kekoa Anderson, PE, CEO
kekoa@koaconsulting.net
949-887-0731

Office Location:
419 Main Street, Ste 320
Huntington Beach, CA 92648

- **Program Management**
- **Executive Management**
- **Administrative/Accounting Services**
- **Grant Funding Applications**
- **Grant Funding Management**
- **Drainage/Stormwater/Water Quality**
- **Transportation Planning and Design**
- **Bikeway Studies and Designs**
- **Peer Review of Engineering Studies and Construction Documents**
- **National Environmental Policy Act/California Environmental Quality Act Environmental Compliance**

Koa is comprised of five business officers. In order to meet our clients' needs, Koa has formed strategic partnerships with other professionals in our service area. Often, we'll also team with primarily a consortium of small business enterprise, disadvantaged business enterprise, minority business enterprise, under-utilized business enterprise and/or disabled veterans business enterprise companies that can meet the federal, state, and local requirements. Our commitment to project communications and resource sharing allows our staff to create partnerships with our clients, resulting in an ability to meet fast-track schedules.

COMMITMENT. The Koa Consulting team has successfully prepared studies and managed complex projects for public agencies throughout California. We commit to providing the Southeast Water Coalition (SEWC) with the competent staff necessary for the professional management and technical services as described in the scope in the request for proposal. We are confident that our management principles and technical skills will result in quality projects and services completed on time and within budget.

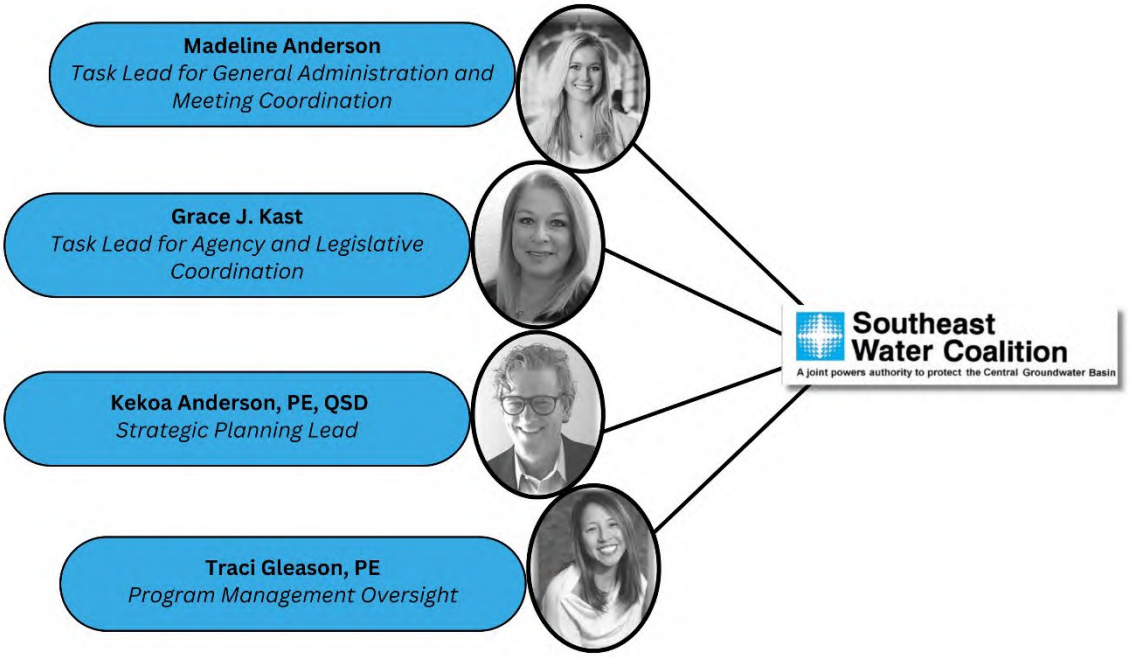
EXTENSIVE LOCAL KNOWLEDGE FROM A DEDICATED MANAGEMENT TEAM. We have extensive program management skills for the SEWC. The added benefit our team provides to the JPA is our knowledge and understanding of the efforts needed to support the goals of SEWC. Our experience brings the needed focus on groundwater protection, advocating for sound water policy, and finding funding solutions for the SEWC region. As an example, within the past 12 years, our team has helped the Gateway Water Management Authority grow their program and become more efficient as well as cultivate funding opportunities for the Gateway Region and manage programs and grant funding.

PROJECT/PROGRAM INTEGRATION MANAGEMENT. The Koa Team is mindful that all elements of projects and programs are properly coordinated. The key is to have all the team members understand the goals and objectives of the client for the specific project or service. Regular meetings and movement of electronic information between each of the team members provides on-going communication amongst the team. Program decisions are documented to help facilitate communications between all member of the team, with periodic reviews of deliverables.

CREATING A VISION THROUGH PLANNING AND ENGINEERING FOR TOMORROW'S INFRASTRUCTURE TODAY

Our Team

We have specifically tailored our team with task leaders to match the roles and responsibilities as outlined in the preliminary scope of work in the Request for Proposal. The Koa Team is comprised of skillfully, qualified professionals committed to delivering a successful program for the SEWC. With a "Can-Do" Attitude, we handle our roles within all projects with professionalism and a team mentality. We are the right people who will provide quality service to the members of the SEWC.



Southeast Water Coalition
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Ms. Madeline Anderson will be the Southeast Water Coalition (SEWC)'s **Task Lead for General Administration and Meeting Coordination.** Ms. Anderson has 5 years of experience with urban planning, feasibility studies, environmental documents and program management of transportation and water resource management projects. Madeline's business background coupled with urban planning has been instrumental in her involvement in funding plans and grant applications. She has been engaged with community and stakeholders outreach which included the development of Program Websites and Educational Program Elements. Sustainable planning and design has been a focus area of hers as part of the project development.

Professional Experience

Gateway Water Management Authority Program Management, Various Los Angeles County Cities, CA
Assistant Program and Accounting Staff for the joint powers authority, coordinating meetings, cost-share agreements, and coordinating and managing current and proposed grants applications, assist with receivables and payables, and funding for various water related projects within the Gateway Region.

Long Beach Municipal Urban Stormwater Treatment (LB-MUST) Facility, Long Beach, CA
Planning & Public Outreach for an urban runoff and reuse facility that would capture dry weather flows, treat it for reuse for wetlands and irrigation. Madeline identified potential funding sources for the project, preparing outreach presentations and brochures, working with the City's Financial Management Department to develop a financial strategy plan.

Shoemaker Bridge Replacement, Long Beach, CA
Planning & Public Outreach for the preparation of the environmental documents and final design to replace the existing Shoemaker Bridge, while integrating the vision for West Long Beach, which includes Cesar Chavez and Drake Parks, Long Beach Municipal Urban Stormwater Treatment, Pier B Project, and the I-710 Corridor projects. Tasks include, preparation of graphics and renderings; stakeholder & agency coordination;



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Education:

University of Sydney
Marketing & Corporate Finance. 2017

University of California, Los Angeles
B.S., Business Economics, 2019

Professional Highlights:

Simon Fellow - UCLA Business 2018

Business Leadership Committee Manager, UCLA 2016-Current

Total Years of Experience:
5

Lakewood/Rosemead Complete Streets Master Plan, Various Cities in Los Angeles County, CA
Planning assistant for the study and evaluation of the complete street elements that would assist in creating a more attractive, livable, and pedestrian and bicycle friendly corridor that operates effectively and efficiently for all modes of transportation along Lakewood/Rosemead corridor. Tasks included the preparation of graphics, renderings and master plan report.

Southeast Water Coalition
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Ms. Grace Kast will be the Southeast Water Coalition (SEWC)'s ***Task Lead for Agency and Legislative Coordination***. Ms. Kast has more than 31 years of experience with cities and water agencies managing, coordinating, and leading groundwater cleanup, water supply, stormwater, water reliability, and watershed projects. Grace's public agency background along with her working relationships with Federal, State, regional and local agency representatives have helped facilitate successful large- and small-scale, long-term projects funded by private and public partnerships throughout Los Angeles County.

Grace's success comes from developing and negotiating critical partnerships and solutions. She is passionate about finding common ground and finding solutions that balance regulations, community needs, and municipal/regional requirements. This includes the need to seek solutions that ensure water will be put to beneficial use whenever possible. This multi-faceted approach requires a clear understanding of costs of putting water to beneficial use, achieving regulatory compliance, searching for outside funds to incentivize partnerships, avoiding litigation, and reducing the financial impact on the public.

Professional Experience

Gateway Water Management Authority "GWMA" Executive Management - Southeastern LA County Cities, Water Agencies and Port of Long Beach
Executive Officer since 2011 providing executive management and administrative services to the Board of Directors. Manages all aspects of the joint powers authority while facilitating, coordinating and creating programs. Develops working relationships with Federal, State and Local Agencies. Tasks include grant coordination and management, integration of watershed planning with multi-benefits, fiduciary oversight of multiple watershed/regional stormwater programs and development/implementation of agency policies and procedures to ensure the public's interest is protected. Projects include:

- Prop 1 Stormwater John Anson Ford Park Infiltration Cistern Phase 1;
- Prop 84 IRWM 2015 Regional Grant Projects
- Prop 84 Cerritos/Forest Lawn Cypress Recycled Water Project and Signal Hill Advanced Groundwater Wellhead Treatment;
- Prop 84 Stormwater LID BMP Treatment Systems for 11 Cities;
- Prop 84 Stormwater Los Cerritos Channel LID Planning;
- USBR WaterSMART Advanced Meter Replacement in 8 Cities;
- 20x2020 Regional Alliance Reporting;



Education:
***University of* Phoenix, Diamond Bar**
Master of Arts, Organizational Management, 1998

University of Phoenix, Diamond Bar
Bachelor of Science, Business Management, 1996

Relevant Experience:
Grant Writing and Management of State and Federal Grants 1995 to Present

San Gabriel Basin Water Quality Authority Groundwater Cleanup 1991 to 2010

Greater LA DAC Committee Chair, 2017-Present; Greater LA/Ventura/Upper Santa Clara DACIP Task Force, 2016 to Present

Community Workshops and Presentations 1993 to Present

Central Basin Watermaster Regional Disadvantaged Community Incentive Program 2014/15

Agency Experience
- State Water Resources Control Board
- LA Regional WQ Control Board
- US EPA
- US Bureau of Reclamation
- LA County Public Works

Total Years of Experience:
31

- Gateway Integrated Regional Water Management Plan; and
- American Recovery and Reinvestment Act Gateway Catch Basin Retrofit on the Lower LA River

San Gabriel Basin Water Quality Authority "WQA" Executive Management - San Gabriel Valley
Served the Board of the WQA from 1991 through 2010 managing the agency at all levels and negotiating/facilitating multi-million dollar private/public partnership projects in the San Gabriel Valley Superfund Site: Baldwin Park Operable Unit, El Monte Operable Unit, South El Monte Operable Unit, Area 3 Operable Unit, Puente Valley Operable Unit and Whittier Narrows Operable Unit. Project partners included large private aerospace and trash companies to small solvent-using companies, water providers, Federal, State and local regulatory/permitting and grant funding agencies. Tasks included project-level, decision-making regarding design, contractor selection, fund expenditures, project reporting to Federal and State regulatory agencies and funding partners. Developed and implemented the Federal Funding Program Administration ("FFPA") in 2002 to facilitate the selection of projects to receive San Gabriel Basin Restoration Funds administered by the U.S. Bureau of Reclamation. The FFPA outlined minimum eligibility requirements and an objective-driven criteria system to impartially rank more than 60 projects designed to address groundwater quality, cleanup and supply while ensuring agency objectives were being met. This program is still in use today.

Greater LA County Integrated Regional Water Management Disadvantaged Community "GLAC DAC" Committee Chair and IRWM Disadvantaged Community Involvement Program "DACIP" Task Force Co-Chair, Greater LA County and Ventura/Upper Santa Clara River/Greater LA County Funding Area
Appointed as the Chair of the GLAC DAC Committee in 2016, Grace began her new role by re-focusing the organizational structure and purpose of the committee to ensure that all 5 sub-regions in the GLAC IRWM were represented by up to 3 representatives including Non-Governmental Organizations. After voters approved the DACIP ($9.8M) as part of the Prop 1 Bond in 2014, Grace worked with all 3 IRWM regions in the Funding Area to create the DACIP Task Force. As the co-chair, Grace was instrumental in forging working relationships among the 3 regions to ensure that the program truly involves DACs and underrepresented communities without pre-determining their needs. Grace continues to serve in both capacities.

Regional Disadvantaged Community Incentive Program, Gateway Region of Los Angeles County
Key team member to develop the Regional Disadvantaged Community Incentive Program ("RDCIP") for the Central Basin Watermaster Water Rights Panel. The RDCIP was part of a judgment in 2013 that allocated 23,000 acre-feet of storage from the Community Storage Pool for the specific use or benefit of disadvantaged community in the Central Basin. While the judgment provided guidance and purpose for the program, it left it to region stakeholders to decide how best to set it up and implement it. Grace developed the community outreach materials and held workshops in the community to solicit input for the RDCIP. Through a series of public meetings and with the help of a sub-committee of the Water Rights Panel, the final RDCIP was approved by the Water Rights Panel and the Court in 2014. It can be found at www.cbwatermaster.org.

Southeast Water Coalition
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Mr. Kekoa Anderson, PE, QSD, will serve the Southeast Water Coalition (SEWC) as the ***Strategic Planning Lead***. Koa has over 30 years of experience managing infrastructure projects. His technical experience is diverse, including highway, arterial streets, and rail projects, which includes development of drainage master plans, feasibility studies, environmental evaluation and clearance for water quality, capture and infiltration of stormwater runoff projects. These programs provide on-going collaboration with regional stakeholders along the Lower San Gabriel River watershed, and beyond.

In addition to his design background, sustainability has become a focus point in his watershed planning efforts. Kekoa participates with the Gateway Cities Urban Greening Master Plan, Rivers and Mountains Conservancy Common Ground Plan, and has designed "green" transportation systems to enhance and improve the reuse and infiltration of stormwater. He also has extensive water quality and drainage experience with Storm Water Pollution Prevention Plans (SWPPP), NPDES permits, hydrology and hydrologic analysis, and drainage final design.

Professional Experience

Gateway Cities Council of Governments Project Management, Various Cities in Los Angeles County, CA. Program Manager responsible for preliminary engineering, environmental documents, technical studies and Final Design for the Gateway Cities Measure R program, while maintaining the goal of improving the surrounding Corridors by promoting a balanced, comprehensive multimodal transportation system in an effort to enhance sustainability of the communities it serves and address local and regional transportation needs and issues.

Gateway Water Management Authority Program Management, Los Angeles County Cities, CA
Funding Strategies Manager for the joint powers authority, coordinating, and integrating regional stormwater, groundwater cleanup, water supply, water reliability, and watershed projects. Tasks also include creating a management plan, a water resource plan, multi-beneficial project integration planning, managing cost-share agreements, and coordinating and managing current and proposed grants applications and funding for various water related projects within the Gateway Region.

Interstate 710 Integration and Livability Plan, Long Beach, CA
Program Manager for the planning and preparation of the I- 710 Integration and Livability Plan. Program includes the Early Action Projects, environmental documents and final design to replace the existing Shoemaker Bridge, while integrating the vision for West Long Beach, which includes Cesar Chavez and Drake Parks, Long Beach Municipal Urban Stormwater Treatment, Pier B Project,



Education:
University of California, Irvine
B.S., Civil Engineering, 1989
B.A., Art Studio, 1989
Project Management (PMI) 2002

University of California, Berkeley
Geometric Design Program, 1991
Bicycle & Pedestrian Design Program, 2000

Professional Registrations:
Registered Civil Engineer
CA License No. 53893
AZ License No. 49677

Qualified Storm Water Pollution Prevention Plan Developer (QSD)
CA License No. 53893

CA State Contractor
A – License, No 1053995

Regulatory/Agency Highlights
- Caltrans HQ - Stormwater
- US Army Corp of Engineers
- CA Department of Fish & Game
- CA Regional Water Quality Control Board

Total Years of Experience:
34

and the LA River Revitalization. Tasks include the coordination with adjacent planned projects; stakeholder meetings; attend meetings with City staff, public officials, and community leaders.

Shoemaker Bridge Replacement and Shoreline Drive Realignment Projects, Long Beach, CA. Program Manager for the preliminary engineering, design for alternatives analysis, technical studies required to develop a Project Report, Environmental Document, and final design for the realignment of Shoreline Drive and replacement of the Shoemaker Bridge and create the vision for an improved park and open space for West Long Beach.

Lakewood/Rosemead Boulevard Complete Street Master Plan, Various Cities in Los Angeles, County, CA. Manager for the development of a master plan for Lakewood/Rosemead Boulevard to create a unified, sub-regional multi-modal transportation corridor strategy that could be used for funding by the Cities of Pico Rivera, Downey, Bellflower, Paramount, Lakewood, Long Beach.

Artesia Boulevard / Lakewood Boulevard / Atlantic Boulevard / Florence Avenue - Complete Streets Master Plans, Various Gateway Cities in Los Angeles County, CA
Manager of a study for the evaluation of complete street elements that would assist in creating a more attractive, livable, and pedestrian and bicycle friendly corridor that operates effectively and efficiently for all modes of transportation along Artesia Boulevard within the Gateway Cities Council of Governments jurisdiction. The preparation of it required close coordination and significant collaboration with the Cities of Compton, Long Beach, Cerritos, Artesia, and Bellflower.

LB-MUST Long Beach Municipal Urban Stormwater Treatment Facility, Long Beach, CA
Program Manager for an urban runoff reuse facility would capture dry weather runoff and wet weather flow, treat it for reuse under title 21 for reclaimed water systems and irrigation. Services include developing a feasibility study, master plan, environmental clearance, design, and construction. Prepared outreach presentations and brochures, stakeholder meetings; attend meetings with City staff, public officials, and community leaders. Worked closely with the City's Financial Management Department and Stormwater Division to develop a financial strategy plan.

