

Independent Rates Oversight Committee (IROC)
Meeting of May 16, 2022



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:

Members:	Present	Absent
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	
<u>Ex-Officio Members:</u>		
Jerry Jones, Metro/JPA	X	
Jim Peasley, Metro/JPA Alt.		X

Some of the City representatives present included Juan Guerreiro (Interim Director of Public Utilities) and Ray Palmucci (Deputy City Attorney).

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

3. **Approval of Draft Minutes from Meeting of April 18, 2022** – *David Akin, Chair*

ACTION: Chair Akin asked for a motion to approve the minutes. Motion by Member Peugh. Second by Member Hess. Vice Chair Mittal and Member Justice abstained. Motion passed with 6 in favor, zero opposed, and 2 abstained.

4. **Chair Updates** – *David Akin, Chair*

- Chair Akin met with the Mayor's staff to discuss the possibility of PUD being allowed to share information with IROC earlier in the decision-making process.
- Mayor's staff was supportive, positive, and suggested that IROC establish Ad Hoc meetings to receive this information. Chair Akin plans to have a follow-up meeting with the Mayor's staff to discuss this topic in more detail.
- Member Peugh is in favor of continuing to receive information during regular meetings in accordance with Brown Act instead of establishing separate Ad Hoc meetings.

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

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6. **PUD Updates** – *Juan Guerreiro, Interim Director of Public Utilities*
 - Jeff Sturak, Deputy Chief Operating Officer, is retiring.
 - PUD continues to collect data to test wastewater for COVID-19 monitoring.
 - PUD is working in partnership with the County Water Authority on the San Vicente Energy Storage Facility Project. The State allocated \$18 million for this project.
 - Repairs to the Lake Hodges Dam will begin soon.
 - Vice Chair Mittal suggested inviting an IROC member to sit on the AMI selection committee for the contractor that will implement the AMI Program.

7. **Discussion: IWCP Audit Updates** – *Joy Newman, Program Manager, Public Utilities*
 - Follow-up Performance Audit of PUD's Industrial Wastewater Control Program
 - 9 recommendations; 4 have been implemented and 5 are going through internal processes.
 - Performance Audit of PUD's Industrial Wastewater Control Program, Part II
 - 7 recommendations; all are in process.
 - Member Kubota recently inquired about a newspaper article listing industrial wastewater discharge violators. Staff indicated those organizations were in the newspaper to comply with Federal regulations because of their significant non-compliance status last calendar year.

8. **Metro/JPA Report Out** – None.

9. **Proposed agenda Items for Upcoming IROC Meetings** – *IROC Members*
 - In response to Member Kubota's request for personnel information regarding a prior employee, PUD mentioned the possibility of asking the Personnel Department to present an overview of Civil Service Rules and Processes for Classified employees as well as a general overview on Unclassified employees (excluding confidential personnel matters).
 - Member Peugh suggested a Lake Hodges Dam Funding Update.

10. **IROC Members' Comments** – *IROC Members*
 - Proposed agenda items carried over from the August 2020 minutes:
 - Call Center Update.
 - Proposed agenda items carried over from the April 2021 minutes:
 - Once collections resume, 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 July 2021 minutes:
 - Once collections resume, 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.

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- Proposed agenda items carried over from the August 2021 minutes:
 - Full IROC – An update from MEA and Local 127 about employee representation.
 - Finance Subcommittee – Once collections resume, a deep dive into the Office of the City Treasurer collections process.
 - O&C Subcommittee – Update on the Management/Field Academies.
- Proposed agenda items carried over from the March 2022 minutes:
 - Chair Akin asked for an update from the new Deputy Director of the Water Meter Services Division (including the meter shop and field crews).
 - Member Kubota requested an AMI update.
 - Chair Akin asked for an update on Non-Revenue Water.
 - Member Peugh requested an update on ways PUD is reducing methane discharge.
 - Members Hess and Peugh requested updates on the following COSS-related items:
 - COSS Rate Structures. –from Member Hess
 - The level of infrastructure replacement and staffing the COSS is based on for both water and wastewater. –from Member Peugh
 - Update on current System Condition Studies in preparation for the next COSS. –from Member Peugh
 - Update on the number of unfilled positions, hiring success, and PUD functions affected by unfilled positions; and an update on whether or not the COSS will provide resources to fill the unfilled positions. –from Member Peugh
 - Update on how these items are addressed in the COSS: Water sales; reservoir levels; budget status; Pure Water costs & progress; County Water Authority & MET rates; lawsuit updates; impact of changes with Fallbrook and Rainbow; and the Urban Water Management Plan. –from Member Hess
 - It would be helpful to understand why the last COSS was inadequate according to the judge and what the options are to address these deficiencies should the City lose its appeal of the decision. There must be other data requirements or options that could address the rates in a legal manner. –from Member Hess
- Proposed agenda items carried over from the April 2022 minutes:
 - Member Kubota suggested an update on Pure Water Phase II.
 - Member Peugh requested an update related to the 90% Yield on Potable Reuse in other districts.
 - Chair Akin recommended an update on the Pension Fund from SDCERS regarding the general health of the fund. This item will be scheduled after the ongoing Proposition B negotiations are complete.
 - Member Peugh asked for an update on PUD's Long-Range Water Supply.
 - Member Peugh recommended an update on the repairs at Lake Hodges Dam.
 - Member Kubota asked for information on Demineralization Facilities and Recycled Water Systems.

11. Meeting adjourned: 10:46 a.m.

Minutes submitted by Megan O'Brien