

Article 6: Board and Commissions**Division 20: City of San Diego Independent Rates Oversight Committee***(Added 4-18-2007 by O-19607 N.S.; effective 5-18-2007.)***§26.2001 Purpose and Intent**

It is the purpose and intent of the City Council to establish the Independent Rates Oversight Committee to serve as an official advisory body to the Mayor, City Council, and City Manager on policy issues relating to the oversight of the City of San Diego's public utilities department operations including, but not limited to, resource management, planned expenditures, service delivery methods, public awareness and outreach efforts, high quality and affordable utility services provided by the public utilities departments, including the Water and Metropolitan Wastewater Departments. In addition, the Independent Rates Oversight Committee is established to assist the City in tracking and reviewing the use of rate proceeds to advance the capital improvements related to the rate packages and work programs adopted by the City Council. It is the vision of the Independent Rates Oversight Committee that a high level of public confidence in the City of San Diego's utility services is maintained because the services are provided in the most cost effective and environmentally sensitive way.

*("Purpose and Intent" added 4-18-2007 by O-19607 N.S.; effective 5-18-2007.)***§26.2002 Independent Rates Oversight Committee Established**

- (a) There is hereby created an Independent Rates Oversight Committee to consist of eleven members, the majority of whom shall be residents of the City of San Diego, who shall serve without compensation. The members shall be appointed by the Mayor and confirmed by the City Council. Each of the four ratepayer classes (single family residential, multifamily residential, commercial and industrial, and temporary irrigation and construction) will have one representative on the Committee. The Committee shall also include two ex-officio members, one representing and appointed by the Metropolitan Wastewater Joint Powers Authority, and one representing and appointed by the ten-member City representatives to the San Diego County Water Authority. A majority of the members of the committee shall possess expertise in one or more of the following areas: accounting, auditing, engineering, biology or environmental science, finance or municipal finance, law, and construction management.
- (b) Members shall serve four year terms, and each member shall serve until a successor is duly appointed and confirmed. In accordance with City Charter section 43, members are limited to a maximum of eight consecutive years, and an interval of four years must pass before such persons can be reappointed.

Initial members shall be appointed such that the terms of not more than six members shall expire in any one year so as to allow the Committee to be staggered. For the initial appointments, five members shall be appointed to an initial term that will expire May 1, 2009, and six members shall be appointed to an initial term that will expire May 1, 2011. Initial appointments which are less than the full term of four years will be allowed to serve two full terms. The expiration date of all terms shall be May 1. Any vacancy shall be filled for the remainder of the unexpired term. Vacancy appointment recommendations will come from the original recommending body. Any vacancy replacements will be eligible to serve the remaining term of the vacant position and two full terms.

- (c) For the initial year, the Mayor will designate one member as Chair. Thereafter, the Committee shall on or after May 1, select a Chair from among its members. The Chair will serve a one year term with the option of reappointment for one additional one year term, with a one year interval between consecutive terms as Chair.
- (d) The Committee may adopt rules consistent with the law for the governing of its business and procedures.
- (e) A conflict of interest code shall be adopted for the Committee, subject to City Council approval. The members of the Committee shall be required to complete and file statements of economic interests in accordance with the conflict of interest code.

("Independent Rates Oversight Committee Established" added 4-18-2007 by O-19607 N.S.; effective 5-18-2007.)

§26.2003 Duties and Functions

The Committee shall:

- (a) Meet at least every other month with additional meetings convened as necessary and as determined by the Committee Chair, and set an attendance policy for Committee members to help ensure a quorum of members are present for all meetings.
- (b) Review reports from staff and an independent audit organization on rate and bond proceed expenditures.
- (c) Review independent performance audits on Water and Wastewater systems.
- (d) Provide advice on the efficiency and performance of Water and Wastewater systems on a regular basis.

- (e) Provide advice on future cost allocation models.
- (f) Oversee departmental savings efforts and deposits to the “Dedicated Reserve from Efficiency and Savings (DRES)” fund to be established as another part of the safeguard plan.
- (g) Assist in the selection and retention of the independent firm to conduct the annual financial audit of the utility departments’ budget activity.
- (h) Assist in the selection and retention of the independent firm to conduct the annual performance audit to be set for each utility department.
- (i) Provide an annual public report on the above issues to the Mayor and City Council.
- (j) Provide advice and review of policy and proposals as sought by department leaders and other City staff related to budget and finance, environmental issues, technology innovations, public outreach and education efforts.
- (k) Perform such further duties as may hereafter be delegated to the Committee by resolution of the City Council.

Any duties or functions of the Independent Rates Oversight Committee that fall within the oversight responsibilities of the Audit Committee should be fully coordinated with and reported to the Audit Committee.

(“Duties and Functions” added 4-18-2007 by O-19607 N.S.; effective 5-18-2007.)