Terminal Island Freeway, Long Beach, CA
Water Quality, Stormwater, Drainage, and Green Street Design Lead for the planning of transitioning Terminal Island (TI) Freeway from an existing freeway into a local green road with increased open space to showcase environmental best practices relating to air, water, pollution cleansing, and energy generation and create a vision for the region. The Plan is the first freeway removal project in Southern California and takes its place among groundbreaking projects such as San Francisco's Embarcadero Freeway removal.

Los Angeles River Revitalization Plan, Los Angeles, CA
The Los Angeles River Master Plan provided for the optimization and enhancement of aesthetic, recreational, flood control and environmental values by creating a community resource, enriching the quality of life for residents, and recognizing the river's primary purpose for flood control. Responsibilities include urban design and planning, landscape architecture, master planning, economic development, environmental analysis, and community outreach.

Southeast Water Coalition
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Ms. Traci Gleason, PE, will be the Southeast Water Coalition (SEWC)'s ***Program Management Oversight.*** With 26 years of experience, she has provided management, coordination, planning and design skills for small and large infrastructure projects for municipal, state, and federal agencies. She understands the importance of integrating the design of engineered and natural systems to facilitate sustainability and livability.

Ms. Gleason not only engages with her clients, but also understands the importance of project coordination, stakeholder engagement, and public involvement to successfully deliver projects for her clients. She works with the team to help plan an appropriate solution based on the needs while keeping budget and schedule in mind. Understanding critical issues is imperative to the success of project, which may include cost effective design, constructability and public involvement.

Professional Experience

Gateway Water Management Authority Program Management, Various Los Angeles County Cities, CA
Program Manager for the joint powers authority, coordinating, and integrating regional stormwater, groundwater cleanup, water supply, water reliability, and watershed projects. Tasks also include creating a management plan, a water resource plan, multi-beneficial project integration planning, managing cost-share agreements, and coordinating and managing current and proposed grants applications, coordinating with the Los Angeles County Board of Supervisors' Conflict of Interest Office and the Authority's Members and Alternate Members for Statement of Economic Interests Forms, and funding for various water related projects within the Gateway Region.

Shoemaker Bridge Replacement over the Los Angeles River, Long Beach, CA
Deputy Program Manager for the planning and preparation of the environmental documents and final design to replace the existing Shoemaker Bridge, while integrating the vision for West Long Beach, which includes Cesar Chavez and Drake Parks, Cesar Chavez Soccer Fields, Long Beach Municipal Urban Stormwater Treatment, Pier B Project, and the I-710 Corridor projects, preparation of the storm water data report, providing urban greening, integrating open space and recreational water quality features to improve livability for the West Long Beach community.



Education:

California State University, Fresno
B.S., Civil Engineering 1996

Professional Registration:

Registered Civil Engineer
California
License No. 60273

Relevant Experience

- Grant writing and management for local and state programs
- Coordination with LSGR watershed members
- Stakeholder Coordination
- Community Engagement
- Educational Outreach

Agency Coordination Experience

- Los Angeles County Public Works
- Los Angeles Flood Control District
- Caltrans Stormwater & Drainage
- CA Department of Fish & Game
- CA Regional Water Quality Control Board
- US Army Corp of Engineers

Total Years of Experience:

26

Long Beach Municipal Urban Stormwater Treatment (LB-MUST) Facility, Long Beach, CA
Prepared the feasibility study, master plan, and grant applications for the urban runoff and reuse infrastructures that would capture dry weather flows of approximately 12,000 acres that is tributary to the LA River, and treat it for reuse for wetlands and irrigation. Services included coordination with various stakeholders, such as Caltrans, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, Metropolitan Transportation Authority, Los Angeles County, Conservation Corps, and various municipal departments for the development planning of the project; prepare grant funding applications and documentations to help fund $31.5M for the project, identify and provide preliminary planning for open conveyance systems as well as water storage; and educational outreach.

Willmore Heritage Gardens Biofiltration Swale, Long Beach, CA
Project Engineer for the conceptual planning, preparation of the grant funding application, and final design of a biofiltration swale in the Willmore Heritage Historic District. The design of the biofiltration swale is to treat stormwater runoff from West 7th Street flows unabatedly through the Willmore Heritage Garden and then discharges into the LA River Estuary from one of the City's pump station. Ms. Gleason helped the local neighborhood successfully obtain funding for the design and construction of the project. Design tasks includes: evaluation of existing information, preparation of construction drawings, specifications and estimates, utility coordination, and coordination and permitting with the City of Long Beach.

Atlantic Corridor Complete Streets Master Plan, Various Cities in Los Angeles County, CA
Project Engineer for the evaluation of the complete green street elements along Atlantic Avenue/Boulevard to creating a more attractive, livable, sustainable and pedestrian and bicycle friendly corridor that operates effectively and efficiently for all modes of transportation along Lakewood/Rosemead corridor. The evaluation included integration of a multimodal facility with drainage features to capture and naturally treat stormwater and urban runoff.

Lakewood Boulevard/Rosemead Boulevard Complete Streets Master Plan, Various Cities in Los Angeles County, CA
Project Engineer for the evaluation of the complete green street elements along Lakewood Boulevard and Rosemead Boulevard that would assist in creating a more attractive, livable, sustainable and pedestrian and bicycle friendly corridor that operates effectively and efficiently for all modes of transportation along Lakewood/Rosemead corridor. The evaluation included optimizing areas for landscaped street-side planters and swales to capture and naturally treat stormwater and urban runoff.

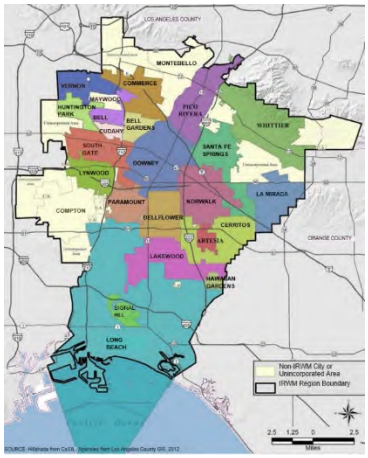
Artesia Boulevard Complete Streets Master Plan, Various Cities in Los Angeles County, CA
Project Engineer for the evaluation of complete green street elements along Artesia Boulevard that would assist in creating a more attractive, livable, sustainable and pedestrian and bicycle friendly corridor that operates effectively and efficiently for all modes of transportation along Artesia Boulevard within the Gateway Cities Council of Governments jurisdiction. The evaluation included optimizing areas for landscaped street-side planters and swales to capture and naturally treat stormwater and urban runoff. The preparation of it required close coordination and significant collaboration with the Cities of Compton, Long Beach, Cerritos, Artesia, and Bellflower.

Southeast Water Coalition
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Existing and Completed Contracts

Doing It Well. The following projects are examples of Koa Consulting qualifications of providing the unique combination of technical ability, demonstrated experience, and professional team:

Project: **Gateway Water Management Authority (GWMA) Program Management**
Client: GWMA
Key Personnel: Traci Gleason (Program Manager/Accounting Manager), Grace Kast (Executive Officer), Madeline Anderson (Admin/Accounting Staff), and Kekoa Anderson (Funding Strategies)
Schedule: 2018 – present



Program Management and Executive Officer Services for the Gateway Region located in Southeastern Los Angeles County. Provide executive management, program management and administrative services for the Joint Powers Authority. Build relationships with local, state and federal agencies. Create, organize, facilitate, and coordinate economical and efficient water management activities. Administer and manage Memorandum of Understandings. Oversee contracts and consultant contracts. Coordinate State of Economic Interest Forms with the County Board of Supervisors and Board Members and Alternates. Apply, receive and manage state and federal grant funding. Provide fiduciary oversight of several regional watershed programs and help develop agency policies and procedures. Additionally, provide services as the Committee Chair of the Greater LA County Integrated Regional Water Management Disadvantaged Community (GLAC IRWM DAC) and the IRWM Disadvantaged Community Involvement Program (DACIP) Task Force Co-Chair, coordinating and focusing the sub-regions to ensure program involvement by Disadvantaged Communities and under-represented communities.

Project: **Gateway Cities Council of Government Staff Engineer**
Client: Gateway Cities Council of Governments
Key Personnel: Kekoa Anderson (Program Manager), Traci Gleason (Support Staff), Madeline Anderson (Support Staff)
Schedule: 2015 – on-going



Program Management for the Gateway Cities Measure R program to improve the surrounding Corridors by promoting a balanced, comprehensive multimodal transportation system in an effort to enhance sustainability of the communities it serves and address local and regional transportation needs and issues. The program and Strategic Transportation Plan are expected to lead to programming and implementation of the transportation improvements including complete streets. The Technical Environment includes, but not limited to, coordination of Gateway Cities projects and activities, managing and coordinating funding, public administration, reporting to COG's board.

Project: **Shoemaker Bridge Replacement Project**
Client: City of Long Beach
Key Personnel: Kekoa Anderson (COG Engineer), Traci Gleason (Support Staff), and Madeline Anderson (Support Staff)
Schedule: 2015 – on-going

Program Manager for the replacement for the environmental document and final design of the Shoemaker Bridge and realignment of Shoreline Drive. Tasks also included: creating the vision for an improved park and open space for West Long Beach, coordination with adjacent planned projects; stakeholder meetings; attendance of staff level meetings with City staff, public officials, and community leaders, applying for potential funding sources for the project, preparing documents for funding agreements, preparing expenditure authorizations, preparing quarterly reports for funding reimbursement, assisting with review and input of street design, stormwater drainage, and bike circulation.



Project: **Artesia Great Boulevard**
Client: City of Long Beach
Key Personnel: Kekoa Anderson (PM), Traci Gleason (Deputy PM)
Schedule: 2020 – 2023

Program Manager for final design of a 3.2 mile corridor consisting of street improvements such as asphalt roadway removal and replacement, concrete sidewalk, curb replacement, median improvements, traffic signal enhancements, installation of ITS equipment, street lighting, pedestrian lighting improvements, stormwater bio-retention treatments, Class IV bike lanes, bulb-outs, landscape improvements, new street furniture, and wayfinding signage. Tasks included: creating the vision for the corridor, seek and secure funding, coordination with adjacent planned projects; stakeholder meetings; attendance of staff level meetings with City staff, public officials, and community leaders, applying for potential funding sources for the project, preparing expenditure authorizations, preparing quarterly reports for funding reimbursement.



Project: **Long Beach Municipal Urban Stormwater Treatment (LB-MUST)**

Client: City of Long Beach
Key Personnel: Kekoa Anderson (PM), Traci Gleason (Deputy PM)
Schedule: 2016 – 2019



Koa Consulting assisted the City of Long Beach with the developing the vision of the LB-MUST Facility Project, providing program management for the feasibility study, the master plan, and grant funding documents for the development of advanced state-of-the-art stormwater collection and treatment facility which will provide compliance with municipal stormwater regulation requirements, State Water Resources Basin Plan water quality objectives and site-specific pollution restrictions called Total Maximum Daily Limits and provide a new high quality recycled water supply. Services also included project management, agency coordination, visioning and coordination with adjacent projects, identifying and applying for potential funding sources for the project, preparing outreach presentations and brochures, development of conceptual/feasibility study, master plan and preliminary engineering, public outreach and educational awareness.

Project: **Willow Springs Master Plan**
Client: City of Long Beach
Key Personnel: Kekoa Anderson (PM), Traci Gleason (Deputy PM)
Schedule: 2019



The Project will develop 14.5 new acres of open space and 7,812 feet of trails expanding the Park's seasonal wetlands, water-capturing, and cleaning bioswales, wildlife-supporting habitat, and recreational hiking trails. Koa Consulting provided services to facilitate the planning to improve access to open space and low impact recreation for all communities and promote healthy lifestyles; improves habitat quality, quantity, and connectivity through creation, enhancement, preservation, and restoration; connects open space with a network of trails. Tasks included coordination with the City's sustainability coordinator, and California Conservation Corps and Long Beach Conservation Corp, and preparation of master plan.

Scope of Services

The following suggested tasks have been developed based upon a review of the Southeast Water Coalition (SEWC)'s Scope of Work. Our diverse and skilled team will work with the SEWC to provide administrative support for the Administrative Entity and Policy Board's bi-monthly meetings, provide general administrative support for your meetings and throughout the month, track the Strategic Plan progress, update the project list, and ultimately serve as the agency head, code officer, and filing officer.

TASK 1 - MONTHLY MEETINGS SUPPORT

- Provide administrative support for the Southeast Water Coalition's Administrative Entity (AE) and Policy Board's bi-monthly meetings.
- Prepare the meetings' agenda, staff reports (as requested) and the previous meetings' minutes.
- Researching and provide supporting documents for each meetings' agenda items.
- Attend all monthly meetings.
- Provide a meeting sign-in list.
- Supply additional copies of the agenda packet and copies of supporting documents, as required.
- Ensure that the approved minutes of the previous meeting are signed by the AE Chair or Policy Board Chair and provide them to the Lead Agency representative for retention.
- Take minutes at each meeting.
- Ensure any necessary audio/visual or meeting equipment is provided at the meeting venue.
- Ensure proper meeting room setup and assist with the coordination of meeting catering, as requested.
- Provide general administrative support for the monthly meetings.
- Coordinate meeting presentations with other agencies.
- In conjunction with the Administrative Entity Chair, develop items for the AE and Board agendas', providing item research as necessary, and write the staff report for each item.

For Task 1 – A fixed amount of $2.6k per month is proposed for general administration and monthly meetings support.

TASK 2 – ADMINISTRATIVE SUPPORT AND DOCUMENT MANAGEMENT

- Preparation of administrative documents such as the annual budget.
- Preparation and submittal of State or Federal forms.

- Preparation and submittal of position letters to regulatory agencies, elected officials, water providers, and other interested parties.
- Assistance with the coordination of communication and notifications among the AE members and between the AE and the Policy Board.
- Coordinate meetings and presentations with other agencies.

For Task 2 – A fixed amount of $1.6k per month is proposed for all administrative support and document management.

TASK 3 – TRACKING OF STRATEGIC PLAN AND GRANT OPPORTUNITIES

- Track Strategic Plan progress and update project list (Appendix C-SEWC Strategic Plan).
- Track grant opportunities.
- Update and submit JPA to appropriate agencies, and act as the filing officer for Assuming Office and Leaving Office forms and annual Form 700 filings with the Los Angeles County Board of Supervisors' office.
- Monitor legislative bills which would affect SEWC-member agencies and provide monthly updates.
- Serve as the designated agency head, code officer, and filing office.

For Task 3 – A fixed amount of $3.0k per month is proposed to manage the strategic plan and grant opportunities.

Southeast Water Coalition
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Fee Proposal

Price Summary Table

Koa CONSULTING
419 Main Street, Suite 320
Huntington Beach, CA 92648

The Southeast Water Coalition (SEWC)

		Classification and Rates					
		$215.00	$185.00	$75.00	<< Bill/Hr	Pricing Breakdown	
No.	Task Description	Sr. Manager	Manager	Admin	Total Labor Hours	Labor	Estimated Fee Assumption (per Month)
1	MONTHLY MEETINGS SUPPORT	3	4	16	23	$2,585	$2,585
2	ADMINISTRATIVE SUPPORT AND DOCUMENT MANAGEMENT	2	4	6	12	$1,620	$1,620
3	TRACKING OF STRATEGIC PLAN AND GRANT OPPORTUNITIES	4	8	8	20	$2,940	$2,940
Totals		9	16	30	55	$7,145	$7,145

Notes, etc.

Assumptions:
The monthly task breakdowns are provided as a basis for how our lump sum estimates were calculated.
Costs for reproduction, shipping/mailing, necessary project management tool subcriptions, and host filing server are not included in this fee proposal and are reimburseable to Koa Consulting.

Total Monthly Fee $ 7,145

SEWC PROGRAM MANAGEMENT SERVICES
SCOPE OF WORK

BACKGROUND

The Southeast Water Coalition Joint Powers (SEWC) was created in July 1991 and is comprised of eleven cities. These agencies formed a joint power authority to improve and protect the quantity and quality of the regional water supply. SEWC's water purveyors service a population of 670,000 in a service area of 93+ square miles.

The SEWC Board of Directors consists of one representative (typically a Councilmember) from each member city. The Administrative Entity acts as a steering committee consisting of one technical staff member from each member city plus three non-voting (advisory) members, one each from the Central Basin Watermaster as well as Golden State Water Company and California Water Service (two private utilities serving several member cities).

SEWC's mission is to prevent the contamination of the Central Groundwater Basin from migrating contaminated groundwater and to encourage good governance of water policies to ensure the availability of reliable, quality, and affordable water.

DESCRIPTION OF WORK

Monthly Meetings

The consultant shall provide administrative support for the Southeast Water Coalition's Administrative Entity (AE) and Policy Board's bi-monthly meetings as well as prepare the meetings' agenda, staff reports (as requested) and the previous meetings' minutes. Responsibilities also include researching and providing supporting documents for each meetings' agenda items.

The consultant shall attend all monthly meetings and provide general administrative support including, but not limited to, the following:

1. Provide a meeting sign-in list.
2. Supply additional copies of the agenda packet and copies of supporting documents, as required.
3. Ensure that the approved minutes of the previous meeting are signed by the AE Chair or Policy Board Chair and provide them to the Lead Agency representative for retention.
4. Take minutes at each meeting.
5. Ensure any necessary audio/visual or meeting equipment is provided at the meeting venue.
6. Ensure proper meeting room setup and assist with the coordination of meeting catering, as requested.
7. Provide general administrative support for the monthly meetings.
8. Coordinate meeting presentations with other agencies.

Monthly Support

The Consultant shall provide general administrative support to the AE and Policy Board. These activities may include the following:

1. ~~Preparation of administrative documents such as the annual budget.~~
2. Preparation and submittal of State or Federal forms.
3. Preparation and submittal of position letters to regulatory agencies, elected officials, water providers, and other interested parties.
4. ~~Assistance with the coordination of communication and notifications among the AE members and between the AE and the Policy Board.~~
5. ~~Coordinate meetings and presentations with other agencies.~~
   (duplicate from no. 8 on Monthly Meeting tasks above)
6. Other duties as assigned.

