

Independent Rates Oversight Committee - IROC
December 10, 2007

MINUTES

Roll Call

Chairperson Billings called the roll at 10:04, and a quorum was declared, attendance is reflected below:

Member	Present	Absent	Alt.
Donald Billings, Chair	X		
Larry Clemens	X		
Linda Cocking	X		
Jack Kubota	X		
John Nelson		X	
Barry Newman	X		
Jim Peugh	X		
Charles Richardson		X	
Irene Stallard-Rodriguez	X		
Todd Webster	X		
Gail Welch	X		

Ex-Officios

Scott Tulloch	X		
Yen Tu	X		

1. Non-Agenda Public Comment

There was no non-agenda public comment.

2. Approval of Minutes from November 5, 2007

Page 4, Item 6, second paragraph – Barry Newman’s name was inserted in the blank, due to unclear tape record. Upon motion by Chairman Billings, seconded by Mr. Newman, with Committee Members Nelson and Richardson absent, with Ms. Stallard-Rodriguez abstaining, the minutes were approved.

3. Chair Update

Chairperson Billings commented on a press release that the Mayor plans to present a funding plan to City Council next month for the Water and Wastewater Departments, with the objective of raising \$920M dollars. He also mentioned the Pilot IPR program which the Mayors subsequently vetoed and the Council’s override to that veto, as well as the action to seek an additional waiver at Pt. Loma. He feels this Committee should be involved in these types of issues.

Chairperson Billings informed the Committee about an educational program being given in Imperial Valley, by the San Diego County Water Authority on January 25-26. He will be attending and let the Committee know that anyone is

MINUTES

welcome to attend. He also mentioned there was damage caused to a pump station, but the total amount is not material in the overall budget, therefore, there will be no change in the planned activities for the year.

With respect to storm drain and runoff, may want to consider this topic for a future meeting.

4. **Committee Comments**

This item was combined with Item 6, due to comments being similar in nature.

5. **Water Department Overview**

Alex Ruiz, Assistant Director, Water Department gave a comprehensive presentation on the Water Department and water issues. He reminded the Committee that the Water Department's mission is to provide safe and reliable water in an efficient, cost effective & environmentally responsible manner. Mr. Ruiz explained how complex the organization is, and how it is there to provide the service that all customers expect. While emphasizing that the Water Department's core function is to provide water as a retail agency, Mr. Ruiz showed maps and status reports regarding the Long-Range Water Resources Plan the department has developed to ensure future water supplies. He focused on key things such as addressing our regional supply and a brief overview of departmental retail operations. Mr. Ruiz touched on water challenges and historical drought information, both State-wide and for Southern California. He also listed the current issues facing the department. These include: drought monitoring & planning, CIP execution, the acquisition of interim financing; post-fire recovery, indirect potable reuse demonstration project; fluoridation and FY09 budget development. He closed with stressing the importance of educating the public about conserving water - it is definitely making a difference.

6. **Subcommittee Formation**

- a. Finance
- b. Environmental & Technical
- c. Public Outreach, Education & Customer Service

Chairperson Billings suggested that the IROC formally agree upon the subcommittee titles, appointed chairs and members. Mr. Newman expressed a concern regarding anticipated multiple rate cases over a period of years, and suggested there be rate case Ad Hoc Committees aimed at specific rate cases, rather than having only one – when the time comes.

Chairperson Billings called for a motion to formally create the three subcommittees, Mr. Newman moved and Ms. Cocking seconded the motion, with Committee Members Nelson and Richardson absent, it was unanimous.

MINUTES

Chairperson Billings called for a motion to appoint the following subcommittee Chairs, Mr. Newman moved and Mr. Clemens seconded, with Committee Members Nelson and Richardson absent, it was unanimous, as follows: Barry Newman, Chair of Finance; Jim Peugh, Chair of Environmental & Technical; and Larry Clemens, Chair of Public Outreach, Education & Customer Service. Upon members choosing which subcommittee they wanted to participate in, Chairperson Billings called for a motion, Mr. Newman moved and Mr. Clemens seconded, with Committee Members Nelson and Richardson absent. The vote was unanimous to appoint: Finance - Charles Richardson, Linda Cocking and for Ad-Hoc to this subcommittee, Gail Welch; Environmental & Technical – Jack Kubota, Todd Webster and Gail Welch; Public Outreach, Education & Customer Service – Irene Stallard-Rodriguez, Gail Welch, and Jack Kubota to the Subcommittees.

7. **By-Laws**

Copies of the draft By-Laws prepared by the City Attorney's Office were distributed. Mr. Newman mentioned that the By-Laws will allow non-voting members and non-IROC members to sit on, and that can be very helpful. He said in his experience, they really brought specific value to specific rate cases. Mr. Newman pointed out a few items with his questions and personal comments: Page 3, Article VII K., do we have any relationship with the Mayor in the event the Mayor asks the IROC to perform duties, must it be included within the By-Laws?; Page 4, Article VIII, he felt this was a weakness, and suggested appointing a Vice Chair, as well as reserving the right to keep a Chair that is working well; Article B suggests appointing a Secretary from the Committee, he feels it may be best to appoint a non-member or someone from City staff; Page 5, Article X, he feels the paragraph does not consider the status of the ex-officio members, and it needed clarification. Page 6, Article XIII B, he feels this should be changed to allow the public comment at both subcommittee meetings as well as the IROC Committee meetings on items of interest. Chairperson Billings asked all Committee members to review the draft By-Laws and be prepared to adopt them by the January 14th meeting.

8. **Future Meeting Agenda Item: Initial Discussions about application for a Waiver for Secondary Wastewater Treatment**

Chairperson Billings suggested all members think about who the invitees should be, what information may be of interest of reviewing in advance, etc. A suggestion was made to have someone from the Mayors office supply information as well as the environmental groups. Concerns were brought up in regard to hearing the issues so the IROC can give educated answers to the public when inquired upon. Chairperson Billings hopes to get a presentation to give the IROC

Independent Rates Oversight Committee - IROC
December 10, 2007

MINUTES

an understanding of the issues. Chairperson Billings called for a motion to adjourn, Mr. Newman moved, and Mr. Clemens seconded, it was unanimous.

9. Tour of the Metro Biosolids Center

Immediately following the meeting, a tour of the Metro Biosolids Center was offered by Barry Ayers, Senior Wastewater Operations Supervisor, for those interested in attending.

Adjournment of IROC

At 12:05, Chairperson Billings declared the meeting adjourned.

Next Meeting: January 14, 2007

Location: Metropolitan Operations Center, 9192 Topaz Way, San Diego, Ca 92123, (619)292-6300