Blumberg No. 519
RESPONDENT
EXHIBIT
K

Filed OAH
By: cdiaz Date:03/03/14 10:32

R. Zachary Wasserman (Bar No. 54764)
Anagha Dandekar Clifford (Bar No. 233806)
WENDEL, ROSEN, BLACK & DEAN LLP
1111 Broadway, 24th Floor
Oakland, California 94607-4036
Telephone: (510) 834-6600
Fax: (510) 834-1928
Email: zwasserman@wendel.com
Email: adclifford@wendel.com

Attorneys for Respondents
CHRISTINE MONSEN and
ALAMEDA COUNTY TRANSPORTATION
IMPROVEMENT AUTHORITY

BOARD OF ADMINISTRATION

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

In the Matter of the Statement of Issues Against: CHRISTINE MONSEN, Respondent, and ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY, Respondent.	Case No. 2012-0289 OAH No. 2014010471 RESPONDENTS' CHRISTINE MONSEN AND ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY'S REPLY TO CALPERS STATEMENT OF ISSUES Hearing: March 5, 2014 Hearing Time: 9:30 a.m. Location: San Jose Prehearing Conf.: None Scheduled Settlement Conf.: None Scheduled

Respondents Christine Monsen and Alameda County Transportation Improvement Authority (ACTIA or Agency) hereby respond to Petitioner's Statement of Issues. More specifically Respondents address and reiterate the rationale for inclusion of Ms. Monsen's deferred compensation in the calculation of her final compensation, the subject at issue in the instant appeal. Respondent ACTIA notes that as a result of a 2010 merger between itself and Alameda County Transportation Authority, the consolidated agency exists today as Alameda County Transportation Commission (ACTC).

Wendel, Rosen, Black & Dean LLP
1111 Broadway, 24th Floor
Oakland, California 94607-4036

During each year of employment as Executive Director, Ms. Monsen negotiated her compensation agreement with the ACTIA Board of Directors ("Board") based on a combination of factors considered and discussed between Ms. Monsen and the Board. Prior to October 2007, for several years, ACTIA made contributions to Ms. Monsen's 457 Plan. After October 2007, ACTIA paid Ms. Monsen an additional $20,500 as salary and she directed the deduction in her salary to her 457 Plan as deferred compensation. At this time, there was a shift in the deferred compensation payment for Ms. Monsen. In July 2007, during the annual compensation negotiations, the Board, in closed session, considered a salary increase for Ms. Monsen. It was noted that she was in the lower half of the salary spectrum for similarly situated public officials, (see attached exhibit 1, 2), and a majority of the Board felt she needed a substantial salary increase. The compensation subcommittee recommended approval of Ms. Monsen's request which included a 6% adjustment increase and inclusion of her maximum 457 contribution, or $20,500 at that time, in her salary. See attached, Exhibit 3. Because Ms. Monsen recognized that a substantial increase in total cost to the Agency might have political ramifications, she suggested that the contributions to her 457 being made by the Agency should be added to her salary and she could choose to make her own deferred compensation deduction to her 457 Plan. This also provided her with additional flexibility with her compensation to elect to keep the amount as taxed compensation, if needed. This question was in fact raised during the July 2007 closed session Board meeting, that what if Ms. Monsen chooses against deducting the amount towards her deferred compensation. The response provided and accepted was that this was Ms. Monsen's choice. The Board ultimately determined that a 3% adjustment plus the maximum allowable 457 contribution, or $20,500 at that time, increase in Ms. Monsen's salary was the acceptable amount and was commensurate with Ms. Monsen's performance vis-à-vis her peers.

In addition, we note that in 2007, Ms. Monsen was nowhere near retirement. She believed her career trajectory was upward and continued that way until a merger occurred between the transportation agencies in 2010, expediting her retirement. In fact, she requested to remain as Executive Director of the consolidated agency after the merger. Accordingly, the increase in her base salary in an amount equal to what had been contributed by the Agency to her 457 account

Wendel, Rosen, Black & Dean LLP
1111 Broadway, 24th Floor
Oakland, California 94607-4036

auto allowance that is not included in her salary but her deferred compensation contribution is included. The same is reflected in 2008 with a salary of $8,766.29 (or $205,900.53 annually), with the deferred compensation contribution included. *See* Balinton Decl., Exs. C, D. The excel spreadsheet chart, directly downloaded by Ms. Balinton from the CalPERS website also reflects Ms. Monsen's payrate as $8552.46 per pay period as of October 15, 2007, increasing to $8,828.79 as of December 31, 2010. The chart also includes the sizeable compensation increases she received in the past (for example 8/15/05, 7/15/06). *Id.* at Ex. E.

As stated, the ACTIA Board voted to increase Ms. Monsen's payrate in 2007. The rationale to increase her payrate was, in part, to bring her into a more comparable position vis-à-vis her peers and her performance. Ms. Monsen was given a 3% adjustment and an increase of $20,500 on July 26, 2007. Ms. Monsen simultaneously requested the $20,500 to be deducted in full into her deferred compensation account. The intent of the ACTIA Board was to increase her salary by the 3% plus the $20,500 to bring her into the upper tier of comparable compensation. In the previous documents sent with the appeal, the Memorandum from Lei Lam, Senior Accountant at ACTIA, to Anees Azad regarding Ms. Monsen's salary adjustments and the October 10, 2007 Memorandum from Jeanine DeBacker, attorney for ACTIA, demonstrate that the $20,500.08 increased annual deferred compensation was allocated, by choice, by Ms. Monsen to her deferred compensation plan.

Ms. Monsen had no intention of retiring in 2007 and as noted, retired three years later due to the circumstance of the merger between the two transportation agencies. This is not an example of any intent to cloak her deferred compensation as salary in order to spike her retirement payrate.