Tracking and Updating

1. ~~Track Strategic Plan progress and update project list (Appendix C SEWC Strategic Plan).~~
2. ~~Track grant opportunities.~~
3. Update and submit JPA and act as the filing officer for Assuming Office and Leaving Office forms and annual Form 700 filings with the Los Angeles County Board of Supervisors' office.
4. ~~Monitoring of legislative bills which would affect SEWC member agencies and provide monthly updates.~~

The consultant shall serve as the designated agency head, code officer, and filing officer.

Southeast Water Coalition
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Proposal for
MANAGEMENT SERVICES



Submitted by:

Koa CONSULTING

July 10, 2023

July 10, 2023

Joanna Moreno, P.E.
Administrative Entity Chair
The Southeast Water Coalition (SEWC)
City of Vernon (SEWC Lead Agency)
4305 S. Santa Fe Avenue
Vernon, CA 90058

Subject: Southeast Water Coalition (SEWC) Program Management Services

Dear Ms. Moreno:

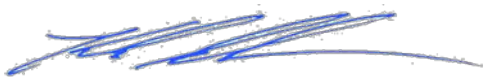
Koa Consulting, Inc. would be proud to provide the Southeast Water Coalition (SEWC) program management services. We look forward to providing these services with a devoted team, comprehensive approach, and a strong understanding that we have detailed throughout our Statement of Qualifications.

Our team is specifically comprised of qualified staff to assure that SEWC is provided with the desirable services for program-specific requirements. Our team's makeup and focus, as per the RFP Scope of Work, will be turn-key management services. Having provided the Gateway Water Management Authority with similar program management services for the past 12 years and more recently retained to manage the Rio Hondo/San Gabriel River Watershed Management JPA, our team has the refined skills and talents to successfully deliver the services you need.

We will work with SEWC to provide administrative support for the Administrative Entity (AE) and Policy Board's bi-monthly meetings, provide general administrative support for your meetings and throughout the month, assist with document management and filings, and more.

Koa Consulting team's experience that demonstrates our perfectly matched qualifications is featured in our proposal. Should you have any questions, please do not hesitate to contact me at (949) 887-0731 or by email at kekoa@koaconsulting.net.

Respectfully submitted,



Kekoa Anderson, PE
CEO
Koa Consulting, Inc.
S Corporation



Scope of Services

The following suggested tasks have been developed based upon a review of the Southeast Water Coalition (SEWC)'s Scope of Work. Our diverse and skilled team will work with the SEWC to provide administrative support for the Administrative Entity and Policy Board's bi-monthly meetings, provide general administrative support for your meetings and throughout the month, assist with document management and filings and ultimately serve as the agency head, code officer, and filing officer.

TASK 1 - MONTHLY MEETINGS SUPPORT

- Provide administrative support for the Southeast Water Coalition's Administrative Entity (AE) and Policy Board's bi-monthly meetings.
- Prepare the meetings' agenda, staff reports (as requested) and the previous meetings' minutes.
- Researching and provide supporting documents for each meetings' agenda items.
- Attend monthly meetings.
- Provide a meeting sign-in list.
- Supply additional copies of the agenda packet and copies of supporting documents, as required.
- Ensure that the approved minutes of the previous meeting are signed by the AE Chair or Policy Board Chair and provide them to the Lead Agency representative for retention.
- Take minutes at each meeting.
- Coordinate for any necessary audio/visual or meeting equipment to be provided at the meeting venue. Our proposal assumes audio/visual equipment will be supplied by others.
- Ensure proper meeting room setup and assist with the coordination of meeting catering, as requested. Our proposal does not include catering fees.
- Provide general administrative support for the monthly meetings.
- Coordinate meeting presentations with other agencies.
- In conjunction with the Administrative Entity Chair, develop items for the AE and Board agendas, providing item research as necessary, and write the staff report for each item.

For Task 1 – A fixed amount of $2.6k per month is proposed for general administration and monthly meetings support.

TASK 2 – ADMINISTRATIVE SUPPORT AND DOCUMENT MANAGEMENT

- Preparation and submittal of State or Federal forms.
- Preparation and submittal of position letters to regulatory agencies, elected officials, water providers, and other interested parties.

For Task 2 – A fixed amount of $1.4k per month is proposed for all administrative support and document management.

TASK 3 – FILINGS

- Update and submit JPA to appropriate agencies, and act as the filing officer for Assuming Office and Leaving Office forms and annual Form 700 filings with the Los Angeles County Board of Supervisors' office.
- Serve as the designated agency head, code officer, and filing office.

For Task 3 – A fixed amount of $550 per month is proposed to manage filings.

Southeast Water Coalition
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Fee Proposal

Price Summary Table

Koa CONSULTING
419 Main Street, Suite 320
Huntington Beach, CA 92648

The Southeast Water Coalition (SEWC)

No.	Task Description	Classification and Rates: Sr. Manager ($215.00)	Manager ($185.00)	Admin ($75.00)	Total Labor Hours (<< Bill/Hr)	Pricing Breakdown: Labor	Estimated Fee Assumption (per Month)
1	MONTHLY MEETINGS SUPPORT	3	4	16	23	$2,585	$2,585
2	ADMINISTRATIVE SUPPORT AND DOCUMENT MANAGEMENT	1	4	6	11	$1,405	$1,405
3	FILINGS	1	1	2	4	$550	$550
Totals		5	9	24	38	$4,540	$4,540

Notes, etc.

Assumptions:
The monthly task breakdowns are provided as a basis for how our lump sum estimates were calculated.
Costs for reproduction, shipping/mailing, necessary project management tool subcriptions, and host filing server are not included in this fee proposal and are reimburseable to Koa Consulting.

Total Monthly Fee $ 4,540

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: August 3, 2023
To: Southeast Water Coalition Board of Director
From: Joanna Moreno, Chair, City of Vernon

Subject: **Authorization to Retain an Audit Firm to Complete the Fiscal Year 2022-2023 Southeast Water Coalition (SEWC) Financial Audit**

Recommendation: That the Board take the following action:

Authorize the City of Vernon's Director of Finance, serving as SEWC Treasurer and Controller, to award a contract to The Pun Group to administer the annual audit of SEWC financial statements for Fiscal Year 2022-2023.

Discussion
The Southeast Water Coalition Joint Power Agreement, Section 7.I stipulates:

> *The controller of the Coalition shall cause an independent annual audit of the Coalitions' finance to be made by a certified public accountant in compliance with Government Code Section 6505.*

The auditing firm of DavisFarr previously completed the SEWC audits for FY 20/21 and FY 21/22. While DavisFarr is very familiar with SEWC's operations and has prepared comprehensive audits at reasonably low fees, upon requesting an audit quote for FY 22/23, their proposed cost increased substantially to $13,500, including the State Controller's Report.

Administrative Entity Chair Moreno reached out to the City of Vernon's current auditors, The Pun Group, to request a proposal to conduct the FY 22/23 audit. The Pun Group has submitted a scope of work and fee proposal for the Fiscal Year (FY) 2022-2023 audit for an amount of $6,500. This amount is within the SEWC budgeted amount of $7,000 for this service. This figure includes the preparation and submittal of the State Controller's Special Districts Financial Transaction Report.

This fee is reasonable given the services to be provided. Staff have confidence in The Pun Group's ability to complete the audits in a professional and timely manner.

Budget Impact

The Financial Audit cost for fiscal year 2022 / 2023 is $6,500. The cost includes the preparation and filing of the State Controller's Report.

SEWC's FY 23 / 24 budget includes a line-item for the annual audit of $7,000 thus there are sufficient funds allocated to meet the cost of The Pun Group's FY 2022 / 2023 audit proposal.

Attachment(s):

1. The Pun Group proposal

SOUTHEAST WATER COALITION

Kenneth H. Pun, CPA, CGMA

Managing Partner
200 E. Sandpointe Ave., Suite 600, Santa Ana, CA 92707
(949) 777-8801 | ken.pun@pungroup.com

July 10, 2023

PROPOSAL

Audit Services



THE PUN GROUP
ACCOUNTANTS & ADVISORS



Kenneth H. Pun, CPA, CGMA
Founder & Managing Partner

WHY CHOOSE THE PUN GROUP LLP?

"The Pun Group's most valuable asset is our people, they and their deep experience drive our every interaction with clients."

- Big firm expertise, small firm values
- Personal attention meets technical expertise
- A unique firm culture
- Innovation embraced
- Achievable plans to move your organization forward

The Pun Group LLP is recognized for its professionalism, integrity and for providing clients with practical solutions unique to their circumstances and issues. You will receive a superior level of service and a quality audit.

Thank You!

Thank you for allowing us to submit our qualifications to provide you with Audit Services.

The Pun Group, LLP

The Pun Group LLP
Certified Public Accountants and Business Advisors

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The Pun Group Wins 2023 “Best of Accounting” Award





clearlyrated

The Pun Group LLP is proud to have won 2023’s Best of Accounting® award from ClearlyRated for providing superior service to its clients.

Winners of such awards have proven to be industry leaders in service quality based entirely on ratings provided by their clients. On average, clients of 2023 Best of Accounting winners are 70% more likely to be satisfied than those who work with non-winning firms.

“*I am pleased to introduce the 2023 Best of Accounting winners alongside their validated service ratings on ClearlyRated.com*,” said ClearlyRated’s CEO, Eric Gregg. “*These firms have demonstrated a remarkable commitment to delivering amazing experiences, despite another year of upheaval and macroeconomic uncertainty. Hats off to these service leaders - it’s truly an honor to recognize and celebrate their achievements*.”

The Pun Group LLP received satisfaction scores of 9 or 10 out of 10 from 94.1% of their clients, significantly higher than the industry’s average of 50%.

Our firm excelled in five key areas: Responsiveness, Quality, Value, Needs Understanding, and Proactive Approach.

About ClearlyRated

Rooted in satisfaction research for professional service firms, ClearlyRated utilizes a Net Promoter® Score survey program to help professional service firms measure their service experience, build an online reputation, and differentiate on service quality.

“Excellent customer service and staff and partners are expert in their fields.”

Lani H.
State and Local Government Client

“The Firm has consistently exceeded our expectations as client.”

Clint O.
State and Local Government Client

“We started using Pun Group when the pandemic first started two years ago so had a little apprehension about doing everything remotely with a new firm. But the audit went very well and was completed on time without problem.”

Kevin W.
State and Local Government Client

“An excellent partner and amazing service.”

Jim T.
Private Sector Client

THE PUN GROUP
ACCOUNTANTS & ADVISORS

Southeast Water Coalition

200 E. Sandpointe Avenue, Suite 600
Santa Ana, California 92707

www.pungroup.cpa

July 10, 2023

Southeast Water Coalition
Joanna Moreno, P.E. – Civil Engineer Public Utilities
4305 Santa Fe Avenue
Vernon, California 90058

Re: RFP for Audit Services

Dear Joanna Moreno:

Please allow us to introduce our Firm and share our qualifications and proposed services plan for the Southeast Water Coalition (the "Coalition") according to your Request for Proposals for Audit Services for the fiscal year ending June 30, 2023.

The Pun Group LLP (the "Firm") has the knowledge and experience necessary to become the Coalition's next public accounting firm and the work plan to ensure a smooth process.

This letter is an acknowledgment of the Firm's understanding of the work to be performed. We are offering our commitment to deliver all of the required work, complete the audit, and issue the necessary auditor's reports within the periods outlined by the Coalition. No subcontractors will be utilized for this engagement.

The Pun Group is the right choice for the Southeast Water Coalition because:



We Understand the Demographics and Your Needs. The Pun Group is reputable for its governmental practice. We are professional services providers to districts such as Rancho Santa Fe Fire Protection District, San Bernardino County Fire Protection District, Marina Coast Water District, Olivenhain Municipal Water District, Carmel Area Wastewater District, and Santa Fe Irrigation District. Accordingly, we have a deep understanding of the current issues special districts are facing, such as varying demographics, economic environments, and the constantly changing landscape of laws and regulations.



Recognized Leader in the Governmental Industry. We are a small national Firm with licenses in the States of California, Arizona, and Nevada and a proven leader in professional services to the government sector. All key engagement team professionals are licensed to practice as Certified Public Accountants and meet the Continuing Professional Education requirements under US GAO's Government Auditing Standards to perform the proposed audits. The partners and all employees proposed to perform the requested services do not have a record of substandard audit work nor have any outstanding claim of substandard practice or unsatisfactory performance pending with the State Board of Accountancy or other professional organizations. In addition, we are members of the national AICPA Audit Quality Center.

We strongly believe that part of our success is credited to our professionals' participation in various industry-leading organizations. Such affiliations are critical to addressing emerging accounting and auditing issues within the industry environment.



You'll Work with a Team that Embraces Innovation and Continuous Improvement. Our Firm is committed to continuous improvement as it relates to service delivery. We embrace innovation and identify areas of technological enhancements in our audit and project management approaches. For example:

Secure Data File Transfer System. In order to improve audit efficiency, workflow management software plays an essential role between your organization and our engagement team. We employ a secure data file transfer system called Suralink. Suralink's dynamic request list is integrated with our secure file hosting system for seamless document-request coordination, including the upload of large-size files. It means all our requests are in one place, updated in real-time, and accessible by everyone working on the engagement. Not only makes the operation more cost-efficient, but it also enables you and your team to spend your time getting the job done, not reconciling a messy list of outstanding items. In addition, Suralink's dashboard allows you to visualize the process of document-request fulfillment.

AI Auditor. The Pun Group leverages the technology and research tools required to provide excellent services to its clients. With the usage of Artificial Intelligence (*AI)* technology, the Firm is capable of issuing all reports requested faster than other audit firms without exposing the Coalition to unnecessary risks.

Remote Auditing Capability. Remote working arrangements have suddenly become the "new normal" in these trying times. Our Firm has deployed top-notch technology and fully transitioned to "remote auditing," offering our clients the quality services they deserve while being fully "remote" or operating in a "hybrid" schedule. "On-site" audits are still the Firm's preferred method, and we'll continue to offer and promote those as well.



Knowledge is Shared with You. As part of our pledge to keep you updated on new technical accounting and financial issues, we implemented our 2023 *Virtual* Government Accounting Conference, which qualifies for up to 15 hours of CPE – nearly double what other firms offer. These online sessions are free of charge and part of the service package provided to you. More details and dates can be found on the "*Client Training Webinars*" topic under this proposal.

The Pun Group is proud of its inclusive values and is an avid promoter of equality and diversity. In addition, the Firm is an equal-opportunity employer and complies with all federal and state hiring requirements. We're proud of supporting affirmative-action philosophies and work hard to provide opportunities for self-enhancement to members of disadvantaged groups.

Finally, we would like to emphasize one additional point: **We want to earn your trust and your business!** We are confident that the energetic and experienced team we have assembled is the right one for the Coalition.

Our commitment to serving the Southeast Water Coalition cannot be adequately conveyed in a letter, and I look forward to continuing the discussion with you. I'm assigned as your primary contact for contract negotiations and stand steadfast to serve as your engagement/lead partner. I'm also authorized to legally bind the Firm. Should you have any questions or wish to discuss this proposal, please do not hesitate to contact me at (949) 777-8801 or by email at ken.pun@pungroup.cpa.

Sincerely,

Kenneth H. Pun, CPA, CGMA | Managing Partner | The Pun Group LLP
200 E. Sandpointe Avenue, Suite 600, Santa Ana, CA 92707

Independence

Independence

The Pun Group LLP requires all employees to adhere to strict independence standards concerning the Firm's clients. These independence standards exceed, in many instances, the rules promulgated by the American Institute of Certified Public Accountants (AICPA).

The Pun Group LLP certifies that it is independent of the Southeast Water Coalition. The Firm meets independence requirements defined by the United States Government Accountability Office's (US GAO's) Government Auditing Standards and the American Institute of Certified Public Accountants (AICPA). Based on that, we have not identified an instance that constitutes a conflict of interest relative to performing the services requested by the Coalition.

The Firm has no business interests which will conflict in any way with maintaining independence in regard to the Southeast Water Coalition.

The Firm will give the Southeast Water Coalition written notice of any professional relationships entered into during the period of the engagement.

License to Practice in California

License to Practice in California

The Firm and all key professional staff are licensed by the State of California to practice as Certified Public Accountants and meet the Continuing Professional Education requirements under US GAO's Government Auditing Standards to perform the proposed agreed-upon procedures.

Firm Registration:
California State Board of Accountancy Number – PAR 7601
Federal Identification Number – 46-4016990

Insurance

If selected, the Firm will maintain the minimum insurance requirements during the entire execution of the agreement with the Southeast Water Coalition. Within ten days from the implementation of the contract, we will furnish the Southeast Water Coalition with satisfactory evidence of the insurance requirements and proof that each carrier is required to give at least 30 days prior written notice of the cancellation of any policy during the entire period of the agreement.

A sample of our current policy can be found in the appendices section of this proposal.

Firm Qualifications and Experience

The Pun Group LLP, Certified Public Accountants, and Business Advisors, founded in 2012, is a limited liability partnership. We are a full-service accounting firm comprised of fifty professionals providing auditing, accounting, and advisory services to our clients.

The Firm has become one of the "Top Accounting Firms" in Orange County according to the Orange County Business Journal and is also on the list of CalCPA Top 150 firms.

The combination of our hands-on experience and practical knowledge exercised by our audit professionals makes the Firm unique in our field. Our technical expertise and thorough understanding of current regulations and issues—along with the Firm's commitment to hard work, integrity, and teamwork in every engagement—enable us to help our clients succeed.

Our Partners' Group—which includes Kenneth Pun, Frances Kuo, Coley Delaney, Andrew Roth, John Georger Jr., Gary Caporicci, and Jim Fritzsche — provides auditing, accounting, and advisory services to numerous governmental entities throughout the United States. With more than two hundred years of combined experience in the industry, we have become a trusted business partner and are well-respected as leaders in the industry in one of the fastest-growing firms. With nearly 100 government and not-for-profit audit clients, our Partners have a real passion for the industry and believe we are unmatched in our municipal experience. The firm also meets professional standards generally accepted in the United States of America and the standards applicable to financial audits contained in *'Government Auditing Standards'* issued by the Comptroller General of the United States.

