



Independent Rates Oversight Committee (IROC)  
**January 19, 2016**  
**MINUTES**

**1. Roll Call**

Chairman Justus called to order the full IROC meeting at 9:35 a.m. Monica Foster conducted roll and a quorum was declared. Attendance is reflected below:

| <u>Members:</u>            | Present | Absent                      |
|----------------------------|---------|-----------------------------|
| Jeff Justus, Chair         | X       |                             |
| Gordon Hess, Vice Chair    | X       |                             |
| Christopher Dull           |         | X                           |
| Jack Kubota                | X       |                             |
| Tiffany Mittal             | X       |                             |
| Jim Peugh                  | X       |                             |
| Irene Stallard-Rodriguez   | X       |                             |
| Gail Welch                 | X       |                             |
| <u>Ex-Officio Members:</u> |         |                             |
| Jerry Jones, Metro JPA     | X       |                             |
| Ken Williams, City 10      | X       | ( <i>arrived at 11:30</i> ) |

*City representatives present at dais: Tom Crane, PUD Assistant Director; Christine Leone, Deputy City Attorney*

**2. Non-Agenda Public Comment**

None.

**3. Approval of Minutes from Meeting of November 16, 2015**

Chair Justus asked for a motion to approve the Draft Minutes of November 16, 2015. Member Peugh suggested a revision to page 7, Item 13c: the presentation from Brent Eidson should reflect him “providing” a copy of the November AWWA Journal rather than the current verbiage “receiving” a copy of the Journal.

**ACTION:** Member Peugh moved to approve with said correction. Member Kubota seconded the motion. Motion passed 7 (in favor), 0 (oppose), 0 (abstained).

**4. Chair Updates – Chairman Justus**

- Member Creighton Chapman’s career has changed and he is no longer working in the capacity to remain on IROC. A replacement is requested in the current drafted letter to the Mayor and Council, to fill all current vacancies on the Committee.
- Metro Commission/JPA has appointed a new IROC representative in place of Ed Spriggs who will no longer be serving on IROC. Mr. Spriggs’ last meeting was in November, and he is thanked for his expertise and his time working with IROC. IROC welcomes the newly appointed representative Jerry Jones. Mr. Jones comes with a background of being on the Metro Commission for 14 years, is on his 4<sup>th</sup> term with Lemon Grove City Council, and has been an alternate member on SANDAG.
- The Ad-hoc meeting has worked diligently on completing the current IROC Annual Report and this will be an action item today. He thanked Members and City staff for working hard on finalizing the report.

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5. **City Staff Updates** – *Tom Crane, Assistant Director*
  - Introduction of Christine Leone, Deputy City Attorney who sat in for Tom Zeleny in his absence. Ms. Leone has great knowledge with Water/Wastewater.
  - Director Razak is absent today, attending the General Manager’s meeting at the San Diego County Water Authority.
  
6. **Mayor and Council Staff Comments**

None.
  
7. **Presentation: Pure Water Public Opinion Survey Update** – *Brent Eidson, Program Manager*

He described the process and results of the recent public opinion polling conducted by outside firms. In order to increase acceptance level in the community, they were asked to take information from the results and make recommendations on what they found to be key messaging. Handouts were provided describing the telephone and focus group methodology, as well as the key findings of the surveying process. He shared what the City is doing that aligns itself well with the research results; this gives the City a better sense of where the community is in acceptance of the technology, and ways to better educate customers. It was noted that as descriptive messages were offered about the safety, technology, and treatment process, the support level climbed considerably which made it apparent that education is the key.
  
8. **Presentation: Water Shut-Off Process** – *Mike Vogl, Deputy Director of Customer Service and Brian Moser, Customer Information & Billing Manager*

They gave an overview of causes of service disconnection, and exceptions for disconnection, and reviewed a detailed graph showing the series of events that can occur once the disconnection process begins. Also described were the no-active customer disconnection process, service lock-off, and all service disconnection and restoral related fees.
  
9. **Presentation: Advanced Metering Infrastructure (AMI) Update** – *David Bryant, Program Manager, AMI Bill Operations and Arwa Sayed, Project Manager*

They provided the project update describing the initial phase and actions to date. This included a timeline of the project beginning in March 2013, with an anticipation of release for billing and customer access in early 2016. The target of completion for deployment is December 2017. Mr. Bryant described the benefits and scope of the project such as daily and hourly tracking of water usage online, assisting customers with conservation and education, as well as allowing for faster detection of potential water leaks.
  
10. **Presentation: Public Utilities Human Resources Update** – *Margaret Wyatt, Human Resources Manager and Bennet Lewis, Strategic Support Services Manager*

Ms. Wyatt presented a detailed overview of more specifics of the Department’s turnover and vacancy rate for various reasons. She also discussed the retirement and promotion status, as well as how the Department is utilizing programs to create cross-training and under-filling to help with temporary vacancies. She noted that the online hiring process for requisitions and certifications are very helpful in speeding up the hiring process, as well as Personnel now doing anticipatory hiring and the Department utilizing interview processes for up to 6 months to fill positions.