Importantly, the payrate (including the deferred compensation amount) was accepted by CalPERS when Ms. Monsen chose to purchase additional retirement service credits in August 2010, when she was contemplating her retirement; and that amount was used to calculate how much Ms. Monsen paid for the additional service credits. *See* attached exhibit 4. It was also the payrate utilized for calculation by CalPERS for close to her first year of retirement. The subsequent determination by CalPERS that the deferred compensation should not be included in Ms. Monsen's payrate due to a perception that it was not deducted by her, but rather paid by the

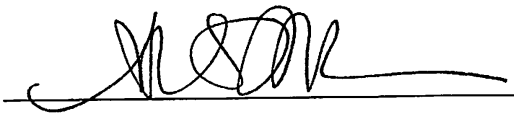
Wendel, Rosen, Black & Dean LLP
1111 Broadway, 24th Floor
Oakland, California 94607-4036

agency on her behalf is not substantiated by any evidence. In fact the evidence demonstrates that Ms. Monsen had complete control over her salary and she chose to deduct the maximum amount into her 457 Plan. Her election and deduction of the $20,500 to her deferred compensation plan means that the $20,500 should be included as "payrate" in calculating her retirement benefits.

We respectfully request that Ms. Monsen's deferred compensation between October 2007 and 2010 be included as "payrate" in calculating her compensable earnings for her retirement benefits.

DATED: March 3, 2014

WENDEL, ROSEN, BLACK & DEAN LLP

By: 

R. Zachary Wasserman
Anagha Dandekar Clifford
Attorneys for Respondents CHRISTINE MONSEN and ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY

Wendel, Rosen, Black & Dean LLP
1111 Broadway, 24th Floor
Oakland, California 94607-4036

CLOSED SESSION MATERIAL
BOARD MEETING: 7/26/2007

MEMORANDUM

1333 Broadway
Suite 300
Oakland, CA 94612

Telephone:
510/893-3347

Facsimile:
510/893-6489

Webpage:
www.ACTIA2022.com

Henry Chang, Jr., Chair
Vice Mayor, City of Oakland

Alice Lai-Bitker, Vice-Chair
Supervisor, District 3

Keith Carson
Supervisor, District 5

Nora Davis
Mayor, City of Emeryville

Mark Green
Mayor, City of Union City

Scott Haggerty
Supervisor, District 1

Marshall Kamena
Mayor, City of Livermore

Janet Lockhart
Mayor, City of Dublin

Nate Miley
Supervisor, District 4

Anthony Santos
Mayor, City of San Leandro

Gail Steele
Supervisor, District 2

Christine Monsen
Executive Director

TO: Board Members
FROM: Chair Chang, Vice Chair Lai-Bitker, and ALF Chair Lockhart
Christine Monsen, Executive Director CM
DATE: July 19, 2007

SUBJECT: ***Executive Director Performance and Salary***

The purpose of this memorandum is to provide the Board Members with information to use in evaluating the performance of the Executive Director for fiscal year 2006/2007.

Subcommittee Review

The Review Committee, comprised of Chair Chang, Vice Chair Lai-Bitker, and ALF Chair Lockhart, met with the Executive Director and requested additional information about how the salary comparisons were developed by Koff & Associates. A summary of and excerpt from a past report from Koff is included with this memo in Appendix A. They also requested information about the budgets and direct reports for the comparators, which is also included in Appendix A.

Report from Subcommittee

At the ALF meeting Chair Chang reported that the Review Committee met with the Executive Director, requested additional information, and then concluded that they are happy with her performance, and that most of her goals were accomplished. They recommended approval of the Executive Director's request, which includes a 6% salary adjustment.

ALF Recommendation

The Administration/Legislation/Finance Committee questioned how Koff and Associates developed the salary comparisons, how this related to the CPI, and what the adjustments were for the comps in the survey conducted by Koff & Associates.

The Committee recommended approval of the Executive Director's request, with one abstention, with a request for information about the salary adjustments for the comparable positions.

Report from Executive Director

Following is the Executive Director's summary of the major highlights for last fiscal year, as well as upcoming challenges. Attached are a summary of the goal achievement for fiscal year 2006/2007 and goals for next fiscal year, for the Committee's consideration.

Each month I provide the Board with an update on my goals, as well as progress on programs and projects in the Executive Director's Report, so included in this memo is a summary of the major accomplishments. I want to first acknowledge that many of these achievements are not mine alone. The team of staff and consultants at ACTIA are some of the most qualified in the business.

There are always things to be proud of, and this last year had many accomplishments.

- We gained approval of the second amendment to the 1986 Expenditure Plan.
- All of the recipients of funds were in compliance, and on time.
- Our audits once again were completed on time, with no issues.
- We relocated our offices, with Anees and Linda leading this effort.
- We are implementing the procurement policy that opens up our administrative contracts to competition.
- We had a major outreach effort to businesses, to hear from them on our LBE/SLBE program changes. While not many commented formally on our proposal, we did get out into the community, and established new relationships, which hopefully will result in a broader spectrum of consultants working on our contracts.
- Together with EBIA, we implemented a uniform application, a major step towards unifying the many preference programs used throughout the county
- The Board adopted the first Pedestrian Plan for Alameda County, opening opportunities for additional grant funds for pedestrian projects. This plan resulted in an award from the Northern California Division of APA, and it has also been submitted for a statewide APA award.
- We hired three new staff members, and our clerk retired.
- Lei, our Senior Accountant, stepped up to help Tess streamline the grant programs, which should save time for the recipients.
- The projects continue to move forward under Art's able leadership.
- Of special note is that construction on I-238 began, and we will be implementing a truck barrier and trees on I-238 at the San Lorenzo High School, in response to concerns about safety and removal of the trees for construction of the project.
- We are working closely with Hayward and Caltrans to address the Consent Decree related to the Hayward Bypass, so that we can develop, with CMA as the lead, the LATIP to secure $250-$300 million for central county state highway improvements.
- I-880/Mission construction is proceeding quickly, and the new westbound to southbound connector is open.

There are still some challenges facing ACTA and ACTIA in the coming year; I have highlighted a few below:

- By far the biggest financial risks and project management challenges this year will be dealing with projects in construction, so staff are monitoring these projects closely.
- We will be working with Sponsors who received extensions to achieve full funding and environmental review. To this end, we attended a meeting between BART and the Port to help resolve issues between the staffs and Boards, in hopes that we can all move forward with the Oakland Airport Connector.
- To keep funding flowing to Alameda County, we will step up our efforts to influence the federal reauthorization efforts, to increase flexibility in funding and adequate funds for non-motorized transportation. In May we had a great round of meetings in DC, which should set the stage for additional discussions, and possible testimony on these issues.
- Updating the Local Business/Small Local Business Enterprise program will be an effort in the early part of the fiscal year. Staff is working with our consultants to update our program, which is a substantial undertaking, to incorporate the policy changes adopted by the Board. There are additional substantive issues for the Board to discuss in September.
- Last year I had hoped to restructure the Citizen's Advisory Committee. In June staff

presented a proposal to hold quarterly Town Hall meetings with the public. While the committee members liked the town hall recommendation, they continue to want to meet eight times a year. This takes a great deal of staff effort, and the town hall format will utilize even more resources, which staff thought would be offset by fewer meetings.