The Firm's headquarters are located in Orange County, California, with five branches in San Diego, Walnut Creek, Sacramento (California), Las Vegas (Nevada), and Phoenix (Arizona).

The *Orange County Office,* located at 200 E. Sandpointe Ave., Suite 600, Santa Ana, CA 92707, will perform the requested services for the Coalition. However, we may assign additional staff from our other offices to the engagement at no extra cost to the Coalition. No subcontractors will be used in this engagement.

Global Capabilities

The Pun Group LLP is an independent member of Allinial Global, an association of over 100 independent accounting and consulting firms. Based in North America, Allinial Global offers international support by connecting its member firms to providers and global networks of accounting firms worldwide.

OUR FIRM AT A GLANCE

50 full-time auditing, accounting, tax and advisory professionals

One of the fastest growing firms serving California, Nevada and Arizona

Client retention rate: 90 – 95%

6 offices across 3 states



OUR AFFILIATIONS

Members of AICPA

AICPA GAQC Member

CalCPA MEMBER

AICPA EBPAQC Member

CSMFO California Society of Municipal Finance Officers — Dedicated to Excellence in Municipal Financial Management

AICPA PCPS Member

A MEMBER OF Allinial GLOBAL

Full-Time Government Auditors

As full-time government auditors, we understand that governmental entities do not operate independently but in an increasingly complex web of local, state, and federal relationships. We know how these relationships work, what they mean at the local level, and how every public organization's focus on resource management is critical to success.

Also, while many accounting Firms can provide services, not all can build an excellent working relationships with their clients. The Pun Group LLP prides itself on developing lasting, personal relationships with our clients. Our hands-on partner involvement and low personnel turnover are crucial tools to our success and are highly beneficial to the Coalition.

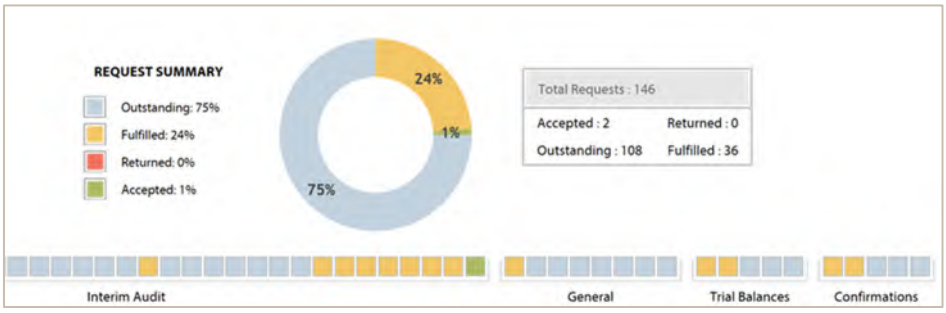
Local Office's Information Technology (IT) Audit Capabilities

The Pun Group LLP continues our efforts to invest in our IT system to enhance our security further and promote audit efficiency.

Top security for your data is the key to our success. When we have your data virtualized, our Firm takes all the preventive steps to avoid putting your information at risk. Our In-House IT administrator maintains our server to ensure our IT environment is continuously updated with the latest security fixes. Through VPN and Microsoft Remote Desktop, our In-House network administrator can lock down files and system access from a single point, limiting the ability of remote sites to take data from our server.

Access to systems from anywhere and anytime. With more mobility being the norm rather than the exception, our engagement team needs robust access to the engagement files when they are working in your office. Accounting and Auditing Software applications are installed in our "Private" server and can be securely accessed through VPN and Microsoft Remote Desktop. The Firm uses CCH ProSystem fx® Engagement for audit documentation, which allows real-time synchronization of the work papers and instant collaboration quality control review.

Secure Data File Transfer System. In order to improve audit efficiency, workflow management software plays an essential role between your organization and our engagement team. We employ a secure data file transfer system called *Suralink*. *Suralink*'s dynamic request list is integrated with our secure file-hosting system for seamless document-request coordination. It means all our requests are in one place, updated in real-time, and accessible by everyone working on the engagement. As a client, you no longer have to manually maintain a spreadsheet amongst several people, only to repeat the process in a day or two. Not only makes the operation more cost-efficient, but it also enables you and your team to spend your time getting the job done, not reconciling a messy list of outstanding items. The *Suralink* dashboard, as shown below, allows you to visualize the process of document-request fulfillment.



BIG FIRM EXPERTISE.
SMALL FIRM VALUES.

Our professional backgrounds at major national firms showed us how to solve complicated business and accounting challenges, but the sense of personal connection was missing.

We launched The Pun Group because we believe every client deserves to work with experienced business advisors and CPAs who have the time – and take the time – to create an authentic connection. Every client is our top priority!

A UNIQUE CULTURE.

"Personalization" is not just a buzzword – it's part of our firm's culture. We take a personal approach to everything we do. We collaborate with our clients, so they're always part of the process. We listen to our staff to make sure they have the right support and resources to do a great job. Getting to know others and discovering how we can serve them better is not just a sign of good business practices; it's a sign of good people.

INNOVATION EMBRACED.

New ideas keep you ahead of the game. From leveraging the value of emerging technologies to further refining trusted processes, we adopt proven solutions to meet your needs.

WHERE YOU GO, WE GO.
WHERE YOU GROW, WE GROW.

Our success is defined by how you achieve yours. Partner with accomplished accounting and financial professionals who are laser-focused on taking your business to the next level.

Equal Employment Opportunity/Affirmative Action Philosophy

The Firm is an Equal Opportunity employer and complies with all Federal and State hiring requirements. The Firm also supports *Affirmative Action philosophies* and works hard to provide disadvantaged groups with opportunities for self-enhancement.

It is our intent to maintain a work environment that is free of discrimination or retaliation because of age, race, religious creed (including religious dress and grooming practices), denial of family and medical care leave, color, national origin (including language use restrictions), ancestry, physical disability (including HIV and AIDS), mental disability, medical condition (cancer and genetic characteristics), genetic information, marital status, sex (including pregnancy, childbirth, breastfeeding and/or related medical conditions), gender, gender identity, gender expression, and transgender (including whether or not you have transitioned or are transitioning), sexual orientation, military or veteran status, and retaliation for making a complaint about discrimination or participating in an investigation of a complaint about discrimination or any other status protected by federal, state, or local laws. The policy also prohibits unlawful discrimination based on the perception that anyone has any of those characteristics or is associated with a person who has or is perceived as having any of those characteristics. Discrimination can also include failing to reasonably accommodate religious practices or qualified individuals with disabilities where the accommodation does not pose an undue hardship. All such discrimination is unlawful.

The Firm is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, placement, transfer, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment.

This commitment applies to all persons involved in Firm operations and prohibits unlawful discrimination by any employee of the Firm, including supervisors and coworkers, clients or customers or suppliers, or other outside persons.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the Firm will make reasonable accommodations for the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or an employee unless undue hardship would result. Any applicant or employee who requires an accommodation in order to perform the essential functions of the job should contact Human Resources and discuss the need for accommodation. The Firm will engage in an interactive process with the employee to identify possible accommodations if any, that will help the applicant or employee perform the job.

In addition, The Pun Group LLP is a small business enterprise with receipts of less than $20.5 million/year and can be classified as a “minority-owned business” as an APA (Asian-Pacific American-Owned Business Enterprise). We also have a culture of fostering and improving the advancement of women in their careers. Women make up 45% of our partners and 50% of our managers.

Our Services

Our partners and seasoned professionals are always available, guiding clients through their periods of rapid growth as well as difficult times. We are able to do that by offering a portfolio of accounting services that are as diverse as the jurisdictions and entities themselves. The Pun Group LLP has successfully provided professional auditing, accounting, financial reporting, and management advisory/consulting services to a broad spectrum of governmental entities.

ASSURANCE

- Financial statements audits
- Compliance audits
- Performance audits
- Internal audits
- Service organization controls audits

ADVISORY

- Operational reviews/risk advisory services
- Forensic investigation
- Financial condition analysis
- Organizational structure review
- Cash flow analysis
- Debt restructuring consultation
- Litigation restructuring consultation

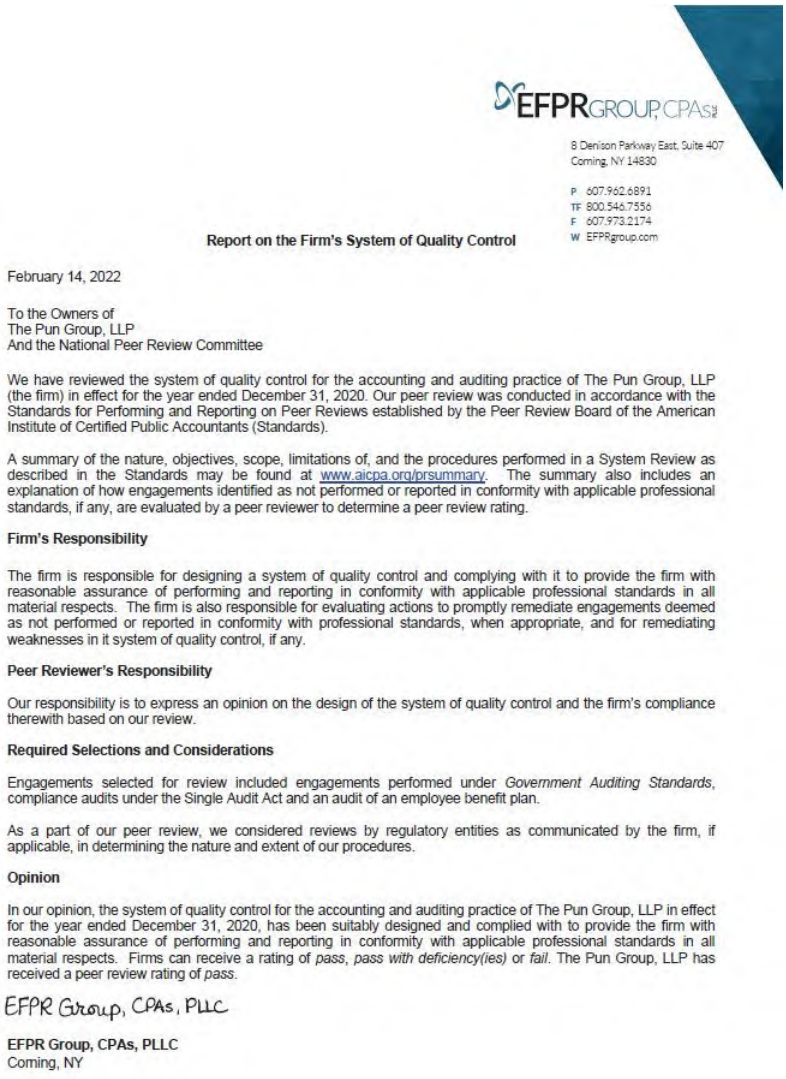
OTHER SERVICES

- Assistance with the preparation and review of the Annual Comprehensive Financial Report
- Government property lease excise tax compliance review
- Sub-recipient monitoring
- Implementation of new GASB pronouncements
- Audit readiness services
- Contract Finance Director/Accountant services

Peer Review

Being a member of the American Institute of Certified Public Accountants (AICPA), The Pun Group LLP is required to obtain an independent peer review of our audit and accounting practice every three (3) years. The peer reviewer assessed the Firm's quality-control policies, reviewed administrative records, interviewed professional personnel, and inspected the Firm's working papers and reports from a representative sample of accounting and auditing engagements, including governmental audits. The reviewer concluded that the Firm fully complied with the AICPA's stringent standards for quality control and issued a peer review rating of "Pass."

A copy of our most recent peer review is presented:



EFPR GROUP, CPAs, PLLC

8 Denison Parkway East, Suite 407
Corning, NY 14830

P 607.962.6891
TF 800.546.7556
F 607.973.2174
W EFPRgroup.com

Report on the Firm's System of Quality Control

February 14, 2022

To the Owners of
The Pun Group, LLP
And the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of The Pun Group, LLP (the firm) in effect for the year ended December 31, 2020. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in it system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards*, compliance audits under the Single Audit Act and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of The Pun Group, LLP in effect for the year ended December 31, 2020, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. The Pun Group, LLP has received a peer review rating of *pass*.

EFPR Group, CPAs, PLLC

EFPR Group, CPAs, PLLC
Corning, NY

Federal or State Desk Review

No federal or state desk reviews or field reviews have been undertaken of any audits performed by the Firm or any of its partners, managers, or professionals during the past three (3) years.

Disciplinary Action

State regulatory bodies or professional organizations have taken no disciplinary action against the Firm or any of its partners, managers, or professionals during the past three (3) years.

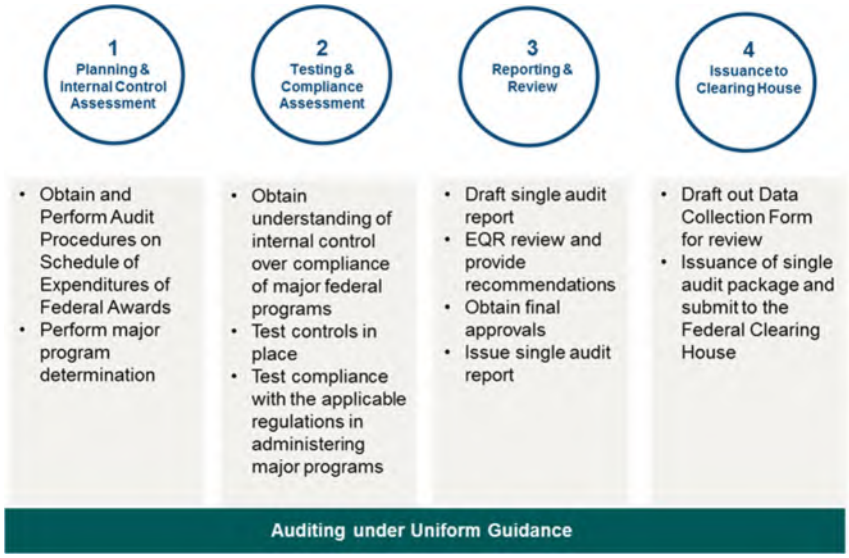
Firm's Experience with Single Audit and Grants

The Pun Group LLP works with numerous organizations that receive extensive governmental funding and are subject to auditing under Uniform Grant Guidance. This Firm's specialization helps our audit team understand the procedures' nuances and execute the engagement accordingly. We also assist in preparing the data collection form and preparing the reporting package for submission to the federal audit clearinghouse.

The Firm is a member of the AICPA Governmental Audit Quality Center and has demonstrated its commitment to audit quality, including those performed under Government Auditing Standards and Uniform Guidance. Also, we are a recipient of the *Single Audit Resource Center's Award for Excellence*. This award is based on the positive feedback result from our clients in an independent survey, demonstrating our Firm's highest commitment to quality and client satisfaction.

We utilize standardized audit programs from the federal government's Compliance Supplement to ensure that our procedures meet federal standards. Our audit programs are continually updated to reflect the revisions of OMB.

Our Uniform Guidance risk-based approach focuses on areas of higher risk of non-compliance. Such an approach truly reflects the federal government's intent by concentrating on the following four steps:



1. **Planning & Internal control assessment:** The engagement team will obtain an understanding of the Coalition and its operating environment and its internal control over the Schedule of Expenditures of Federal Awards. The engagement team will perform the major program determination and communicate with the Coalition's management before conducting major program testing.
2. **Testing & compliance assessment:** The engagement team will obtain an understanding of internal control over compliance on the direct and material compliance requirements for each major program. The engagement will perform testing on internal controls over compliance to ensure the controls are in place, working effectively and properly and that the Coalition is in compliance with the applicable regulations in administering major programs.
3. **Reporting & Review:** The engagement team will review and prepare the single audit reports and perform quality control procedures following the Quality Control Standards issued by the AICPA. Any comments will be issued to the management or the Charge with Governance, depending on the magnitude of the issues. Upon obtaining the final approvals from management, the Single Audit report will be issued.
4. **Issuance to Clearing House:** The engagement team will assist the Coalition in drafting the data collection form and completing the final submission, including uploading the audit package to the Federal Clearing House.

Our Firm has audited hundreds of millions of dollars in federal expenditures, making our engagement team uniquely experienced in single audits. We are familiar with *grantors*, such as:



- Corporation for National and Community Services
- Department of Agriculture
- Department of Education
- Department of Health and Human Services
- Department of Housing and Urban Development
- Department of Transportation
- Environmental Protection Agency
- Department of Commerce
- Department of Labor
- Department of Homeland Security
- Department of Justice
- Department of Treasury
- Executive Office of the President

Following are a few examples of the types of federal programs our engagement team has experience auditing:

	Assistance Listings
Child and Adult Care Food Program	10.558
Community Development Block Grants/Entitlement Grants	14.218
Home Investment Partnership	14.239
Housing Vouchers Cluster	14.871
Title XVI Water Reclamation and Reuse Program	15.504
Equitable Sharing Program	16.922
WIA/WIOA Adult Program	17.258
WIA/WIOA Youth Activities	17.259
WIA/WIOA Dislocated Worker Formula Grants	17.278
Airport Improvement Program	20.106
Highway Planning and Construction	20.205
Federal Transit - Capital Investments Grants	20.500
Federal Transit - Formula Grants	20.507
Minimum Penalties for Repeat Offenders for Driving While Intoxicated	20.608
Capitalization Grants for Clean Water State Revolving Funds Cluster	66.458
Special Programs for the Aging - Title III, Part B - Grants for Supportive Services and Senior Centers	93.044
Special Programs for the Aging - Title III, Part C - Nutrition Services	93.045
Nutrition Services Incentive Program	93.053
Temporary Assistance for Needy Families (TANF) State Programs	93.558
Community Service Block Grant	93.569
Child Care and Development Block Grant	93.575
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596
ARRA - Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Programs	93.714
National Urban Search and Rescue (US&R) Response System	97.025
Homeland Security Grant Program	97.067

Firm's Current and Past Experience with Special Districts and Authorities

Our Firm has provided professional services to several Districts and Authorities. Below is a representative listing of such engagements:

- Adelanto Public Utility Authority
- Alameda County Water District
- Arbuckle Public Utility District
- Bodega Bay Fire Protection District
- Casitas Municipal Water District
- Central Basin Municipal Water District
- Civic – Recreational – Industrial Authority
- City of Monterey Joint Powers Financing Authority
- Coachella Valley Resource Conservation District
- Coachella Fire Protection District
- Diablo Water District
- East Orange County Water District
- El Toro Water District
- Farm Mutual Water Company
- Las Virgenes Municipal Water District
- Las Virgenes – Triunfo Joint Powers Authority
- Los Angeles Waterkeeper
- Marina Coast Water District
- Menlo Park Fire Protection District
- Mountain Recreation Conservation Authority
- North County Dispatch Joint Powers Authority
- North County Fire Protection District
- Olivenhain Municipal Water District
- Orange County – City Hazardous Materials Emergency Response Authority
- Orange County Coastkeeper
- Palmdale Water District
- Perris Joint Powers Authority
- Presidio Municipal Services Agency
- Rancho Santa Fe Fire Protection District
- Riverside County Flood Control and Water Conservation District
- San Diego Coastkeeper
- San Bernardino County Fire District
- San Elijo Joint Powers Authority
- San Joaquin County Regional Fire Dispatch Authority
- South Bay Regional Public Communications Authority
- Santa Fe Irrigation District
- Sativa Los Angeles County Water District
- South Orange County Wastewater Authority
- Sweetwater Springs Water District
- Trabuco Canyon Water District
- Twentynine Palms Water District
- Valley Sanitary District
- Water Replenishment District of Southern California
- West County Wastewater District

Firm's Expertise and Experience in Governmental Accounting Rules and Regulations, Including Implementation of new GASB Pronouncements

Changing federal laws, statutes, ordinances, and compliance provisions have created unprecedented complexity in public accounting today. Our GASB Implementation Specialist, Mr. Gary Caporicci, has helped our clients implement new standards while adapting to changes within the existing standards. Our partners serve on committees that have input into how new standards are written. They actively participate in industry associations focused on state and local governments. By participating in industry associations and activities, we are always up to date on the latest industry changes and their impact on your operations. We will keep you and our colleagues in the Firm fully informed of these developments.