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Mr. Lewis shared the Department's Leadership Development Program and Employee Legacy Committee which helps to capture valuable knowledge and transfer it along. Also, these programs help employees develop leadership skills to complement their technical skills in order to promote.

**11. Presentation: Leadership Development Program – Bennett Lewis, Strategic Support Services Manager**

He reminded members that this Program was presented last year and is presenting an update on how we are addressing the succession planning needs of the Department. For the new 5-year Program, it is anticipated to have 10 academies (30 employees per academy) with new and fresh content for not only first time applicants, but those who have completed a previous academy. Ziksana is the new vendor (5-year contract at-will) selected from the pool of qualified bids, which along with traditional modes, specializes in learning through "play", which is inspiring. He asked for support, as moving forward to City Council, of the Department's next 5-year Leadership Development Program.

**ACTION:** Member Kubota made a motion to support the Leadership Development Program which he believes is a strong investment in the utility. Member Welch concurred. Vice Chair Hess seconded. Motion passed 7-0-0.

**12. Discussion: Adopt FY 2015 IROC Annual Report – Chairman Justus**

He expressed gratitude to the Ad-hoc, and members for their great effort in getting the report finalized. He asked for comments related to the provided Draft Report.

**Member comments:**

Vice Chair Hess indicated that final changes and additions have been made related to the report organization, verification of numbers, and some content. Some comments were revised and some were left as is. He pointed out minor areas where revisions were made after comments were addressed by staff. He noted that the consistency, grammar, and non-substantive changes can be made by Wilson Kennedy and Monica Foster.

**ACTION:** Member Peugh moved to adopt the Report as presented, with non-substantive changes to be made. Member Welch seconded. Motion passed 7-0-0.

**13. City 10 – County Water Authority Update – Ex-Officio Member Williams**

- There will be a meeting held next week.
- Drought is developing well in the northern Sierras; Rocky Mountains are average; and San Diego is ahead of normal.
- State Water Resources Control Board is not in charge of the amount of water used/not used. They will issue new regulations on February 2, and it appears that some relief will be provided for San Diego because of investments that have been made. The Board initially had an adjustment for what the County Water Authority (CWA) and the City was asking for, but had a cap at 4%. He sees the new proposal is to raise this cap to 8%. He commended CWA and the City for pressing hard to accomplish this.

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14. **Subcommittee Reports**

This item was heard out of order, following Item 5. Chair Justus asked Subcommittee Chairs to offer a more detailed synopsis for future report outs which will help the full IROC determine if items need to come before the entire Board, and to get a better understanding of the items presented.

a. **Finance** – *Gordon Hess, Chair*

No meeting.

b. **Infrastructure and Operations** – *Jim Peugh, Chair*

- Discussed water response measures and demand response possibilities.
- Presentation on CIP from July 1 – November 30, water expenditures are approximately 83% of what was predicted and are on pace for installing 35 miles during the year; for wastewater expenditures, approximately 95% of what was anticipated so far, and on pace for 45 miles of pipe replacement. Interesting featured projects were shared as well.

c. **Outreach and Communications** – *Jack Kubota, Chair*

No meeting.

15. **Metro/JPA Report Out** – *Jerry Jones*

- Great informational tour of the North City Water Reclamation Plant
- Presentation on Pure Water
- Asked for presentations of the review of the revenue sharing of the Wastewater Agreement, since there are a lot of new members on the JPA

16. **Proposed Agenda Items for Next/Future IROC Meeting** – *Wilson Kennedy, IROC Coordinator*

1. I Am San Diego Implementation presentation
2. Flavor Rating Assessment

He pointed out that all three subcommittee Chairs agreed to have a recess in February. He added that according to the Municipal Code, full IROC is required to meet at least every other month. Therefore, to comply with the City's goal to be effective and efficient with budgets and staff time, he asked for consideration that full IROC meet at least every other month starting immediately. Vice Chair Hess recommended not establishing an automatic every-other month criteria at this time, but IROC may cancel meetings as needed when items can be trailed or can be heard at one meeting.

After discussion, it was agreed to that there were not items of urgency for February, therefore the full IROC, Outreach & Communications, and Infrastructure & Operations Subcommittees would have a recess in February. However, Finance Subcommittee would meet on February 22.

Mr. Kennedy noted the IROC minutes have evolved to be extremely detailed. To be more consistent with what City Council and other committees provide, the minutes will be brief and the recordings will be available upon request.

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17. **IROC Members' Comments**  
None.

Meeting adjourned at 12:40 p.m.

Minutes submitted by: Monica Foster