- In June the Board expressed concerns about the Citizens Watchdog Committee. The Ad-hoc committee process has worked well to allow for additional discussion about specific concerns of a few members, often resolving the issue without action by the full committee. Staff will work on this further, as well as to streamline preparation of the CWC Annual Report.
- Last of all, I would like to bring in additional consultant support for executive coaching and supervisory and sensitivity training. We have a very diverse staff and a host of consultants, and it is important that all of the actions of staff be sensitive to the cultural differences this diversity brings.

Please do not hesitate to contact me if you have any questions regarding this information, or if you would like to discuss my performance in any way.

Contract Recommendation

I am requesting a 6% salary increase effective July 1, 2007, based on the review conducted by Koff and Associates of the various comparable positions. I would also like to have the contribution towards my 457 reflected as total compensation for PERS; under my current contract, this contribution increases to $20,500, since I turned 50 this year, and IRS allows a catch up contribution of $5,000. I recommend that all other aspects of my contract remain unchanged.

Executive Director's Performance Evaluation
FY 2006/2007 Goal Achievement

July, 2007
Page 1 of 2

Administrative/Finance/Human Resources		
Finalize Affirmative Action Policy/Procedure Changes	Ongoing/September 2007	Major outreach process completed; still need to adopt policy and implement guidelines
Implement EBIA program for reciprocity, move towards common application/database	Completed	Reciprocity has significant challenges; implemented uniform application
Update Program Manual, including all polices and procedures	Ongoing	
Implement procurement policy, including green components	Completed except Green	Still need to include green components
Develop strategy for rotating Requests for Proposals	Completed	
Assure clean audits	Completed	
Monitor investments to assure optimal returns, through Investment Advisors	Completed	
Hold Compliance Workshop for recipients	Completed	
Determine financial compliance for pass-through funds	Completed	All recipients in compliance
Fill three positions	Completed	It took three times to fill the last position
Implement salaries to retain staff	Completed	
Office move	*Completed*	*Audio/visual still in progress*
Clerk retirement	*Completed*	*Significant coordination with PERS required*
Reported MBE/WBE participation on contracts	*Completed*	*Requested by the Oakland Black Caucus*
Legislation		
Develop the 2007 Legislative Program for the Authorities	Completed	
Meet with Alameda County Legislators, both State and Federal, to support ACTA/ACTIA's Legislative Program	Completed	Very successful outreach to federal delegation; working closely with State delegation on implementing legislation for the Bonds
Support efforts to protect/expand transportation funding	Completed	
Work with ACCMA, Port, Caltrans, and MTC on guidelines for Infrastructure Bonds	Completed	
Outreach		
Review Community Committees, to see if changes are needed	Ongoing	Proposal to re-orient the CAC towards Town Hall meetings in FY 2007/2008
Participate with Chambers of Commerce, EDAB, and Community Forums	Completed	
Prepare and distribute the Annual Report by April 2007	Completed late	
Produce newsletters and project fact sheets/information flyers on active projects	Completed; some late	
Report on implementation of projects and programs to the Board of Supervisors and City Councils	Completed	
Meet with Community Groups, as needed	Completed	
LBE/SLBE Outreach	*Completed*	*Major outreach effort managed by Tess*

Executive Director's Performance Evaluation
FY 2006/2007 Goal Achievement

Programs		
Monitor use of pass-through funds	Completed	
Evaluate compliance with contract requirements	Completed	
Streamline the grant programs	Completed	
Transition the Lifeline Transportation program to the CMA	Completed	
Complete the first countywide Pedestrian Plan for Alameda County	Completed	
Implement ongoing training for Community Committee Leadership and Members	Completed	
Develop Education/Visioning for Community Committees	Completed	
Projects		
Secure approval of second amendment to the 1986 Expenditure Plan	Completed	
Monitor Central County Freeway Study	Ongoing	
Develop strategy for using funds from sale of excess State Rights of Way in the 238 corridor	Completed	Plan for LATIP approval by CTC next Spring
Implement remaining and new ACTA projects	Ongoing	
Implement selected ACTIA projects, serving as the Sponsor	Ongoing	
Assist Sponsors with implementation of their projects	Ongoing	
Work with all Sponsors to achieve full funding and environmental clearance by 1 April 2007	Completed/Ongoing	Board approved extensions for some projects
Closely monitor funding impacts on Measure B projects	Completed/Ongoing	
Closely monitor construction costs to reduce change orders	Completed/Ongoing	
Audit and closeout completed ACTA and ACTIA projects	Completed/Ongoing	
Participate in Regional and Statewide forums regarding project delivery	Completed/Ongoing	
Work with Caltrans to implement reasonable oversight policies	Ongoing	
Continue ongoing coordination between the budgeting and the strategic planning processes	Completed/Ongoing	

Administrative/Finance/Human Resources
- Assure clean audits for both ACTA and ACTIA
- Finalize/Implement Affirmative Action Policy/Procedure Changes
- Continue to update the Program Manual, including all polices and procedures
- Modify procurement policy, to include green components
- Monitor investments to assure optimal returns, through Investment Advisors
- Hold Compliance Workshop for recipients
- Determine financial compliance for pass-through funds
- Implement training for staff – supervision/sensitivity/coaching
- Implement competitive salary and benefit program to retain staff

Legislation
- Develop the 2008 Legislative Program for the Authorities
- Participate in the Federal Reauthorization efforts to increase flexible funding
- Work with State Legislature to implement State Local Partnership program that is advantageous to Alameda County/ACTA/ACTIA
- Meet with Alameda County State and Federal Delegations
- Support efforts to protect/expand transportation funding