Also, our professionals are familiar with the complexities of governmental accounting, auditing, and financial reporting, including but not limited to all GASB pronouncements, the Single Audit Act, and Uniform Guidance (formerly known as OMB Circular A-133) and fund operations. They have held positions as professional certified public accountants and taken on significant roles within and outside government agencies. Such experience brings to our clients the thought leadership, quality, and level of expertise they require.

The Firm is well versed and experienced in assisting our clients with the implementation of the applicable GASB pronouncements every year, such as GASB 34, GASB 54, GASB 65, GASB 68, GASB 75, and GASB 84. Mr. Gary Caporicci, as a chair of the California Committee on Municipal Accounting "CCMA," wrote "white papers" on each of these pronouncements.

Throughout the engagement, several new GASB pronouncements will become effective. The Engagement Team will pay specific attention to upcoming statements that will become effective and work with the Coalition to create a plan to address new standards before the implementation period. This step will allow the finance department staff the needed time to be prepared.

Special Attention: GASB Pronouncements Effective for Reporting Year 2023

GASB Statement No. 87, *Leases*

The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments.

Effective Date: The requirements of this Statement are effective for fiscal years beginning after June 15, 2021, and all reporting periods thereafter.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs).

Effective Date: for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments).

Effective Date: for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

Firm's Experience Providing Similar Services

The Pun Group LLP has performed numerous audits of organizations subject to financial and compliance audits. These audits were performed under auditing standards generally accepted in the United States, Government Auditing Standards, Uniform Guidance (formerly known as OMB Circular A-133), and its Compliance Supplement (when applicable), Office of the State Controller's Minimum Audit Requirements and Reporting Guidelines.

A representative list of our current clients is as follows:

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
City of Adelanto	2021 – Present	Yes	Yes	Yes	700
City of Arvin	2013 – Present	Yes	Yes	N/A	400
City of Baldwin Park	2022 – Present	Yes	Yes	Yes	700
City of Bell	2018 – Present	Yes	Yes	Yes	520
City of Bradbury	2012 – Present	Yes	N/A	N/A	150
City of Calexico	2007 – Present	Yes	Yes	N/A	750
City of Clovis	2006 – Present	Yes	Yes	Yes	500
City of Coachella	2017 – Present	Yes	Yes	Yes	410
City of Cottonwood, AZ	2007 – Present	Yes	Yes	Yes	400
City of Corona	2021 – Present	Yes	Yes	Yes	640
City of Cudahy	2023 – Present	Yes	Yes	Yes	500
Town of Corte Madera	2022 – Present	Yes	Yes	N/A	400
Town of Danville	1999 – Present	Yes	Yes	Yes	400
City of Douglas, AZ	2020 – Present	Yes	Yes	Yes	300
City of Desert Hot Springs	2013 – Present	Yes	N/A	N/A	700
City of Fresno	2022 – Present	Yes	Yes	Yes	1,450
City of Gardena	2007 – Present	Yes	Yes	Yes	700
City of Gilroy	2020 – Present	Yes	Yes	Yes	640
City of Glendora	2017 – Present	Yes	Yes	Yes	430
City of Gustine	2017 – Present	Yes	N/A	N/A	400
City of Hemet	2015 – Present	Yes	Yes	N/A	380
City of Hercules	2020 – Present	Yes	Yes	Yes	450
City of Lake Elsinore	2023 – Present	Yes	Yes	Yes	460
City of Lakewood	2013 – Present	Yes	Yes	Yes	380
City of Lynwood	2016 – Present	Yes	Yes	Yes	585
City of Madera	2019 – Present	Yes	Yes	Yes	470

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
City of Menlo Park	2023 – Present	Yes	Yes	Yes	550
City of Montebello	2022 – Present	Yes	Yes	Yes	600
County of Monterey	2023 – Present	Part of the audit & consulting services pool			TBD
City of Monterey Park	2023 – Present	Yes	Yes	Yes	612
City of Napa	2019 – Present	Yes	Yes	Yes	750
City of National City	2013 – Present	Yes	Yes	Yes	600
City of Palm Springs	2020 – Present	Yes	Yes	Yes	1,000
City of Paramount	2023 – Present	Yes	Yes	Yes	460
City of Patterson	2017 – Present	Yes	Yes	Yes	450
City of Placerville	2008 – Present	Yes	Yes	N/A	400
City of Pinole	2023 – Present	Yes	Yes	Yes	400
City of Redlands	2022 – Present	Yes	Yes	Yes	650
City of Ridgecrest	2009 – Present	Yes	Yes	Yes	300
City of Rohnert Park	2020 – Present	Yes	Yes	Yes	700
City of Salinas	2022 – Present	Yes	Yes	Yes	800
City of San Mateo	2021 – Present	Yes	Yes	Yes	900
City of Santa Clarita	2022 – Present	Yes	Yes	Yes	1,200
City of Santa Cruz	2023 – Present	Yes	Yes	Yes	800
City of Seal Beach	2017 – Present	Yes	Yes	Yes	410
City of Stockton	2012 – Present	Yes	Yes	N/A	3,000
City of Tracy	2021 – Present	Yes	Yes	Yes	960
Town of Tiburon	2022 – Present	Yes	Yes	Yes	452
City of Vernon	2023 – Present	Yes	Yes	Yes	1000
City of Visalia	2021 – Present	Yes	Yes	Yes	650
Imperial County Transportation Commission	2020 – Present	Yes	Yes	Yes	600
Nevada County Transportation Commission	2021 – Present	Compliance Services	N/A	N/A	450
San Diego Metropolitan Transit System	2005 – Present	Yes	Yes	Yes	1,850
Shasta Regional Transportation Agency	2015 – Present	Yes	N/A	N/A	400
Carmel Area Wastewater District	2022 – Present	Yes	Yes	N/A	150
CAWD/PBSCD Wastewater Reclamation Project	2022 – Present	Yes	N/A	N/A	150

Municipalities	Dates	Financial Audit	Single Audit	GFOA Certificate	Total Hours
Central Basin Water District	2018 – Present	Yes	Yes	N/A	400
Las Virgenes Municipal Water District	2014 – Present	Yes	N/A	N/A	400
Los Angeles County Law Library	2020 – Present	Yes	N/A	N/A	180
Marina Coast Water District	2012 – Present	Yes	N/A	Yes	240
Menlo Park Fire Protection District	2015 – Present	Yes	Yes	Yes	240
NALEO Educational Fund and NALEO	2020 – Present	Yes	N/A	N/A	300
Olivenhain Municipal Water District	2019 – Present	Yes	Yes	Yes	200
Padre Dam Municipal Water District	2020 – Present	Yes	Yes	Yes	250
Rancho Murieta Community Services District	2019 – Present	Accounting and Consulting Services			800
Rancho Santa Fe Fire Protection District	2015 – Present	Yes	N/A	N/A	120
San Bernardino County Preschool Services Department	2020 – Present	Yes	Yes	N/A	150
San Bernardino County Fire Protection District	2016 – Present	Yes	N/A	N/A	200
San Elijo Joint Powers Authority	2016 – Present	Yes	N/A	N/A	146
Santa Fe Irrigation District	2019 – Present	Yes	N/A	N/A	250
Sweetwater Authority	2022 – Present	Yes	Yes	Yes	270
South Bay Cities Council of Governments	2020 – Present	Yes	N/A	N/A	100
South Coast AQMD	2023 – Present	Yes	Yes	N/A	410
South Orange County Water Authority	2017 – Present	Yes	Yes	Yes	240
South Bay Regional Public Communications Authority	2015 – Present	Yes	N/A	N/A	100
Southwestern Community College District	2009 – Present	Yes	Yes	N/A	720
Valley Sanitary District	2015 – Present	Yes	N/A	Yes	140
West Valley Mosquito and Vector Control District	2016 – Present	Yes	N/A	N/A	100
Zone 7 Water Agency	2020 – Present	Yes	Yes	Yes	400

GFOA Award Program

The Pun Group LLP realizes the importance of maintaining the Certificate for Excellence in Financial Reporting from the GFOA. Our professionals are exceptionally well qualified to assist governments in obtaining and maintaining their certificates.

The Firm's commitment and involvement in the development of auditing and accounting standards can be shown in our active participation in the GFOA's financial statements certificate programs. 100% of our current clients who submitted their Annual Comprehensive Financial Report to the GFOA received these awards.

Also, two of our senior partners, Mr. Gary Caporicci and Mr. John F. Georger, are members of the Government Finance Officers Association and participate in the GFOA Special Review Committee.

Partner/Supervisory/Staff Qualifications and Experience

Who We Are

The engagement team was carefully selected to provide the Coalition with all the services needed to successfully complete the audit. Your assigned Engagement and Technical Partners will be personally involved in the project, leading a team that has significant experience in *governmental auditing*. You can be confident that our broad experience and technical capabilities will allow us to provide technical support, interpret findings, and offer practical solutions to any issues that may arise.

About Your Engagement Team

The personnel assigned to this engagement are fully qualified to perform an effective audit of the Coalition, and their extensive experience will be critical to the audit process. Our professionals are familiar with the complexities of governmental accounting, auditing, and financial reporting, including but not limited to all GASB pronouncements, the Single Audit Act, Uniform Guidance (formerly known as OMB Circular A-133), and fund operations. They have held positions as professional certified public accountants, as well as significant roles within and outside of government agencies. Such qualities will bring to an entity like the Southeast Water Coalition the thought leadership, quality, and level of experience it requires.

Because of the "familiarity threat" under the professional audit and independence standards that may exist in long-term relationships with audit firms, the Firm is committed and has sufficient resources to rotate engagement partners, managers, and or supervisors assigned to the Coalition's audit with personnel with similar or higher qualifications and experience in order to overcome this threat.

If the Firm changes key personnel, we will provide the Coalition with a written notification. **Engagement partners, managers, and specialists will only be changed with the express prior written permission from the Coalition.** Audit personnel may be replaced only by those with similar or better qualifications and experience.



Kenneth H. Pun, CPA, CGMA | Engagement/Lead Partner
Kenneth Pun is the Managing Partner and an Assurance Partner at the Firm. With over twenty-one years of public accounting experience in the state and local government sector, he specializes in audits, management, and consulting for governmental organizations. Mr. Pun served as the Contract Deputy Finance Director for the City of San Marino in 2017. He has served as the Chair of the California Society of CPAs Governmental Auditing Accounting Committee. He is a Certified Public Accountant and a Chartered Global Management Accountant.

Mr. Pun will oversee the engagement team, engagement planning, and performance, review for quality, and approve work papers and reports. He will be responsible for the timely delivery of all services to the Coalition.



Frances J. Kuo, CPA, CGMA | Technical/Concurring Partner
Frances Kuo is a Partner at the Firm. She has extensive experience in providing audit and advisory services to local government agencies, including public pension plans, cities, counties, special districts, community colleges, and joint powers authorities, as well as not-for-profit organizations. Ms. Kuo brings a wealth of experience from her background in audits and advisory services in areas such as internal controls, policy development, and accounting system implementation. She is a Certified Public Accountant and a Chartered Global Management Accountant.

Ms. Kuo will act as the Technical/Concurring Partner and provide a second partner review of significant high-risk areas, audit reports, and resolution of significant accounting, auditing, and reporting matters.



Andrew Roth, CPA | Compliance Partner
Andrew Roth is a Partner within the Firm and will serve as the primary point of contact for your team. He holds an Advanced Certification in Single Audits through the AICPA. Andrew draws more than a decade of governmental and not-for-profit experience in the areas of financial audit and reporting under governmental and financial accounting standards, evaluation of internal controls under the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Integrated Framework, the performance of Single Audits under the Uniform Guidance, subrecipient monitoring of Federal Grants, corporate financial reporting, data analytics, and exempt taxation. He is a Certified Public Accountant.

Mr. Roth will lead the audit team in all compliance-related matters, including the Uniform Guidance and Single Audit, and reports issued under specific laws and regulations.



John ("Jack") F. Georger, CPA, CIA, CGMA | Quality Control Reviewer
Throughout his forty years of experience, Mr. Georger has spent many years in the "Big 4" and national firms. He worked diligently alongside numerous governmental municipalities, including cities, counties, and transportation agencies, as well as not-for-profit entities, providing clients with financial and compliance auditing as well as consultation services. Mr. Georger annually instructs over 300 hours in accounting and auditing subjects and has authored training material in governmental accounting and auditing for the AICPA. Mr. Georger is also the technical reviewer of the CCH Knowledge-Based Audits™ of State and Local Governments with Single Audits, GAAP Guide (FASB), and Governmental GAAP Guide (GASB), the gold standard for audit firms throughout the United States. As the Chief Quality Officer in our Firm, he advises clients with their complex accounting questions and supports the engagement team with audit issues. He is a Certified Public Accountant, a Certified Internal Auditor, and a Chartered Global Management Accountant.

Mr. Georger is responsible for reviewing all reports issued by the Firm to ensure the utmost quality and compliance with professional standards and the final quality-control assessment within the engagement.



Gary M. Caporicci, CPA, CGFM, CFF | GASB Implementation Specialist
Gary Caporicci is an appointed member of the State Controller's Retirement Advisory Committee. Mr. Caporicci is a leading expert and has authored and taught several courses for CalCPA and AICPA on GASB 68, *Accounting and Financial Reporting for Pensions,* and GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.* As an assurance partner with over forty years of experience, Mr. Caporicci has performed financial, compliance audit, and consultation services to government clients, including cities, counties, transportation agencies, and school districts, as well as various not-for-profit entities. He is a Certified Public Accountant, a Certified Government Financial Manager, and Certified in Financial Forensics.

Mr. Caporicci will utilize his expertise in providing advice and consultation during the implementation of the new GASB standards.



Sophia Kuo, CPA, M.B.A. | Engagement/Project Director
Sophia Kuo is an Assurance Services Director in the Firm who holds an Advanced Certification in Single Audits through the AICPA. She possesses extensive auditing experience, including cities, counties, special districts, and not-for-profit entities. She will work closely with the engagement partners directing and supervising the audit team in its daily activities and tasks. She is a Certified Public Accountant and possesses a MAcc in Accounting and an M.B.A. in Business Administration.

Ms. Kuo will serve as the primary point of contact for your team and will work to ensure the services are conducted within the deadlines and will provide updates on our team's progress to the partners and you.

Continuing Education and Professional Development

Because of our commitment to providing the highest quality of services to the Coalition, we provide our professionals with technical training to ensure our people stay current on topics within the industry sectors and better equip themselves to serve our clients.

All professionals are required to obtain continuing education that exceeds the requirements of the American Institute of Certified Public Accountants (AICPA) and, where applicable, *Government Auditing Standards*. Our professionals participate in continuing education programs through the following means:

- Governmental Accounting and Auditing Conference sponsored by AICPA.
- Webinar sponsored by AICPA Government Audit Quality Center.
- Annual Conference sponsored by California Society Municipal Finance Officers.
- Governmental Accounting and Auditing Conference sponsored by CalCPA.
- The Pun Group in-house training on government-specific topics, including but not limited to: GASB updates, Government Auditing Standards Revision, Fraud in State and Local Governments, COSO Internal Control-Integrated Framework, Audit of State and Local Governments, Single Audit, and Mindbridge AI Auditors™.



In 2022, our government professionals received an average of 52 hours of continuing professional education, compared with the 40 hours of accounting industry requirement.

By expanding our knowledge through these seminars/conferences, we can provide the right solutions to our clients.

Staff Continuity

The Pun Group LLP is committed to maintaining staff continuity throughout audit engagements, and we can assure you that the partners assigned to this audit will be involved throughout the entire contract term.

While we cannot guarantee that our staff-level members will stay with the Firm, we encourage loyalty by paying competitive wages, offering opportunities for promotion, using state-of-the-art equipment, and providing excellent working conditions. Also, we offer benefits, including retirement plans, medical plans, profit-sharing programs, and continuing education.

Quality-Control System

Our Firm meticulously monitors the quality and contents of our reports. The Pun Group LLP is 100% committed to providing only the highest grade of work possible for our clients and for those who rely on our audits. The Firm strives to exceed professional industry standards because of the continuing respect for our clients and our emphasis on creating long-lasting relationships. The Pun Group LLP works exclusively with those who share the same moral integrity and values. Our quality-control system has been crafted with excellence in mind. It not only meets AICPA standards but also matches our own elevated standards, which include following various professional development activities.

