

Independent Rates Oversight Committee (IROC)  
Meeting of October 18, 2021



1. **Roll Call**

Chair David Akin called the full IROC meeting to order at 9:30 a.m. Roll Call was conducted and a quorum was declared. Attendance is reflected below:

<b>Members:</b>	<b>Present</b>	<b>Absent</b>
David Akin, Chair	X	
Tiffany Mittal, Vice Chair	X	
Christopher Dull	X	
Gordon Hess	X	
Jeff Justus		X
Jack Kubota	X	
Luis Osuna	X	
Jim Peugh	X	
Linh Quach	X	
<b>Ex-Officio Members:</b>		
Jerry Jones, Metro/JPA	X	
Jim Peasley, Metro/JPA Alt.		X

Some of the City representatives present included Shauna Lorance (Director of Public Utilities) and Ray Palmucci (Deputy City Attorney).

2. **Non-Agenda Public Comment** – None.

3. **Approval of Draft Minutes from Meeting of September 20, 2021** – *David Akin, Chair*

**ACTION:** Chair Akin asked for a motion to approve the minutes. Motion by Member Hess to delay approval for additional information to be added. Second by Chair Akin. Motion passed with 8-0.

4. **Chair Updates** – *David Akin, Chair* – None.

5. **Mayor and Council Staff Comments** – None.

6. **PUD Updates** – *Shauna Lorance, Director of Public Utilities*

- Provided an update on the class action lawsuit against the City’s water rates.
- John Stufflebean, Assistant Director, will be moving out of the state at the end of October.

7. **Discussion: Sewer Rates and COS Report (continued from September)** – *Chair Akin*

Member Hess stated that since the last meeting, he reviewed the Wastewater COSS and previous COSS from 2006 again, reviewed the judge’s decision in the recent water COSS challenge, and listened to the recording of the September meeting.

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**ACTION:** Member Hess made a motion for IROC to instruct Chair Akin to send a letter to the Mayor/Council to express frustration with 1) the rate review process, 2) IROC not being provided with information pertinent to the COSS or the lawsuit decision, and 3) IROC being stopped from making a recommendation to Council regarding the sewer rates proposal. Second by Vice Chair Mittal. Motion passed 8-0.

8. **Discussion: Preparation of Proposition 218 Questions** – Chair Akin

**ACTION:** Motion by Vice Chair Mittal to conduct a 12 to 24-month review to help ensure the accuracy of multi-family rates, COSS, and assumptions. Second by Member Kubota. Motion passed by 8-0.

9. **Discussion: Creation of an Ad Hoc Committee to draft FY21 IROC Annual Report and Recommendations (due to PUD by 12/30/21 and to the Mayor/City Council by 01/31/2022)** – Chair Akin

**ACTION:** Motion by Chair Akin to create the Ad Hoc Committee with members Quach, Peugh, Hess, Chair Akin, and Vice Chair Mittal as an alternate. Second by Vice Chair Mittal. Motion passed 8-0.

10. **Discussion: Selection of New IROC Chair Vice Chair** – Ray Palmucci, Deputy City Attorney

**ACTION:** Motion by Vice Chair Mittal to nominate Chair Akin to remain as Chair. Second by Member Dull. Motion passed 7-0. Chair Akin obtaining. Motion by member Dull to closed nomination. Second by Member Peugh. Motion passed 7-0. Chair Akin obtaining.

**ACTION:** Motion by Member Dull to nominate Vice Chair Mittal to remain as Vice Chair. Second by Member Kubota. Motion by Chair Akin to close nomination for Vice Chair. Second by Member Dull. Motion passed 7-0. Vice Chair Mittal obtaining.

11. **Discussion: Selection of New Subcommittee Chairs & Members** – Ray Palmucci, Deputy City Attorney

**ACTION:** Motion by Chair Akin to open nominations for all three (3) subcommittee chairs and members. Motion by Chair Akin to retain all the current subcommittee chairs and members unless someone wants to withdraw or change committees. Second by Member Dull. Motion passed 8-0 and the subcommittee chair/member roles will remain the same.

12. **Metro/JPA Report Out** – Jerry Jones, Metro/JPA Ex-Officio Representative

- Action items approved -
  - Fluoride contract with the California Water Technologies
  - Hawthorne Machinery (contract for parts and technical repairs services).
- Report from Metro Staff on the Industrial Wastewater Controlled Committee.
- Report on the April 2020 overflow in South Bay.
- Pure Water updates on phases I and II.
- Report on the Point Loma Plant.

13. **Proposed agenda Items for Upcoming IROC Meetings** – IROC Members

- Member Hess suggested reviewing IROC's roles and responsibilities.
- Member Peugh would like more information on the access road and the stability of the Point Loma Wastewater Treatment Plant.

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**14. IROC Members' Comments – IROC Members**

- Proposed agenda items carried over from the August 2020 minutes:
  - Lake Hodges Condition Assessment Update.
  - Chollas Operations Center Update.
  - Chollas Operations Center Tour.
  - Customer Support Division Call Center Update.
- Proposed agenda items carried over from the October 2020 minutes:
  - COSS – Rate Structures.
- Proposed agenda items carried over from the November 2020 minutes:
  - Vice Chair Mittal would like for the COSS item to be added to the next agenda.
- Proposed agenda items carried over from the March 2021 minutes:
  - I&O Subcommittee – Member Peugh asked for an update on the level of infrastructure replacement and staffing the COSS is based on for both water and wastewater.
- Proposed agenda items carried over from the April 2021 minutes:
  - Member Hess would like to have more information regarding the Pure Water, Phase II option mentioned in Member Jones' Metro/JPA Report Out.
  - Chair Akin would like to have a presentation on the Customer Support Division and Office of the City Treasurer collection process.
  - I&O Subcommittee – Member Kubota recommended adding an item on the “Valve Maintenance and Replacement Program in the Potable Water System (including fire hydrants)” to the agenda.
- Proposed agenda items carried over from the June 2021 minutes:
  - Chair Akin would like to invite the Director of the Office of Boards & Commissions to attend a IROC meeting to discuss the new streamlined processes and online portal.
- Proposed agenda items carried over from the July 2021 meeting:
  - Member Kubota would like to have an update on the Climate Action Plan.
  - Member Kubota asked for an update at full IROC and one of the subcommittees on the recent employee settlement (pending CAO approval on sharing this information).
  - Chair Akin and Member Kubota would like to combine the collection process presentation proposed in the April 2021 bullet above with an update on the status/timing on lifting water shutoff restrictions.
- Proposed agenda items carried over from the August 2021 meeting:
  - Full IROC – Pure Water Quarterly Reports, CIP Quarterly Reports, and an update from MEA and Local 127 about employee representation.
  - Finance Subcommittee – A deep dive into PUD delinquent accounts and the Office of the City Treasurer collections process.
  - O&C Subcommittee – Update on the Management/Field Academies and outreach for collections on delinquent accounts.

**15. Meeting adjourned: 11:35 a.m.**

Minutes submitted by Portia Bell