Community Relations/Outreach/Public Information
- CAC: Re-orient Committee towards quarterly Town Hall meetings
- PAPCO: GAP call for projects; partner with CBOs for Senior mobility
- BPAC: Develop five-year plan; implement walking campaign
- CWC: Streamline development of annual report
- Continue ongoing training for Community Committee Leadership and Members
- Prepare and distribute the Annual Report by April 2007
- Produce newsletters and project fact sheets/information flyers on active projects
- Develop materials that demonstrate need for more flexible funding for transit, paratransit, non-motorized transportation alternatives
- Participate with Chambers of Commerce, EDAB, and Community Forums
- Report on implementation of projects and programs to Cities/Board of Supervisors
- Meet with Community Groups

Programs
- Monitor use of pass-through funds
- Evaluate compliance with contract requirements
- Streamline the grant process for programmatic grants

Projects
- Complete ACTA Projects
  - I-880/Mission Blvd. Interchange Construction – monitor construction/Phase 2 design
  - Mission/Foothill Jackson corridor – community consensus
  - I-880/Mission East West Connector - prepare draft environmental document/LATIP
  - Central County Freeway Study/LATIP – CTC adoption
- Implement selected ACTIA projects, serving as the Sponsor
  - I-238 Widening Construction – monitor construction
  - Broadway/Jackson Improvements – develop consensus
  - I-580/Redwood Road Interchange – begin construction
  - Route 84 Expressway – obtain environmental clearance
- Assist Sponsors with implementation of their projects
  - WSX – Full funding plan
  - OAC – Negotiate BART/Port agreement
  - Dumbarton – Determine implementation plan
- Work with Sponsors who received extensions to achieve full funding and environmental clearance by 1 April 2007
- Closely monitor construction costs to reduce change orders
- Audit and closeout completed ACTA and ACTIA projects
- Continue ongoing coordination between the budgeting and the strategic planning processes

Alameda County Transportation Improvement Authority
Top Monthly Salary Data
July 2007

EXECUTIVE DIRECTOR

Rank	Comparator Agency	Class Title	Top Monthly Salary	Top Annual Salary	Salary Effective Date	% Change 2007
1	Riverside County Transportation Commission	Executive Director	*$17,916*	*$214,997*	*7/13/07**	*8%*
2	BART	Deputy General Manager	$17,076	$204,910		*8%*
3	Metropolitan Transportation Commission	Deputy Director	$16,584	$199,008	1/9/07	7%
4	Alameda County Public Works Department	Director of Public Works	$16,487	$197,850	12/31/06	7%
5	San Francisco County Transportation Authority	Executive Director	*$16,253*	*$195,035*	*6/20/07*	5%
6	Port of Oakland	Deputy Executive Director	$15,914	$190,968		3%
7	Contra Costa Transportation Authority	Executive Director	*$15,368*	*$184,416*	*6/20/07*	3%
8	Santa Clara Valley Transportation Authority	Chief Const Officer / Chief Development Officer [1]	$15,337	$184,044	6/6/05	0%
9	**Alameda County Transportation Improvement Authority**	**Executive Director**	**$14,948**	**$179,378**	**7/1/06**	
10	San Bernardino Associated Governments	Executive Director	$14,583	$175,000	1/4/06	6%
11	Transportation Authority of Marin	Executive Director	$14,460	$173,520	Varies	New
12	Alameda County Congestion Management Agency	Executive Director	$14,421	$173,055	2/22/07	5%
	City of Oakland Public Works Department	N/C				
	Orange County Transportation Authority	N/C				
		Average of Comparators	**$15,855**	**$190,255**		
		% ACTIA Above/Below	**-6.1%**	**-6.1%**		
		Median of Comparators	**$15,914**	**$190,968**		
		% ACTIA Above/Below	**-6.5%**	**-6.5%**		

NOTE: All calculations exclude Alameda County Transportation Improvement Authority

Note: Salary numbers may vary slightly due to cell formulas & rounding.

N/C - Non Comparator

1 ACTIA's class is bracketed by two or more comparators and the average salary of all comparators was entered into the top monthly salary field.

** Includes merit adjustment of $7,000.*

Items in italics have been updated to reflect recent actions

Alameda County Transportation Improvement Authority
Total Monthly Compensation Data
July 2007

EXECUTIVE DIRECTOR

Rank	Comparator Agency	Class Title	Total Monthly Comp	Total Annual Comp	Salary Effective Date
1	*Riverside County Transportation Commission*	*Executive Director*	*$25,019*	*$300,228*	*7/13/07**
2	BART	Deputy General Manager	$23,028	$276,336	
3	Alameda County Public Works Department	Director of Public Works	$22,972	$275,664	12/31/06
4	Metropolitan Transportation Commission	Deputy Director	$22,672	$272,064	1/9/07
5	Port of Oakland	Deputy Executive Director	$22,510	$270,120	
6	*Contra Costa Transportation Authority*	*Executive Director*	*$21,988*	*$263,856*	*7/20/07*
7	*San Francisco County Transportation Authority*	*Executive Director*	*$21,778*	*$261,336*	*6/20/07*
8	**Alameda County Transportation Improvement Authority**	**Executive Director**	**$21,701**	**$260,411**	**7/1/06**
9	Alameda County Congestion Management Agency	Executive Director	$21,439	$257,268	2/22/07
10	Santa Clara Valley Transportation Authority	Chief Const Officer / Chief Development Officer [1]	$21,221	$254,652	6/6/05
11	San Bernardino Associated Governments	Executive Director	$20,441	$245,292	1/4/06
12	Transportation Authority of Marin	Executive Director	$19,334	$232,008	Varies
	City of Oakland Public Works Department	N/C		N/C	
	Orange County Transportation Authority	N/C		N/C	
		Average of Comparators	**$22,037**	**$264,439**	
		% ACTIA Above/Below	**-1.5%**	**-1.5%**	
		Median of Comparators	**$21,988**	**$263,856**	
		% ACTIA Above/Below	**-1.3%**	**-1.3%**	

NOTE: All calculations exclude Alameda County Transportation Improvement Authority

Note: Salary numbers may vary slightly due to cell formulas & rounding.

N/C - Non Comparator

1 ACTIA's class is bracketed by two or more comparators and the average salary of all comparators was entered into the top monthly salary field.

* Includes a $7,000 merit payment.

Items in *italics* have been updated.

Appendix A

With respect to how Koff & Associates (K&A) develops the comparative salary and total compensation evaluations, following is a summary. This is explained in more detail in the excerpt of a report from Koff & Associates prepared in 2006.