Engagement Team Resumes

The Southeast Water Coalition deserves experienced professionals who work as a team. The Pun Group LLP will provide qualified professionals to perform the audit. No subcontractors will be utilized to perform the requested services. Resumes for key engagement team members are presented as follows:



Kenneth H. Pun

CPA, CGMA

Engagement/
Lead Partner

EMAIL
ken.pun@pungroup.cpa

WEBSITE
www.pungroup.cpa

Expertise:

- CITIES
- COUNTIES
- TRANSPORTATION AGENCIES
- ENTERPRISE OPERATIONS
- HIGHER EDUCATION
- NOT-FOR-PROFIT

Licensed to Practice in: California

EXPERIENCE

Kenneth H. Pun is the Managing Partner and an Assurance Partner at The Pun Group LLP, which he founded in 2012 after serving in senior-level positions for well-established national and regional firms. Under his leadership, The Pun Group has become one of the "*Top Accounting Firms*" in Orange County, according to the Orange County Business Journal. The Pun Group is also on the list of CalCPA's Top 150 firms.

Prior to founding The Pun Group, Ken served clients in a variety of industries, including small to very large state and local governmental agencies, insurance companies, not-for-profits, healthcare, technology, and manufacturing and distribution clients. His career in public accounting was spent primarily with Regional firms and National firms.

Leveraging more than 21 years of public accounting experience, Ken has earned a reputation of being a trusted advisor to governmental and Healthcare organizations throughout California and neighboring states. Municipalities and public agencies engage him because of his premier level of client service, commitment, and innovative methods of increasing operational efficiencies and reducing costs.

Ken maintains his deep commitment to professional education through his work as an instructor for the California Education Foundation. He has authored training materials in governmental accounting and auditing, such as Financial Reporting for State and Local Governments, 2018 Government Auditing Standards, and Single Audit Fundamentals for California Education Foundation. He is also the technical reviewer of the CCH Knowledge-Based Audits™ of State and Local Governments with Single Audits. He advises clients on those topics at influential industry forums. Internally, Ken mentors audit teams by providing direction and technical guidance to ensure adherence to the firm's quality controls.

EDUCATION

University of California, Riverside
B.S. Degree – Business Administration, Emphasis in Accounting

LEADERSHIP & AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)
- Past Chair, CalCPA Governmental Accounting and Auditing Committee
- Member, CalCPA California Committee on Municipal Accounting
- Member, CalCPA Governmental Accounting and Auditing Conference Planning Committee
- Member Government Finance Officers Association (GFOA)
- Member, California Society of Municipal Finance Officers (CSMFO)
- Member, CSMFO Professional Standards Committee
- Speaker, CSMFO Conference (2014 and 2018)
- Instructor, CalCPA Education Foundation
- Technical Reviewer, CCH Knowledge-Based Audits™ of State and Local Governments with Single Audits

RELEVANT EXPERIENCE

- Alameda County Water District
- El Toro Water District
- Marina Coast Water District
- Riverside County Flood Control and Water Conservation District
- Alameda County Water District
- Central Basin Municipal Water District
- Las Virgenes Municipal Water District
- Orange County Coastkeeper
- South Orange County Wastewater Authority
- Sativa Los Angeles County Water District
- Central Basin Municipal Water District

CONTINUING PROFESSIONAL EDUCATION

Various courses are offered by the Firm online through Thompson Reuters, AICPA, and CalCPA Education Foundation, including:

- Governmental and Nonprofit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates

Has met/exceeded the current CPE educational requirements to perform audits of governmental agencies.



Frances J. Kuo

CPA, CGMA

Technical/
Concurring Partner

EMAIL
frances.kuo@pungroup.cpa

WEBSITE
www.pungroup.cpa

Expertise:

- CITIES
- COUNTIES
- TRANSPORTATION AGENCIES
- ENTERPRISE OPERATIONS
- HIGHER EDUCATION
- NOT-FOR-PROFIT

Licensed to Practice in:
California
Arizona

EXPERIENCE

Frances Kuo is a Partner in The Pun Group, LLP's Assurance division. Frances has over sixteen (16) years of accounting and auditing experience working with governmental agencies, not-for-profit entities, and employee benefit plans. Frances also has particular expertise in conducting financial audits under GAO Yellow Book standards and compliance audits in accordance with Uniform Guidance, formerly known as OMB Circular A-133 standards.

Frances has performed audits and other attestation services for several municipalities throughout California, including cities, counties, successor agencies to former redevelopment agencies, public financing authorities, housing authorities, transportation agencies, and special districts. She has assisted these clients in publishing their Annual Comprehensive Financial Reports in compliance with GASB Statement No. 34.

Frances is the in-house instructor who provides training, both theoretical and on-the-job training, to lower-level staff. She has developed training materials on the risk-based audit approach, GASB Statement No. 34 reporting, Single Audits, and employee benefit plan audits.

EDUCATION

University of California, Riverside
B.S. Degree – Business Administration, Emphasis in Accounting

University of California, Riverside
B.A. Degree – Economics

LEADERSHIP & AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, California Society of Municipal Finance Officers (CSMFO)

RELEVANT EXPERIENCE

- City of Perris
- City of Desert Hot Springs
- City of Glendora
- City of Pomona
- City of Culver City
- City of Coachella
- City of Gardena
- City of Industry
- City of Lakewood
- City of Monterey

CONTINUING PROFESSIONAL EDUCATION

Various courses are offered by the Firm online through Thompson Reuters, AICPA, and CalCPA Education Foundation, including:

- Governmental and Nonprofit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates

Has met/exceeded the current CPE educational requirements to perform audits of governmental agencies.



Andrew Roth

CPA

Compliance Partner

EMAIL
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WEBSITE
www.pungroup.cpa

Expertise:

- CITIES
- COUNTIES
- TRANSPORTATION AGENCIES
- ENTERPRISE OPERATIONS
- HIGHER EDUCATION
- NOT-FOR-PROFIT

Licensed to Practice in:
California
Arizona

EXPERIENCE

Andrew Roth is a Partner within The Pun Group LLP. He has more than twelve (12) years of governmental and not-for-profit experience in the areas of financial audit and reporting under governmental and financial accounting standards, evaluation of internal controls under the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Integrated Framework, the performance of Single Audits under the Uniform Guidance, subrecipient monitoring of Federal Grants, corporate financial reporting, data analytics, and exempt taxation. His client portfolio consists of moderate to large municipalities (cities and counties), municipal transportation districts, water districts, municipal electric utilities, and not-for-profit organizations whose missions involve building communities. His governmental agency clients have federal grant expenditures that range from $100 million to $750 million annually.

In various engagements, Andrew has been responsible for leading the service delivery where he has actively contributed and managed the planning process, implementation of the audit work plan, supervision of multiple audit teams, and provided yearly team updates on the changes in compliance testing requirements for the Single Audits, and preparation of all deliverables including the Annual Comprehensive Financial Reports, the Single Audit, Compliance Reports, Data Collection Forms, and City Council/Board presentations. He has also been a guest speaker on topics involving Federal grants, such as updates to Yellow Book Standards, Compliance Auditing, and Updates to the Uniform Guidance Procurement Requirements.

EDUCATION

San Diego State University
B.A. Degree – Accounting

LEADERSHIP & AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT EXPERIENCE

- Las Virgenes Municipal Water District
- Olivenhain Municipal Water District
- Salinas Valley Basin Groundwater Sustainability Agency
- Menlo Park Fire Protection District
- Marina Coast Water District
- Sweetwater Authority
- San Dieguito Water District
- Carmel Area Wastewater District
- Padre Dam Municipal Water District

CONTINUING PROFESSIONAL EDUCATION

Various courses offered by the Firm online through Thompson Reuters, AICPA, and CalCPA Education Foundation, including:

- Governmental and Nonprofit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates

Has met/exceeded the current CPE educational requirements to perform audits of governmental agencies.



John F. Georger, Jr.

CPA, CIA, CGMA

Quality Control Reviewer

EMAIL
jack.georger@pungroup.cpa

WEBSITE
www.pungroup.cpa

Expertise:

- CITIES
- COUNTIES
- TRANSPORTATION AGENCIES
- ENTERPRISE OPERATIONS
- HIGHER EDUCATION
- NOT-FOR-PROFIT

Licensed to Practice in:
California
Arizona
Nevada

EXPERIENCE

Jack Georger is the Chief Quality Officer within The Pun Group LLP's Assurance division. By leveraging more than forty (40) years of public accounting and auditing experience in the government, agribusiness, financial services, manufacturing, and nonprofit sectors, Mr. Georger brings in-depth knowledge and practical expertise to each engagement.

Jack coordinates, plans, and manages financial audit activities, consulting activities, federal and state compliance audit activities, performance audits, and numerous quality control and internal control reviews for a broad mix of governmental agencies and programs throughout the United States.

Mr. Georger leads our Peer Review department providing peer review services to other firms under the practice monitoring program of the AICPA.

Mr. Georger is a continuing professional education course instructor for the AICPA. Annually, he instructs over 300 hours in accounting and auditing subjects. Jack has authored training material in governmental accounting and auditing for the AICPA. He is the technical reviewer of the CCH Knowledge-Based Audits™ of State and Local Governments with Single Audits, GAAP Guide (FASB), and Governmental GAAP Guide (GASB).

Mr. Georger is licensed to practice as a certified public accountant in the states of California, New York, Virginia, Maryland, the District of Columbia, Missouri (inactive), Connecticut (inactive), and Wyoming (inactive). He is a Certified Internal Auditor (CIA).

EDUCATION

George Mason University Fairfax, Virginia
B.S. Degree – Accounting

LEADERSHIP & AFFILIATIONS

- Member and Instructor, American Institute of Certified Public Accountants (AICPA)
- Member, Institute of Internal Auditors
- Member, California Society of Certified Public Accountants (CalCPA)
- Member, New York Society of Certified Public Accountants (NYSSCPA)
- Chairman, NYSSCPA Government Accounting and Auditing Committee
- Member, NYSSCPA Auditing Standards Committee
- Member, NYSSCPA Sustainability Committee
- Member, NYSSCPA Not-for-Profit Committee
- Nevada Society of Certified Public Accountants (NSCPA)
- Member, Government Finance Officers Association (GFOA) – Reviewer
- Member, Institute of Internal Auditors

CONTINUING PROFESSIONAL EDUCATION

He has instructed over 300 hours of municipal accounting courses offered by the AICPA.

Has met/exceeded the current CPE educational requirements to perform audits of governmental agencies.



Gary M. Caporicci

CPA, CGFM, CFF

GASB Implementation Specialist

EMAIL
gary.caporicci@pungroup.cpa

WEBSITE
www.pungroup.cpa

Expertise:

- CITIES
- COUNTIES
- TRANSPORTATION AGENCIES
- ENTERPRISE OPERATIONS
- HIGHER EDUCATION
- NOT-FOR-PROFIT

Licensed to Practice in: California

EXPERIENCE

Gary M. Caporicci has more than forty years of diversified business experience, including a specialization in audit and management consulting for government organizations. Gary's clients include public and private universities and colleges, city and county governments, state agencies, joint power authorities, healthcare agencies, transportation agencies, and special districts. Known for his expertise in the areas of construction and government, Gary wrote the AICPA audit guides on these topics, and he has authored many audit and accounting courses for professional groups, as well as academic institutions. He frequently speaks and lectures at many professional organizations, governmental seminars, and conferences held by industry associations, other accounting firms, and universities. Also, he authors white papers for the California Committee on Municipal Accounting.

Before working with the Firm, Gary founded his accounting practice. He also spent eleven years with a "Big Eight" professional services firm, where he was an Audit Manager and gained broad experience in a wide range of industries such as government, construction, manufacturing, mutual funds, and insurance. Gary has held a consultant position with a "Big Four" practice and was Vice President of a national insurance and financial services company.

In 2015 Gary Caporicci was appointed to the State Retirement Advisory Committee by the State Controller.

EDUCATION

Armstrong University
B.S. Degree – Accounting and Finance

LEADERSHIP & AFFILIATIONS

- Member and Instructor, American Institute of Certified Public Accountants (AICPA)
- Member, Author, and Instructor, California Society of Certified Public Accountants (CalCPA)
- Past Chair, CalCPA Governmental Accounting and Auditing Committee
- Chair and Speaker, CalCPA Governmental Accounting and Auditing State Conferences
- Member, CalCPA Council
- Chair, California Committee on Municipal Accounting (CCMA)
- Member, Government Finance Officers Association (GFOA)
- Member, California Society of Municipal Finance Officers (CSMFO)
- Member, Governmental Accounting Standards Board (GASB)
- Member, Deposit and Investment Risks Disclosure Task Force (GASB No. 40)
- National Reviewer and Speaker, Government Finance Officers Association
- Adjunct Professor, National University
- Past Member, Texas Governmental Accounting and Auditing Committee
- GFOA Certificate for Excellence in Financial Reporting – Reviewer

CONTINUING PROFESSIONAL EDUCATION

Author and instructor of various municipal accounting courses offered by the AICPA, CalCPA Education Foundation, and local universities, including:

- Governmental and Non-profit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates

Has met/exceeded the current CPE educational requirements to perform audits of governmental agencies.



Sophia Kuo

CPA, M.B.A.

Engagement/
Project Director

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WEBSITE
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Expertise:

- CITIES
- COUNTIES
- TRANSPORTATION AGENCIES
- ENTERPRISE OPERATIONS
- HIGHER EDUCATION
- NOT-FOR-PROFIT

Licensed to Practice in:
California

EXPERIENCE

Sophia Kuo is a Director within The Pun Group, LLP's Assurance division. In her seven years of accounting and auditing experience, Sophia has worked with governmental agencies, not-for-profit entities, and private for-profit entities. She possesses governmental expertise that ranges from GASB audit/reporting, Internal Controls/COSO Framework, Single Audit, Corporate Financial Reporting, Data Analysis, and Taxation.

Ms. Kuo has performed audits and other attestation services for several governmental agencies throughout California. Her portfolio includes cities, counties, redevelopment agencies, public financing authorities, housing authorities, transportation agencies, and special districts. Also, she has helped them publish their Annual Comprehensive Financial Reports in compliance with GASB Statement No. 34.

EDUCATION

Fu Jen Catholic University
B.A. Degree – International Trading and Finance, Emphasis in Finance

Idaho State University
Master of Accounting (MAcc)
Master of Business Administration (M.B.A.)

LEADERSHIP & AFFILIATIONS

- Member, American Institute of Certified Public Accountants (AICPA)
- Member, California Society of Certified Public Accountants (CalCPA)

RELEVANT EXPERIENCE

- Las Virgenes Municipal Water District
- Central Basin Water District
- City of Desert Hot Springs
- City of Coachella
- City of Perris
- South Orange County Wastewater Authority
- Marina Coast Water District
- Valley Sanitary District
- City of Monterey Park
- City of Pomona

CONTINUING PROFESSIONAL EDUCATION

Various courses are offered by the Firm online through Thompson Reuters, AICPA, and CalCPA Education Foundation, including:

- Governmental and Non-profit Annual Update
- Government Auditing Standards
- GASB Basic Financial Statements for State and Local Governments
- Single Audits: Uniform Guidance (formerly OMB Circular A-133)
- Financial Accounting Standards Board Annual Updates
- Statement on Standards for Accounting and Review Services Updates

Has met/exceeded the current CPE educational requirements to perform audits of governmental agencies.

Similar Engagements with Other Government Entities

References

The following are examples of some of the engagements performed in the last five years. These clients can be used as references as well. Please feel free to contact these agencies to learn more about their experiences working with us.

Name of Public Agency	**Alameda County Water District**
Contact Info	Ms. Mariana Grajeda, CPA (510) 668-4258 | mariana.grajeda@acwd.com
Total Hours:	Approximately 550 hours
Contract Price	$60,800/year
Date of Services	2019 - Present
Scope of Work/Reports Prepared	Financial Audit and Compliance Services: Annual Comprehensive Financial Report Audit, GFOA Award, Debt Issues/Bond Covenants, SCO Report.

Name of Public Agency	**Zone 7 Water Agency**
Contact Info	Osborn Solitei, Treasurer/Assistant General Manager, Finance (925) 447-6704 | osolitei@zone7water.com
Total Hours:	Approximately 400 hours
Contract Price	$30,500/year
Date of Services	2020 - Present
Scope of Work/Reports Prepared	Financial Audit and Compliance Services: Annual Comprehensive Financial Report Audit, GFOA Award, Single Audit, OPEB Liability, SCO Report, Livermore Valley Water Financing Authority SCP, Debt Issues/Bond Covenants.
Engagement Partner	Kenneth Pun

Name of Public Agency	**Central Basin Municipal Water District**
Contact Info	Peggy Williams, Accounting Manager (323) 201-5513 | peggyw@centralbasin.org
Total Hours:	Approximately 300 hours
Contract Price	$30,000/year
Date of Services	2018 - Present
Scope of Work/Reports Prepared	Basic financial statements audit, SCO Report.
Engagement Partner	Kenneth Pun

Name of Public Agency	**South Orange County Wastewater Authority**
Contact Info	Mary Carey, Finance Controller (949) 234-5440 | mcarey@socwa.com
Total Hours:	Approximately 300 hours
Contract Price	$30,000/year
Date of Services	2017 – Present
Scope of Work/Reports Prepared	Financial Audit, including the preparation of the Annual Comprehensive Financial Report Audit.
Engagement Partner	Kenneth Pun, Frances Kuo

Name of Public Agency	**Olivenhain Municipal Water District**
Contact Info	Ms. Rainy Selamat, Finance Manager (760) 753-6466 | RSelamat@olivenhain.com
Total Hours	200
Contract Price	$25,500/year
Date of Services	2018 – Present
Scope of Work/Reports Prepared	Financial Statements Audit.
Engagement Partners	Kenneth Pun, Coley Delaney

Specific Audit Approach

Scope of Work, Audit Approach, and Methodology

The Southeast Water Coalition is requesting the Firm to perform Audit Services and issue opinions on the Coalition's financial statements. The audits are to be completed in accordance with all applicable and generally accepted auditing standards, including, but not limited to, the following:

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA).
- US General Accounting Office's (GAO) Standard for Audit of Governmental Organizations, Programs, Activities, and Functions.
- Local Governments and Governmental Accounting Standards Board (GASB) Pronouncements.
- The standards applicable to financial audits contained in the most current version of the Generally Accepted *Government Auditing Standards* (Yellow Book), issued by the Comptroller General of the United States.
- The provisions of the Single Audit Act as amended in 1996.
- The provisions of the US Office of Management and Budget (OMB) Uniform Guidance (formerly known as Circular A-133), Audits of State and Local Governments and Non-profit Organizations, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The Firm will perform the following services:

- ✓ Financial Statement Audits and issuance of an opinion statement on the **Basic Financial Statements** of the Southeast Water Coalition. The audit will be conducted in accordance with Generally Accepted *Government Auditing Standards*. The report will be in full compliance with all current GASB pronouncements.
    - This report will set forth the scope of the examination, together with an opinion regarding the financial statements taken as a whole.
    - This report will include the basic financial statements: Government-wide and Fund Financial Statements, the Required Supplementary Information, and Statistical information.
    - The report will include such explanatory footnotes as considered necessary to disclose all material items.