ACTIA is a very unique agency, and so K&A strives to identify, or benchmark comparator agencies, as well as classifications for use in evaluating an appropriate salary for the Executive Director, and ranges for other staff positions.

A pool of agencies have been used as comparators for a number of years. Using the same agencies ensures consistency with the data collected and analyzed each year. However, K&A reviews the validity of these organizations, based on organizational structure, similarity of population, Authority staff and operational and capital improvement budgets, scope of services provided, the competitive labor pool, and compensation philosophy. All of these are explained in more detail in the attached except from the K&A report.

The second part of K&A's analysis is to look at each specific position, and to identify matching positions. They do not only rely on job titles, but they analyze each description before confirming it as a valid comparator. They include the comparator if it has a 70% match, or use an average of more than one position, if they "bound" the ACTIA position. For my review K&A used two positions at the Santa Clara VTA to compare to my position, since they felt that one position was broader, and one was smaller than my position, but combined they were a fit.

The Subcommittee requested a summary of the budgets and direct reports for the comparable positions. Following is a table I compiled from webpages and phone calls. In some cases, the number of direct reports are from the organizational charts on the webpage, I do not have the number of direct reports for a few of the comparator positions.

Agency	Revenues	Expenditures	Fiscal Year	Direct Reports
ACCMA	$61,655	$61,097	2007/8	3
ACPWA	$231,691	$231,691	2006/7	5
ACTA/ACTIA	$140,585	$181,124	2007/8	3
BART **	$570,511	$573,187	2005/6	
CCTA	$90,139	$59,322	2005/6	4
MTC **	$164,645	$164,645	2005/6	
Port **	$308,431	$262,973	2006/7	3
RCTC	$253,113	$575,539	2006/7	3
SanBAG	$325,458	$392,326	2006/7	7
SFCTA	$177,532	$182,699	2006/7	4
TAM	$31,844	$1,705	2006/7	5
VTA	$86,582	$86,745	2005/6	

** Agency budget is reflected; comps oversee a portion of this budget

KOFF & ASSOCIATES, INC.
Solving the Human Resources Puzzle Since 1984

DRAFT

FINAL REPORT

TOTAL COMPENSATION STUDY
FOR THE
ALAMEDA COUNTY TRANSPORTATION (IMPROVEMENT) AUTHORITY

BACKGROUND

In November 2005, the Alameda County Transportation (Improvement) Authority (ACTIA) contracted with Koff & Associates, Inc. to conduct their annual total compensation study for all Authority staff. All compensation findings and options for implementation are documented in this report.

Koff & Associates has been conducting annual total compensation surveys for ACTIA for at least eighteen years and has over 22 years of experience in successfully completing similar studies for public sector agencies, such as transportation authorities (clients such as Contra Costa Transportation Authority and Solano Transportation Authority), housing authorities, school districts, water and wastewater agencies, air quality and vector control districts, and other special districts, as well as cities, counties and courts.

This compensation review process was precipitated by:

- The desire on the part of management and the Board of Directors that employees are recognized for the level and scope of work performed and that they are paid on a fair and competitive basis that allows the Authority to recruit and retain a high-quality staff;
- The desire to have a compensation plan that can meet the needs of the Authority and the demands put on the staff by the two separate entities of ACTA and ACTIA; and
- The desire to ensure that external and internal relationships of salaries are based upon objective, qualitative evaluation factors, resulting in equity across all Authority functional areas.

18 Crow Canyon Court • Suite 165 • San Ramon, CA 94583-1613 •TEL 925/831.9794 •TOLL FREE 800/514.5195 • FAX 925/831.9322
www.KoffAssociates.com

Classification, in itself, is a non-quantitative method of job evaluation. In determining the classification plan structure and the proper allocation of each position, factors are considered such as:

- Education and experience requirements;
- Knowledge and skill required to perform the work;
- The scope and complexity of the work;
- The authority delegated to make decisions and take action;
- The responsibility for the work of others, program administration and for budget dollars;
- Problem solving/ingenuity;
- Contacts with others (both inside and outside of the organization);
- Consequences of action and decisions; and
- Working conditions.

These factors were used in determining both appropriate external market comparisons and internal compensation relationships as well as providing the basis for the findings and recommendations outlined in this report.

In addition, when considering an appropriate salary range level, there are certain standard human resources practices that are normally applied, as follows:

- A salary within 5% of the average or median is considered to be competitive in the labor market for salary survey purposes because of the differences in compensation policy and actual scope of work and position requirements. However, a closer standard can be adopted by an agency.

- Certain internal percentages are often applied. Those that are the most common are:

  - The differential between an entry-level and journey-level class in a series (e.g., I/II or Assistant/Associate) is generally 5% to 15%;
  - A lead or advanced journey-level (III or Senior-level) position is generally placed 5% to 15% above the lower experienced level; and
  - A full supervisory or management position is normally placed at least 10% to 20% above the highest level supervised, depending upon the breadth and scope of supervision.

  We can also make internal equity adjustments between classifications such as Director, Assistant Director and/or Manager, especially within one department. Some agencies decide to compensate all department heads and/or all unit managers at an equivalent level, a methodology that should be applied only if departments and units are approximately at a similar size and duties, responsibilities and required qualifications are really comparable between those classifications.

- When a market or internal equity adjustment is granted to one class in a series, the other classes in the series are also adjusted accordingly to maintain internal equity.

In all, of the eight (8) benchmarked classifications identified, we were able to collect sufficient data from the comparator agencies on all classifications. We typically need at least four comparators for each position to be able to make a statistical analysis.

Benchmarking Comparator Agencies

The second, most important step in conducting a market salary study is the determination of appropriate agencies for comparison. The Authority conducts a salary review on an annual basis and the pool of comparator agencies was established years ago and has been used historically to ensure consistency with the data collected and analyzed from year to year barring organizational changes within each of the comparator agencies.

The following is a list of criteria that we would typically analyze in considering the selection of valid agencies for salary comparator purposes:

1. **Organizational type and structure** – We generally recommend that agencies of a similar size, providing similar services to that of ACTIA be used as comparators. However, one cannot ignore that some of the cities, larger transportation agencies surrounding the Authority, as well as Alameda County are competing with the Authority over the labor pool within the geographic vicinity. Therefore, a couple of cities, Alameda County and some larger transportation agencies were chosen as comparator agencies.