    In addition, the Firm will assist in meeting the requirements for the Government Finance Officers Association (GFOA) "**Certificate of Achievement for Excellence in Financial Reporting**."
- ✓ Prepare and submit the **State Controller's Report** for the Southeast Water Coalition in accordance with the time frames set by the State Controller's Office.
- ✓ Issue an **Auditor's Communication Letter** with any reportable conditions found during the audit. A reportable condition will be defined as a material weakness or significant deficiency.

Provided By Client (PBC) Lists: They will be provided for both interim and final audits according to an agreed-upon timeline between the engagement team and the Coalition in order to be reasonably prepared for a field audit. The engagement team will meet with the Coalition's management during the initial planning stage to discuss audit schedules and review the prior year's audit findings (if any). We will deliver a list of all documents to be provided by the Coalition's staff. Once such materials are agreed-upon by the engagement team and Coalition's finance personnel, no other schedules will be requested unless new information comes to light in the course of test work.

Attendance at Meetings and Hearings: The engagement team will participate in as many meetings with staff as needed to perform the work scope tasks, present the audit plan prior to beginning fieldwork, and discuss the draft audit reports. The team will attend public meetings to present and discuss its findings and recommendations. Once all issues of discussion are resolved, the completed Financial Reports, Single Audit report (if applicable), and other reports will be delivered to the Coalition according to the agreed-upon schedule.

Proposed Audit Adjustments: All proposed adjusting journal entries by the Firm will be discussed and explained in a timely manner with the designated Coalition personnel. Such proposed adjustments will be in a format that shows the lowest level of posting detail needed for data entry in the general ledger systems.

Supplemental Reports, Audits, or Agreed-Upon Procedures: Other services, such as agreed-upon procedures, may be deemed necessary. These services will be performed at agreed-upon rates and will be added to a written agreement before commencing audit work. The Firm and the Southeast Water Coalition will discuss and approve the scope and associated costs of these tasks.

Advice and Consultation: Will be provided throughout the year on matters relating to accounting and financial reporting. Such services do not include any task that entails significant research or a formal report.

GASB Implementation: The Firm will provide technical assistance and training in the implementation of applicable GASB pronouncements not yet in effect. We have a dedicated partner, Mr. Gary Caporicci, who will be responsible for providing advice and consultation for the implementation of these new standards. The Firm will advise the Coalition on the applicability of accounting and reporting standards and other accounting issues and provide guidance on new note disclosures, GASB implementations, and other reporting requirements. We will also provide training, resources, and information on topics relevant to the Coalition's financial reporting and operations. (*Based on the scope, additional charges may apply.)*

Report of all Irregularities and Illegal Acts: The Firm will make an immediate written report of all irregularities and illegal acts or indications of illegal actions of which we may become aware to the Board President and General Manager. The engagement team will also make all communications to the Coalition required by the audit standards under which the engagement is performed.

Working Paper Retention and Access to Working Papers: The Firm will retain, at its own expense, all working papers and reports for a minimum of five (5) years unless the Southeast Water Coalition notifies the Firm in writing of the need to extend the retention period. The Firm will make working papers available upon request to the Coalition and/or its designees:

Also, we will comply with reasonable requests from successor auditors and allow them to review working papers that relate to matters of continuing accounting significance.

Methodology and Segmentation of Engagement

The Firm's audit approach consists of six phases: Engagement Acceptance and General Planning, Planning and Internal Control Evaluation, Fieldwork, Post Fieldwork, Report Preparation and Review, and Final Production.



1. **Engagement Acceptance and General Planning:** The engagement partner and manager will meet with Coalition's management to obtain an update on current Coalition policies and procedures, help identify risk areas and new operations, and establish any specific requirements they may have. Our team will work on the identification of unique transactions, implementation of new GASB pronouncements, and develop the audit work plan for the engagement.
2. **Planning and Internal Control Evaluation:** The engagement team, including the engagement partner, will assess accounting policies adopted by the Coalition in order to obtain an understanding of its structure and its operating environment. Also, our team will review internal controls on all significant transaction classes, perform walkthroughs and/or tests of internal controls, perform preliminary analytical procedures, develop an initial risk assessment, evaluate Single Audit compliance, identify any audit issues, and prepare confirmation correspondence. The engagement team and Coalition's Management will establish expectations, including responsibilities and assignments for the year-end fieldwork, and will hold a progress status meeting at the end of the interim phase.
3. **Fieldwork:** The engagement team, including the engagement partner, will conduct audit procedures on account balances in the general ledger, finish confirmation procedures, perform data analysis using our AI tools, search for unrecorded liabilities, perform substantial analytical review procedures, complete work on compliance with Federal Assistance, and conclude fieldwork. The engagement team and Coalition's Management will hold an exit conference at year-end. Periodic update meetings will be held to communicate audit progress to management.
4. **Post Fieldwork:** During the phase, the engagement team, including the engagement partner, will review all documents and evaluate commitments and contingencies. The team will perform an assessment of the going concern and jointly plan for the next steps.
5. **Report Preparation and Review:** The Firm will review and prepare audit reports and perform quality control procedures following the Quality Control Standards issued by the AICPA. We will also examine reports for compliance with GFOA reporting guidelines at no additional cost. Any comments will be recorded in a letter to management. At the Coalition's request, the engagement partner and manager will present the audit to Coalition's Management and other governing bodies.
6. **Final Production:** The final phase of our approach entails obtaining the management representation letter and final financial statement report, which may include a final presentation to the Coalition's Management and other governing bodies (if applicable).

The Firm will complete the audit fieldwork and issue all reports within the established timeframe, assuming no internal circumstances within the Coalition causes delays in the audit.

Level of Staff and Number of Hours to be Assigned to Each Segment of the Engagement

The Pun Group LLP understands that the Coalition is not only looking to employ our auditing services but is also seeking to receive value within that professional relationship. We believe that our value derives from the in-depth knowledge, experience, and commitment that our auditing firm employs. We stress and emphasize "employ" because all of the knowledge and expertise listed on paper will not benefit you unless it is applied. That is why we have developed a plan that we feel will accomplish the objectives of the Coalition and your particular needs. Our Firm will utilize the information that you have shared with us and our experience from our previous audits of this nature from various government entities and cities to develop a practical plan for all major areas.

Estimated Total Hours*:

	Partner(s)	Director/ Manager(s)	Supervisor/ Senior(s)	Staff	Clerical	Total
Engagement Acceptance & General Planning	0	0	0	1	0	2
Planning & Internal Control Evaluation	0	0	1	1	0	3
Fieldwork	1	1	3	7	2	14
Post Fieldwork	0	1	2	5	2	10
Report Preparation & Review	1	1	3	7	2	14
Final Production	0	0	1	2	1	5
Total*	**2**	**4**	**10**	**24**	**8**	**48**

**Does not include CPE hours related to Governmental Webinars and/or optional services.*

Sample Size and the Extent to Which Statistical Sampling is to be Used in this Engagement

In our audit approach, random and statistical sampling is used in conjunction with our skilled judgment and knowledge of each situation. When designing an audit sample, our auditors consider the purpose of the audit procedure and the characteristics of the population from which the sample will be drawn. We determine a sample size sufficient to reduce sampling risk to an acceptably low level and select items for such a task in a way that we can reasonably expect it to be representative of the relevant sample and likely to provide the auditor with a reasonable basis for conclusions about the population.

Enhancing Auditing Quality with Artificial Intelligence

There are plenty of challenges with established audit practices. Outdated CAAT tools, sampling practices, and the explosive growth of big data are some of the examples, and they all present significant barriers to detecting anomalies, intentional or otherwise, in financial data. The Pun Group deploys a comprehensive, risk-based approach, complemented by using MindBridge™'s Artificial Intelligence Platform, to conduct our audit. Through this tool, we can seamlessly analyze thousands and thousands of financial and operating data and records, **identifying and cataloging significant risks in mere seconds**.

The *AI Auditor* platform works by our side, augmenting our capacity to detect errors or fraud in the collected data not only by analyzing the entire set but by cross-correlating dozens of testing criteria against pre-established data points and presenting us with a view of every user, vendor, and transaction, by risk. All are happening within moments of ingesting analyzed data, which is something standard audit procedures simply cannot accomplish.

We utilize these tools to allow our audit team to increase efficiency in the audit process, enhance the existing quality of our work, provide directed testing in areas subject to the highest risk, and quickly assimilate large amounts of data your staff would typically be asked to gather. The tools also help us to meet our professional requirements regarding fraud and internal control, allowing us to:

- ✓ Run Benford's analysis to check for fraud in transactions.
- ✓ Increase the value of audit findings with complete, 100% data coverage.
- ✓ Isolate risk and control issues before they impact your operations.
- ✓ Improve productivity by automating procedures and eliminating manual tasks.
- ✓ Conduct more direct, efficient, and effective audits to improve overall service quality.

Our engagement team easily imports data in a secure environment from the Coalition's financial software and extracts useful data for testing and analytical procedures particular to the following areas:

- Successful Fraud Test
- Questionable Invoices
- Phantom Vendor Schemes
- Kickback or Conflict-of-Interest Schemes
- Dormant Account Schemes
- Money Laundering Schemes

Type and Extent of Analytical Procedures to be used in the Engagement

Analytical procedures are one of many financial audit processes that help an auditor understand the client's operation and changes in the environment and identify potential risk areas to plan other audit procedures. Such procedures include a comparison of financial information on prior periods, budgets, forecasts, and industry benchmarks. We use trend and ratio analysis to identify any uncertain or unusual events. To perform these analyses, our Firm surveys cities and counties and develops benchmarks on specific vital financial indicators, such as the cost of services to tax revenues ratios, average general fund balance, capital assets, debt-to-capital, and general fund unassigned fund balance to total general fund expenditures, etc. Our engagement members have extensive experience in successfully implanting analytical procedures to the Coalition's benefit.

Our analytical procedures process is performed during three stages of the audit: (a) at the start, (b) in the middle, and (c) at the end. These three stages are risk assessment procedures, substantive analytical procedures, and final analytical procedures:

- **Risk assessment procedures** are used to assist the auditor in understanding the business better and in planning the nature, timing, and extent of audit procedures.

- **Substantive analytical procedures** are used to obtain evidential matters about particular assertions related to the account balances or classes of transactions. During the interim phase, our engagement team will set up expectations for the year-to-date results and balances and compare them with budgeted and prior-year amounts. This process allows us to forecast year-end amounts, reducing the workload during the year-end phase and allowing us to focus on areas of concern.

- **Final analytical procedures** are used as an overall review of the financial information in the last review stage of the audit. The Engagement Partner(s) and Manager(s) will perform a high-level analytical analysis of the financial information, comparing its data both quantitatively and qualitatively to ensure the amounts are fairly presented in all material respect in the financial statements.

Approach to be Taken to Gain and Document an Understanding of the Internal Control Structure

Audit risk assessment is established by an internal control review, combined with the engagement team's understanding of the Coalition's operations and accounting software. Using the Committee of Sponsoring Organizations (COSO) Framework, staff members will evaluate the Coalition's processes and identify any control deficiencies. These diagnostic review procedures allow the engagement team to assess the Coalition's systems and controls and to provide constructive feedback to management.

During our initial planning phase of the audit, our engagement team, including the engagement Partner and Manager, will obtain an understanding of the entity and its environment. It is an essential aspect of performing an audit under generally accepted auditing standards. That understanding establishes a frame of reference within which the auditor plans the procedures and exercises professional judgment about assessing risks of material misstatement of the financial statements and responding to those risks throughout the examination.

During the interim phase of the audit, our engagement team will perform a walkthrough of all significant accounting systems, including processes for financial reporting, revenue recognition and cash receipts, purchasing/contract management and cash disbursements, payroll and related liabilities, and others. Our auditors will obtain the written policies and procedures, inquiring accounting personnel, and document the process in either a flowchart or narrative summary format. After gaining an understanding of the accounting and internal control systems, our auditor will make a preliminary assessment of control risk, at the assertion level, for each material account balance or class of transactions.

The form and extent of this documentation are influenced by the size and complexity of the entity and the nature of its accounting and internal control systems. Generally, the more complex the entity's accounting and internal control systems and the more extensive the auditor's procedures, the broader our documentation will need to be.

Approach to be Taken in Determining Laws and Regulations that Will be Subject to Audit Test Work

The Firm stays continually up to date with audit requirements—including new regulations, compliance supplements, state guidelines, and related contracts—to ensure that we conduct audits under applicable laws and regulations. We test transactions for compliance with the Single Audit Act, California Government Code, provisions of applicable grant guidelines, requirements of local measures, and others.

For example, the Single Audit Act requires that we determine which grants to include in our audit and select transactions from those grants for detailed testing. While most items will be tested as part of the Interim phase, we cannot determine which grants will be selected for the Single Audit until the year-end/fieldwork stage of the audit.

Our compliance audits of cash, investments, debt covenants, and other areas will be performed following the California Government Code, which has many provisions and regulations covering investments.

Approach to be Taken in Drawing Audit Samples for Purposes of Tests of Compliance

To test compliance, we will follow the AICPA's Audit Sampling Considerations of Uniform Guidance Compliance Audits. We will select an appropriate sample size based on our professional judgment and knowledge. Any deviations from control and compliance requirements will be documented.

Audit Firm's Expectations of the Role and Participation of Coalition's Staff in the Audit Process

The engagement team will meet with the Coalition's management during the initial planning stage to discuss audit schedules and review the prior year's audit findings (if any). We will deliver a list of all documents to be provided by the Coalition's staff. Once such materials are agreed-upon by the engagement team and Coalition's finance personnel, no other schedules will be requested unless new information comes to light in the course of the test work.

Our goal is to cause the least amount of interruptions to the Coalition's daily operations; therefore, to the extent possible, we will use information in the form available from the Coalition's records.

We believe client/engagement team communication is vital to perform results satisfactorily. With that sentiment in mind, we will hold regular meetings with the Coalition's management to determine the status of the audit as well as any items which will require special attention. **Open and frequent communication is critical.**

Objectives of Our Services

Our primary objective for the proposed audit is to examine the Coalition's financial statements and express our opinion on the fairness of the presentation, following generally accepted accounting principles. Other objectives that will benefit the Coalition include the following:

- To offer beneficial observations and recommendations about policies and procedures for accounting and operating controls
- To identify opportunities to make Coalition operations more efficient and reduce costs
- To perform the audit efficiently and effectively. Disruptions to office operations are kept to a minimum
- To provide continuing advisory services so the Coalition can implement recommendations
- To meet these objectives at no additional cost to the Coalition

The Engagement Team will perform the audit abiding by the Firm's quality-control procedures, which include following standard audit programs, careful planning, using industry-standardized software for auditing and internal control documentation, and welcoming an objective review of audit work. In other words, our client-tailored approach emphasizes careful planning, open communication, and proper assignment of responsibilities.

The Firm will supply portable computers to the on-site staff members.

Identification of Anticipated Potential Audit Problems

While we do not expect any problems with the audit, we will carefully investigate and monitor the following relevant accounting issues:

Investments:

- Compliance with GASB 31 and GASB 34
- Authorization and approval process for Coalition investments
- Controls to assure the Coalition's compliance with investment limitations and types of specific investments
- Monitoring by the Coalition of its investments

Financial Reporting:

- Compliance with current reporting and disclosure requirements issued by GASB
- Compliance with the various GASBs in effect
- Perform valuations of OPEB benefits to determine the liability for all benefits promised to active, retired, and inactive plan members as of each valuation date
- Compliance with Governmental Accounting Standards Board (GASB) Statements 74 and 75
- Compliance with infrastructure obligations and regulatory provisions

Internal Control Structure:

- Coalition's internal control functions and compliance with proper internal control philosophies
- Computer-system processes and controls and adequacy of the control environment

Bidding Proposal

We are committed to the performance of a high-quality audit at the most reasonable fee level possible, both initially and throughout the engagement. Also, our partners will provide advice and consultation as needed at no additional cost to the Southeast Water Coalition.

Name of Firm: The Pun Group LLP – Certified Public Accountants and Business Advisors
Contact Name: Kenneth H. Pun, CPA, CGMA
Contact Email Address: ken.pun@pungroup.cpa

Authorization to Represent the Firm

I, the undersigned, certify I am duly authorized to represent The Pun Group LLP and am empowered to submit this bid. In addition, I certify I am authorized to contract with the Southeast Water Coalition on behalf of the Firm.