   Especially when it comes to the more technical types of classes, such administrative and accounting classes, the size of an organization is not as critical as these classes perform fairly similar work due to its technical nature.

   The difference in size of organization becomes more important when comparing classes at the management level. The scope of work and responsibility for management becomes much larger as an organization grows. Things such as management of a large staff, consequence of error, the political nature of the job, its visibility all grow with larger organizations. For example, it may not be appropriate to compare a Project Development Director with no staff or a staff of only a few employees at a small Authority with a Project Development Manager at a large city in charge of a large department with a staff of fifty and with several supervisors reporting to that position. In this case, we often look to the next lower classification or suggest a "bracket" as a compromise.

2. **Similarity of population, Authority staff and operational and capital improvement budgets** – These elements provide guidelines in relation to resources required (staff and funding) and available for the provision of Authority services. Again, cities, a county and larger transportation agencies were included as comparators, even though they serve larger populations and have larger budgets.

3. **Scope of services provided** – Agencies providing the same services are ideal for comparators and most comparator agencies surveyed provide similar services to the Authority, i.e., transportation-related projects and programs. However, agencies that provide other services in addition to transportation, such as cities with many other services, would

result in having good comparators for ACTIA's classifications. In the case of these cities, our effort in finding comparators for ACTIA's classifications was to focus on the Public Works of the cities, where we often find transportation and traffic related service provision.

When it comes to management and executive classifications, the types of services provided by an agency become less important, as each agency still needs administrative, financial, and in most cases engineering, planning and program-related leadership classifications. At the management level, differences in size and scope of services are more critical when considering comparators, as explained above.

4. **Labor market** – In the reality that is today's labor market, many agencies are in competition for the same pool of qualified employees. No longer do individuals necessarily live in the communities they serve. As mentioned above, the geographic labor market area, therefore, where ACTIA may be recruiting from or losing employees to, was taken into consideration when selecting potential comparator organizations.

5. **Compensation Philosophy** – Does the Authority regularly conduct a market survey, and, once completed, how is this information applied? Many agencies pay to the average or median, others may pay to a higher percentile. In addition, salary ranges may be set strictly upon market base salary values or may include the total value of salary and benefits when developing a compensation policy. One consideration that the Authority may want to entertain is that the data used for its annual salary surveys are always from the current fiscal year. However, the Authority uses this data to make salary and compensation recommendations for the following fiscal year. At that time, most comparator agencies will already have implemented a COLA increase for their salary structure, which puts ACTIA into somewhat of a "catch-up mode." The Authority may want to consider making an adjustment for this shortfall.

All of the above elements were considered when the Authority originally selected the group of comparator agencies. The Authority agreed on the following thirteen (13) agencies:

- Alameda County Congestion Mgmt Agency
- Alameda County Public Works Department
- BART
- City of Oakland, Public Works Department
- Contra Costa Transportation Authority
- Metropolitan Transportation Commission
- Orange County Transportation Authority
- Port of Oakland
- Riverside County Transportation Commission
- San Bernardino Associated Governments
- San Francisco County Transportation Authority
- Santa Clara Valley Transportation Authority
- Transportation Authority of Marin

RESPONDENT EXHIBIT C
Blumberg No. 5194

COPY

CalPERS

Request for Service Credit Cost Information - Additional Retirement Service Credit

888 CalPERS (or 888-225-7377) • TTY: For Speech & Hearing Impaired (916) 795-3240

CHRISTINE MONSEN E [redacted]
Name (First Name, Last Name, Middle Initial) Social Security Number

Section 1 About You

Please include your full first and last name, followed by your middle initial.

Former Name (if applicable) Current Employer: Alameda County Transportation Improvement Authority

Mailing Address: [redacted]

City [redacted] State [redacted] ZIP Code [redacted] Phone

Section 2 Documentation of Service

A separate election document with detailed payment options will be mailed to you once this form has been processed.

☒ I have attached a copy of the estimate to purchase service credit. If not, indicate why.

Based upon the attached service credit purchase estimate, how many years of ARSC do you intend to purchase? Check one box only.

☐ 1 Year ☒ 2 Years ☐ 3 Years ☐ 4 Years ☐ 5 Years

Have you requested this cost information before? ☐ No ☒ Yes 7/30/2010, 6/28/2005 (3 yrs) Requested Date (mm/dd/yyyy)

Have you submitted a retirement application? ☒ No ☐ Yes Retirement Date (mm/dd/yyyy)

Do you anticipate purchasing this credit with a rollover or plan-to-plan transfer of pre-tax funds? ☐ No ☒ Yes partial

Section 3 Certification

Sign and date this request form, make a copy for your records, and attach a copy of your online service credit purchase estimate.

I hereby certify that the above information is true and correct.

Signature: [signature] Date (mm/dd/yyyy): 8/30/2010

RECEIVED
AUG 30 2010
WALNUT CREEK REGIONAL OFFICE

Mail to: CalPERS Member Services Division • P.O. Box 4000, Sacramento, California 95812-4000

Attachment 6

RECEIVED
MAR 16 2011
WALNUT CREEK
REGIONAL OFFICE

Election to Purchase ARSC

COPY

Reply to Section: **835**
Refer to No.: [redacted]

Member Name: Christine Monsen *Employer Name:* **Alameda County Transportation Improvement Authority**

You informed me on February 26, 2011 of my right to elect to contribute and receive service credit for my Additional Retirement Service Credit from CalPERS. You must return this Election to Purchase ARSC form to CalPERS within 60 days from the issue date on this letter in order to be eligible for purchase of this service credit.

CHECK THE OPTION(S) DESIRED

☒ **Lump Sum Payment Option:** I hereby elect to purchase and receive additional service credit under the provisions of law and I enclose $170,859.64. (Payment must be included when the election is filed with CalPERS.)

For Plan-To-Plan Transfer or Rollovers:
☒ I have included the appropriate plan-to-plan/rollover certification documents with this election.

☐ **Retired Member Installment Payment Option:** I hereby elect to purchase additional service credit as provided by law and I authorize deductions from my retirement allowance of $ 1,582.69 for 180 payments or I authorize deductions from my retirement allowance of $____ for ____ payments (see Choose Your Installment Payment, Attachment 3). This payment schedule includes interest through the completion of payments at the rate of 7.75%.

☐ **Retired Member Partial Payment with Installment Payment Option:** I hereby elect to receive service credit as provided by law and enclose $_____ as a partial payment. I authorize the remaining balance to be deducted from my retirement allowance to be paid by the minimum payment amount allowed by the retirement law or I authorize deductions from my retirement allowance of $_____ (deductions cannot be less than the minimum amount stated on the Choose Your Installment Payment Schedule, Attachment 3). This payment schedule includes interest through the completion of payments at the rate of 7.75%.

I UNDERSTAND THIS ELECTION IS IRREVOCABLE. ONCE ELECTED, ANY FUTURE CHANGES TO THE ACTUARIAL ASSUMPTIONS OR INTEREST RATE WILL NOT AFFECT THE COST OF SERVICE CREDIT ALREADY PURCHASED OR AN EXISTING PAYMENT SCHEDULE.

If you are retiring within the next 90 days, please indicate your planned retirement date: 12/31/2010

☐ **I have completed, signed, and attached the "Employment Certification and Your Payment Options" form.**

Signature: [signature] **Date:** 3/16/2011

Address: [redacted] **Telephone # (daytime)** [redacted]

[redacted]

FOR DEPARTMENTAL USE ONLY

Deposit Date:	*Amount:*	*By & Date:*

PERS01M0026 (04/04)

DATE:03/08/2011

PERS 457 Z
CALPERS SUPPLEMENTAL INCOME PLAN ALAMEDA CNTY TRANS

CHECK NO: 005321743

5-2
110

ONE HUNDRED SEVENTY THOUSAND EIGHT HUNDRED FIFTY NINE .64 DOLLARS

PAY TO THE ORDER OF:
CALPERS MEMBER SERVICES

AMOUNT
$170,859.64

F/B/O:CHRISTINEMONSEN
PO BOX 942704
SACRAMENTO, CA 94229

Not valid after 180 days

AUTHORIZED SIGNATURE

STATE STREET.

Boston, Massachusetts 02101

⑈005321743⑈ ⑆011000028⑆ 9900181 0⑈

RECEIVED
MAR 16 2011
WALNUT CREEK
REGIONAL OFFICE

State Street Bank and Trust CalPERS
Retirement Investment Services
American Bar Association Members Retirement Program

NOTIFICATION OF REMITTANCE

Please Mail copies of all three pages with the warrant

Firm Name **ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY**

Firm Contact: Lei Lam, Senior Accountant

Contact Phone: (510) 267-6110 FAX No.: (510) 893-6489

Warrant Amount: _____

Warrant Date _____

Warrant Originates From: **ALAMEDA COUNTY TRANSPORTATION IMPROV AUTH**

Contact Name: Lei Lam, Senior Accountant

Contact Phone: (510) 267-6110

Attention: Installation

Warrants received after 3:00 PM Eastern time will be credited the following business day.

Co. #5, Fund 10

Acct [redacted] $ 1,201.40

Acct [redacted] $2,650.00

$3,851.40

10/4/07

Contribution Summary:

Employer Name: **ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY**

Plan #: **450068** **ER Tax ID #55-0827065**

Sum of Contribution Amounts listed on all Pages: $3,851.40
Please make check(s) payable to State Street Bank and Trust CalPERS

Check #:_____ $3,851.40

This GRAND TOTAL must equal the SUM OF CONTRIBUTION AMOUNTS FROM ALL PAGES from

Signature of Employer: (Arnold) Date: 10/4/07

(510) 893-3347
Business Phone Number:

(510) 893-6489
Business Fax Number:

Failure to properly complete these form may result in a processing delay of our request.

California Public Employees' Retirement Systems
Deferred Compensation Plan

PERS 457 Program

CONTRIBUTION REMITTANCE

Employee Name: ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY

Plan # 450068

Pay Period Ending: 09/30/07

Employer Tax ID#:55-0827065

PARTICIPANT'S NAME	Social Security Number	Contribution Amount
EMPLOYEE CONTRIBUTION		
LATONIA M. PEOPLES-STOKES		**$ 100.00**
LINDA ADAMS		**100.00**
TESS LENGYEL		**550.00**
LEI LAM		**200.00**
ANEES AZAD		**750.00**
ARTHUR DAO		**625.00**
ARUN GOEL		**250.00**
KEONNIS TAYLOR		**75.00**
EMPLOYER CONTRIBUTIONS For Calendar Year 2007		
CHRISTINE MONSEN		**1201.40**

ATE STREET BANK & TRUST CALPERS 10/05/2007 5-14881-69

Obligation	Description	Invoice	Account No.	Amount
7024	Plan# 450068 PE 09/30/07 *** Total ***	PE 09/30/07		3,851.40 3,851.40

ACTIA
ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY

1333 Broadway, Suite 300
Oakland, CA 94612
Phone: (510) 893-3347

Union Bank of California, N.A.
Government Services-North
400 California Street.,
San Francisco, CA 94104

014881

11-49-7/1210
7020024512

DATE	AMOUNT
10/05/2007	$**********3,851.40

Y ** Three Thousand Eight Hundred Fifty One Dollars and 40 Cents **

THE
RDER

STATE STREET BANK & TRUST CALPERS
1775 Lisbon Street
Lewiston ME 04240

TWO AUTHORIZED SIGNATURES REQUIRED

Security features. Details on back.

⑈014881⑈ ⑆121000497⑆ 7020024512⑈

ATE STREET BANK & TRUST CALPERS 10/05/2007 5-14881-69

Obligation	Description	Invoice	Account No.	Amount
7024	Plan# 450068 PE 09/30/07 *** Total ***	PE 09/30/07		3,851.40 3,851.40

State Street Bank and Trust CalPERS
Retirement Investment Services
American Bar Association Members Retirement Program

NOTIFICATION OF REMITTANCE

Please Mail copies of all three pages with the warrant

Firm Name **ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY**

Firm Contact: Lei Lam, Senior Accountant

Contact Phone: (510) 267-6110 FAX No.: (510) 893-6489

Warrant Amount: _____

Warrant Date _____

Warrant Originates From: **ALAMEDA COUNTY TRANSPORTATION IMPROV AUTH**

Contact Name: Lei Lam, Senior Accountant

Contact Phone: (510) 267-6110

Attention: Installation

Warrants received after 3:00 PM Eastern time will be credited the following business day.