July 10, 2023

Kenneth H. Pun, CPA, CGMA | Managing Partner
The Pun Group LLP

Date

Total All-Inclusive Maximum Price

Our proposed fees for Audit Services for the fiscal year ending June 30, 2023, are as follows:

Work to be performed:	2022-23
Audit of Coalition Financial Statements and Related Reports	$ 6,000
State Controller's Report	500
Total All-Inclusive Maximum Price:	**$ 6,500**

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Rates for Additional Professional Services

Below are the Firm's hourly billing rates, delineated by staffing levels:

Hourly Billing Rates		
Partner(s)	$	300
Director(s)	$	250
Senior Manager(s)	$	225
Manager(s)	$	200
Supervisor(s)	$	175
Senior Accountant(s)	$	150
Staff Accountant(s)	$	125
Clerical	$	100

Any supplemental reports, audits, or agreed-upon procedures not covered by this proposal may be added to a written agreement prior to commencing audit work. The Firm and the Coalition will discuss and approve the scope and associated costs of these tasks. Any additional work will be performed at the above-quoted hourly rates.

Out of Pocket Expenses are Included in the Total All-Inclusive Maximum Price and Reimbursement Rates

The Firm's policy is to maintain flexible billing rates to meet the needs of clients and help them control costs. In the interest of starting our long-term relationship, we will absorb expenses such as travel and printing costs. Additionally, our Partners will be available to provide advice and consultation as necessary to the Southeast Water Coalition. The Firm will also absorb these costs.

Manner of Payment

Engagement Team members are required to maintain timesheets detailing the date, number of hours, and work performed for every audit task. The Firm will collect these timesheets and bill the Southeast Water Coalition at the rates outlined in the Total All-Inclusive Maximum Price section in four stages: (1) at the conclusion of the planning phase, (2) at the conclusion of the interim phase, (3) at the conclusion of the Year-End phase, (4) and after presentation and acceptance of the final audit reports. Interim billings will cover a period not less than a calendar month. The billing amounts generally break down as follows:

Work Performed	% of Proposal Amount
Planning	10%
Interim	40%
Fieldwork	40%
Presentation and Acceptance of Reports	10%

Let's Get to Work!

Benefits of Choosing The Pun Group LLP

The Pun Group LLP is recognized for its professionalism, integrity and for providing clients with practical solutions unique to their circumstances and issues. Our Firm prides itself on being able to provide personalized client services, and with that sentiment in mind, we have carefully chosen our engagement teams. The Pun Group's primary objective is to offer the Southeast Water Coalition solutions and directions led by highly experienced and capable partners who can successfully implement the work and produce the results you expect. This philosophy and mindset allow us to provide a superior level of service and a quality audit.

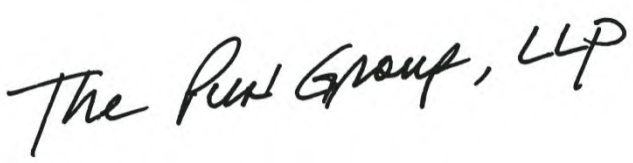
We trust that this proposal has given you the information needed about the Firm, the engagement team members, the overall audit approach, cost-saving measures, and audit fees. We are committed to exceeding your expectations, and we look forward to bringing our experience and expertise to the Southeast Water Coalition while providing you with the excellent level of service that you expect and deserve.

Thank You

Thank you for allowing us to submit our qualifications to provide you with Audit Services. Please direct inquiries to:

Kenneth H. Pun, CPA, CGMA
Managing Partner
Email: ken.pun@pungroup.cpa
Phone: (949) 777-8801 | Fax: (949) 777-8850

Sincerely,



The Pun Group LLP
Certified Public Accountants and Business Advisors

Appendix A – Available Training

Strengthen Your Accounting Knowledge: TPG Client Training Webinars

We pride ourselves in leading the governmental auditing profession nationwide and statewide. Members of our team have been assigned to the AICPA and State Government Accounting and Audit committees. Our membership with these two levels of government keeps us current, and such involvement helps our Firm with the constant changes in accounting and auditing standards, laws and regulations, and compliance provisions, which have created an unprecedented complexity in public accounting for state and local governments.

Every year, the Firm hosts a conference to update governmental clients on new technical accounting and financial issues. Since last year, by implementing "Webinars," we've been expanding our horizons and offering our clients 15 hours of Continuing Professional Education (CPE). These sessions are **free of charge** and part of the service package provided to our clients.

CPE courses we offer:



Appendix B – Certificate of Insurance

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 2/28/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME: Sarah Caballero
Burnham WGB Insurance Solutions CA Insurance License 0F69771 15901 Red Hill Avenue Tustin CA 92780	PHONE (A/C, No, Ext): 714-824-8300 FAX (A/C, No): 714-573-1770 E-MAIL ADDRESS: Sarah.Caballero@wgblb.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Great Divide Insurance Company	25224
INSURER B : Valley Forge Insurance Company	20508
INSURER C : Transportation Insurance Company	20494
INSURER D : Continental Casualty Company	20443
INSURER E :	
INSURER F :	

INSURED: The Pun Group, LLP
200 East Sandpointe Avenue, Suite 600
Santa Ana CA 92707
PUN&M-1

COVERAGES **CERTIFICATE NUMBER:** 1774524882 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
B	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR X $0 deductible GEN'L AGGREGATE LIMIT APPLIES PER: X POLICY PRO-JECT LOC OTHER:	Y		7013134445	3/1/2023	3/1/2024	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 2,000,000 $ 1,000,000 $ 10,000 $ 2,000,000 $ 4,000,000 $ 4,000,000 $
C	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY SCHEDULED AUTOS X HIRED AUTOS ONLY X NON-OWNED AUTOS ONLY			7013117645	3/1/2023	3/1/2024	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $ $
D	UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 10,000			7013136468	3/1/2023	3/1/2024	EACH OCCURRENCE AGGREGATE	$ 1,000,000 $ $
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		WC713136289	3/1/2023	3/1/2024	X PER STATUTE OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	No Deductible $ 1,000,000 $ 1,000,000 $ 1,000,000
A	E&O Retro 12/29/11			CAB20235903	3/1/2023	3/1/2024	3,000,000 agg	1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Great Divide Insurance Company AM Best Rating A+ XV

Certificate holder(s) is/are named as additional insured per attached endorsements subject to the terms & conditions of the policy:
General Liability Additional Insured & Waiver of Subrogation # SB146932G
General Liability Primary & Contributory #CNA80103XX
Umbrella Policy follows form for General Liability, Auto Liability and Employers Liability
Auto Primary and Non-Contributory & Waiver of Subrogation #CA00011013
Auto Designated Insured #IL 02 70 07 20
See Attached...

CERTIFICATE HOLDER

PROOF OF INSURANCE

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

DB, III

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Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: August 3, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, Chair, City of Vernon

Subject: PFAS SETTLEMENTS

Recommendation: That the Administrative Entity take the following action:

Update on the recent proposed settlements announced by PFAS manufacturers and industrial users.

Discussion
On June 2, 2023, The Chemours Company, DuPont de Nemours, Inc. and Corteva, Inc. announced they have reached an agreement in principle to comprehensively resolve all PFAS related drinking water claims of a defined class of public water systems that serve the vast majority of the United States population.

The class includes water systems with a current detection of PFAS at any level and those that are currently required to monitor for the presence of PFAS under EPA monitoring rules or other applicable laws. This includes but is not limited to systems in the South Carolina aqueous film-forming foam multi-district litigation ("AFFF MDL").

The companies will collectively establish and contribute a total of $1.185 billion to a settlement fund ("water district settlement fund").

On June 22, 2023, 3M announced that it had also reached an agreement to settle lawsuits that claimed that toxic "forever chemicals", polyfluoroalkyl and perfluoroalkyl substances (PFAS), had contaminated water supplies in the United States. The company said it would pay up to $10.3 billion over 13 years to fund public water suppliers in the US that have detected these chemicals in drinking water.

The settlement comes after 3M faced thousands of lawsuits for the last two decades over its manufacturing of products containing PFAS. Last year, 3M said it would stop producing the controversial chemicals by the end of 2025.

3M said its multi-billion-dollar settlement is not an admission of liability. If the settlement agreement is not approved by a court, the company said it would be prepared to continue defending itself against litigation.

Attachment(s):

1. Chemours press release, June 2, 2023
2. CNN article, June 22, 2023 - *3M agrees to pay $10.3 billion to settle 'forever chemicals' drinking water lawsuits*

View all Press Releases >

Chemours, DuPont, and Corteva Reach Comprehensive PFAS Settlement with U.S. Water Systems

June 02, 2023

WILMINGTON, Del.--(BUSINESS WIRE)-- The Chemours Company (NYSE: CC), DuPont de Nemours, Inc. (NYSE: DD) and Corteva, Inc. (NYSE: CTVA) (the “companies”) today announced they have reached an agreement in principle to comprehensively resolve all PFAS-related drinking water claims of a defined class of public water systems that serve the vast majority of the United States population.

The class includes water systems with a current detection of PFAS[1] at any level and those that are currently required to monitor for the presence of PFAS under EPA monitoring rules[2] or other applicable laws. This includes but is not limited to systems in the South Carolina aqueous film-forming foam multi-district litigation (“AFFF MDL”).

The companies will collectively establish and contribute a total of $1.185 billion to a settlement fund (“water district settlement fund”). Contribution rates will be consistent with the binding Memorandum of Understanding between the companies reached in January 2021, with Chemours contributing 50 percent (about $592 million), and DuPont (about $400 million) and Corteva (about $193 million) collectively contributing the remaining 50 percent. The settlement amounts will be funded by the companies in full and deposited into the water district settlement fund within ten business days following preliminary approval of the settlement by the Court.

Upon finalization of a definitive agreement, expected within the second quarter of 2023, the settlement will be subject to approval by the United States District Court for the District of South Carolina. As part of the approval process, the Court will establish a timetable for notice to class members, hearings on approval, and for class members to opt out of the settlement. The companies will have the right to terminate the settlement if opt-outs exceed specified levels.

The following systems are excluded from the settlement class: water systems owned and operated by a State or the United States government; small systems that have not detected the presence of PFAS and are not currently required to monitor for it under federal or state requirements; and water systems in the lower Cape Fear River Basin of North Carolina (which are included only if they so request).

If a settlement cannot be finalized and approved and plaintiffs elect to pursue their claims in court, the companies will continue to assert their strong legal defenses in pending litigation. The companies deny the allegations in the underlying litigation and reserve all legal and factual defenses against such claims if they were litigated to conclusion.

Additional information in the form of a question and answer addendum is located on the respective investors section of Chemours', DuPont's and Corteva's websites.

About The Chemours Company

The Chemours Company (NYSE: CC) is a global leader in Titanium Technologies, Thermal & Specialized Solutions, and Advanced Performance Materials providing its customers with solutions in a wide range of industries with market-defining products, application expertise and chemistry-based innovations. We deliver customized solutions with a wide range of industrial and specialty chemicals products for markets, including coatings, plastics, refrigeration and air conditioning, transportation, semiconductor and consumer electronics, general industrial, and oil and gas. The company has approximately 6,600 employees and 29 manufacturing sites serving approximately 2,900 customers in approximately 120 countries. Chemours is headquartered in Wilmington, Delaware and is listed on the NYSE under the symbol CC.

For more information, we invite you to visit investors.chemours.com or follow us on Twitter @Chemours or LinkedIn.

About DuPont

DuPont (NYSE: DD) is a global innovation leader with technology-based materials and solutions that help transform industries and everyday life. Our employees apply diverse science and expertise to help customers advance their best ideas and deliver essential innovations in key markets including electronics, transportation, construction, water, healthcare and worker safety. More information about the company, its businesses and solutions can be found at www.dupont.com. Investors can access information included on the Investor Relations section of the website at investors.dupont.com.

DuPont™, the DuPont Oval Logo, and all trademarks and service marks denoted with ™, SM or ® are owned by affiliates of DuPont de Nemours, Inc. unless otherwise noted.

About Corteva

Corteva, Inc. (NYSE: CTVA) is a publicly traded, global pure-play agriculture company that combines industry-leading innovation, high-touch customer engagement and operational execution to profitably deliver solutions for the world's most pressing agriculture challenges. Corteva generates advantaged market preference through its unique distribution strategy, together with its balanced and globally diverse mix of seed, crop protection, and digital products and services. With some of the most recognized brands in agriculture and a technology pipeline well positioned to drive growth, the company is committed to maximizing productivity for farmers, while working with stakeholders throughout the food system as it fulfills its promise to enrich the lives of those who produce and those who consume, ensuring progress for generations to come. More information can be found at www.corteva.com**.**

Follow Corteva on Facebook, Instagram, LinkedIn, Twitter, and YouTube.

Forward-Looking Statements

This communication contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are based on certain assumptions and expectations of future events that may not be accurate or realized and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "estimate", "target," similar expressions, and variations or negatives of these words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain, such as statements about the settlement with plaintiff water utilities concerning PFAS liabilities. Factors that could cause or contribute to these differences include, but are not limited to: the achievement, terms and conditions of a final settlement; the outcome of any pending or future litigation related to PFAS or PFOA, including personal injury claims and natural resource damages claims; the extent and cost of ongoing remediation obligations and potential future remediation obligations; changes in laws and regulations applicable to PFAS chemicals; the level of opt-out exclusions from the settlement. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Further lists and descriptions of risks and uncertainties can be found in each of Chemours', DuPont's and Corteva's respective annual report on Form 10-K for the year ended December 31, 2022, and each of Chemours', DuPont's and Corteva's respective subsequent reports on Form 10-Q, Form 10-K and Form 8-K, the contents of which are not incorporated by reference into, nor do they form part of, this announcement. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on each of Chemours', DuPont's or Corteva's respective consolidated financial condition, results of operations, credit rating or liquidity. None of Chemours, DuPont or Corteva assumes any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

[1] PFAS, as defined in this settlement, includes PFOA and HFPO-DA among a broad range of fluorinated organic substances.

[2] The class is composed of all Public Water Systems, as defined in 42 U.S.C § 300f, with a current detection of PFAS or that are currently required to monitor for PFAS under the EPA's Fifth Unregulated Contaminant Monitoring Rule ("UCMR 5") or other applicable federal or state law. Approximately 88 percent of the U.S. is served by systems required to test under UCMR 5.

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Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

SOUTHEAST WATER COALITION
JOINT POWERS AUTHORITY
AGENDA REPORT

Date: August 3, 2023
To: Southeast Water Coalition Board of Directors
From: Joanna Moreno, Chair, City of Vernon

Subject: **PROPOSED REDUCTION IN FUNDING FOR THE DRINKING WATER STATE REVOLVING FUND BY THE US CONGRESS**

Recommendation: That the Board take the following action:

Send a letter to US Congress members representing SEWC member cities asking them to oppose the Congress' proposed cuts to the State Drinking Water Revolving Fund as part of a larger overall reduction in funding for the Environmental Protection Agency.

Discussion
On July 19, 2023, the U.S. House Appropriations Committee approved a spending bill for Fiscal Year 2024 that would dramatically reduce the U.S. Environmental Protection Agency's (EPA) budget, including drastic cuts to important programs that fund water infrastructure.

The FY24 Interior, Environment, and Related Agencies Appropriations bill includes a 35% overall reduction in funding for EPA, along with a 59% cut to the Drinking Water State Revolving Fund (DWSRF). The DWSRF would receive $460 million next year under the House bill, more than $2.5 billion below the amount authorized by Congress and $670 million below last year's funding level of $1.13 billion. The Clean Water State Revolving Fund (CWSRF) would see a cut of 67% from last year's funding levels, from $1.64 billion in FY23 to $535 million in FY24.

These cuts are not likely to pass muster in the Senate, where appropriators are drawing up their own spending bills for FY24. The Senate Appropriations Committee is likely to propose funding levels more in line with last year for both EPA and the DWSRF. Once both chambers have passed their respective bills, representatives from each will meet in a conference committee to negotiate a compromise, which both the House and Senate must then pass.

SEWC member agencies depend on funds made available through the State Drinking

Water Revolving Fund program and the Clean Water State Revolving Fund project to help pay for local water infrastructure programs.

The SEWC Board should consider sending a letter to the local Congressional representatives for its member cities asking them to oppose the proposed cuts to these programs and encouraging them to maintain funding for both the DWSRF and the CWSRF at least equal to their current levels.

Attachment(s):

1. Letter opposing the reduction in funding for the DWSRF and CWSRF programs.

Southeast Water Coalition
A joint powers authority to protect the Central Groundwater Basin

August [XX], 2023

The Honorable [XX]
U.S. House of Representatives
Washington, DC 20515

Dear Representative [XX]:

The Southeast Water Coalition (SEWC) is a joint powers authority comprised of eleven cities in southeast Los Angeles County: Commerce, Cerritos, Downey, Lakewood, Norwalk, Paramount, Pico Rivera, Santa Fe Springs, South Gate, Vernon, and Whittier. SEWC's Board of Directors is comprised of one council member from each of these eleven cities. Our member cities are purveyors of water service to businesses and residents within their communities, and they collectively serve a population of 670,000 in a service area of over 93 square miles. SEWC provides leadership and collaborates to ensure a safe, reliable, and affordable water supply within the Central Basin.

On behalf of SEWC, I write to express concern regarding dramatic cuts to the Drinking Water State Revolving Fund (DWSRF) included in the House Appropriations Committee's FY24 Interior, Environment, and Related Agencies spending bill.

The Appropriations Committee's bill would reduce the DWSRF by nearly 60 percent at a time when communities across the country are working to replace aging infrastructure, comply with new regulatory requirements, and provide affordable service to their customers. If the DWSRF receives just $460 million, many communities, including communities within our coalition, will struggle to finance high priority water infrastructure projects now and in the future.

EPA has estimated that the nation's drinking water systems will require nearly $500 billion of investments over the next 20 years, just to maintain current levels of service. This cost may continue to increase as water systems work to comply with new regulatory mandates related to PFAS, lead and copper, and other contaminants. While the Infrastructure Investment and Jobs Act (IIJA) provided an important down payment for many drinking water initiatives, the DWSRF is the backbone of water infrastructure finance and plays a critical role in ensuring continued investment.

Congress recognized the importance of the DWSRF when it authorized $3 billion for FY24 in the IIJA. I strongly support full funding for the program at this level to ensure that our water system and those in every community across the country have the resources necessary to continue providing clean drinking water.

Thank you for your consideration and attention to this important issue.

Sincerely,

Melissa Ybarra
Board of Directors Chair, SEWC

cc: SEWC Board of Directors
SEWC Administrative Entity