Co. #5, Fund 10

Acct [redacted] $3,707.84

11/1/07

Contribution Summary:

Employer Name: **ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY**

Plan #: **450068** **ER Tax ID #55-0827065**

Sum of Contribution Amounts listed on all Pages: $3,707.84
Please make check(s) payable to State Street Bank and Trust CalPERS

Check #:_____ $3,707.84

This GRAND TOTAL must equal the SUM OF CONTRIBUTION AMOUNTS FROM ALL PAGES from

(Business Mgr) 11/1/07
Signature of Employer: Date:

(510) 893-3347
Business Phone Number:

(510) 893-6489
Business Fax Number:

Failure to properly complete these form may result in a processing delay of our request.

California Public Employees' Retirement Systems
Deferred Compensation Plan

PERS 457 Program

CONTRIBUTION REMITTANCE

Employee Name: ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY

Plan # 450068

Pay Period Ending: 10/31/07

Employer Tax ID#:55-0827065

PARTICIPANT'S NAME	Social Security Number	Contribution Amount
EMPLOYEE CONTRIBUTION		
LATONIA M. PEOPLES-STOKES		$ 250.00
LINDA ADAMS		100.00
TESS LENGYEL		550.00
LEI LAM		900.00
ANEES AZAD		750.00
ARTHUR DAO		-46.33
ARUN GOEL		250.00
KEONNIS TAYLOR		100.00
CHRISTINE MONSEN		854.17

TATE STREET BANK & TRUST CALPERS 11/01/2007 5-15015-26

Obligation	Description	Invoice	Account No.	Amount
7192	PLAN # 450068 PE 10/31/2007 *** Total ***	PE 10/31/2007		3,707.84 3,707.84

ACTIA
ALAMEDA COUNTY TRANSPORTATION IMPROVEMENT AUTHORITY
1333 Broadway, Suite 300
Oakland, CA 94612
Phone: (510) 893-3347

Union Bank of California, N.A.
Government Services-North
400 California Street.,
San Francisco, CA 94104

015015
11-49-7/1210
7020024512

DATE 11/01/2007
AMOUNT $**********3,707.84

Security Features. Details on back.

** Three Thousand Seven Hundred Seven Dollars and 84 Cents **

THE ORDER STATE STREET BANK & TRUST CALPERS
1775 Lisbon Street
Lewiston ME 04240

TWO AUTHORIZED SIGNATURES REQUIRED

⑈015015⑈ ⑆121000497⑆ 7020024512⑈

ATE STREET BANK & TRUST CALPERS 11/01/2007 5-15015-26

Obligation	Description	Invoice	Account No.	Amount
7192	PLAN # 450068 PE 10/31/2007 *** Total ***	PE 10/31/2007		3,707.84 3,707.84

609

00 0009 609
ALAMEDA COUNTY TRANSPORTAION
IMPROVEMENT AUTHORITY
426 17TH STREET, STE 100
OAKLAND, CA 94612

Earnings Statement

ADP EASYPAY

Pay Period: 12/16/2007 to 12/31/2007
Pay Date: 12/31/2007

EXHIBIT
F
PENGAD 800-631-6989

Employee Number: 0009
Department Number: 00
Social Security Number: XXX-XX-3525
Marital Status: SINGLE
Number Of Allowances: 07
Rate:

CHRISTINE MONSEN
[redacted]

Hours and Earnings			
Description	Hours	This Period	Year-To-Date
SALARY		8552.46	186831.83
AUTO		300.00	

Taxes and Deductions		
Description	This Period	Year-To-Date
457P	645.83	3874.98
CU457P	208.34	1250.04
INSURE	1.00	24.00
PERS	85.52	
MEDCRE	128.34	2813.11
FED WT	1676.33	39339.15
CA ST	907.35	21509.65
CA DIS		500.33

Gross Pay Year To Date	Gross Pay This Period	Total Deductions This Period	Net Pay This Period
$194,031.83	$8,852.46	$3,652.71	$5,199.75

©1998, 2006, ADP, Inc. All Rights Reserved.

TEAR HERE

VERIFY DOCUMENT AUTHENTICITY - COLORED AREA MUST CHANGE IN TONE GRADUALLY AND EVENLY FROM DARK AT TOP TO LIGHTER AT BOTTOM

ALAMEDA COUNTY TRANSPORTAION
IMPROVEMENT AUTHORITY
426 17TH STREET, STE 100
OAKLAND, CA 94612

DEPOSIT

Check Date: 12/31/2007

$5,199.75 DEPOSIT TO BANK# 121042882 CHK ACCT# 0132426875

Pay This Amount $5199.75

Pay To The Order Of

00 0009 609
CHRISTINE MONSEN
[redacted]

THIS IS NOT A CHECK

****VOID********VOID****

VOUCHER ONLY - NON-NEGOTIABLE

THE ORIGINAL DOCUMENT HAS A PHYSICAL WATERMARK ON THE BACK. HOLD AT AN ANGLE TO VIEW WHEN CHECKING THE ENDORSEMENTS

Employee Information		Earnings	Hours YTD	YTD	Taxes	Overrides	YTD	Deductions	Per Pay Amount	YTD	Direct Deposit
MONSEN,CHRISTINE	#0009	Gross		213,461.37	Medicare		3,094.84	457P	$ 645.83	15,499.92	Net Pay to Checking
[redacted]		SALARY		205,900.53	Fed Wt	Single/07	40,059.96	CU457P	$ 208.34	5,000.00	ACCT#0132426875
[redacted]		OTHER		360.84	CA State	Single/07	21,771.74	INSURE	$ 1.00	24.00	BANK #121042882
	Hire: 02/16/1995	AUTO		7,200.00		$ 300 Addl		PERS	1.0 %	2,062.51	
Salary: 8,766.29	Birth: 05/23/1957				CA DIS		693.58				
	Gender: F				CA UNEMP.						
CA Wage Plan: S					Credit Weeks: 52						
SS#[redacted]											

ADP EASYPAY

Client: 609
ALAMEDA COUNTY TRANSPORTATION

Master List

Period Covered: 12/16/2008 - 12/31/2008
Check Date: 12/31/2008

Run: 24
Week: 51
Qtr: 4
Page: 2

EXHIBIT
3
PENGAD 800-631-6989