

Independent Rates Oversight Committee (IROC)
 March 26, 2012
 Special IROC Meeting Minutes

1. Roll Call

Chairperson Peugh called to order the special meeting of the IROC at 9:30 a.m. Monica Foster conducted a roll call and a quorum was declared. Attendance is reflected below:

Member	Present	Absent
Jim Peugh, Chair	X	
Don Billings	X	
Christopher Dull		X
Andy Hollingworth	X	
Jeff Justus		X
Jack Kubota	X	
Michael Ross	X	
Irene Stallard-Rodriguez	X	
Todd Webster		X
Gail Welch	X	
Ex-Officios		
Augie Caires, Metro JPA		X
Ken Williams, City 10	X	

Department representatives: Alex Ruiz, Assistant Director; Tom Crane, Assistant Director; and Tom Zeleny, Deputy City Attorney

2. Non-Agenda Public Comment:

None.

3. San Diego County Taxpayers Association’s proposal to amend Municipal Code Sections §26.2001 through §26.2003 to revise IROC’s duties and responsibilities

Chairperson Peugh opened discussion by asking the members to offer supporting, opposing, or neutral comments in relation to the subject item. Discussion began, below are main comments, concerns and motions taken by the Committee members:

Sean Karafin, representing the SDCTA, clarified that the version of the Municipal Code language that IROC has is the current version that Audit Committee reviewed and approved with minor adjustments since it went to Audit Committee.

ACTION: Member Stallard-Rodriguez made a motion to oppose the San Diego Taxpayer’s Association’s (SDCTA) proposed revisions to the Municipal Code. Member Billings seconded, the motion passed 6-1, with Vice Chair Hollingworth in opposition.

Chairperson Peugh listed items he believes are pertinent to be included as items of importance; however Member Ross suggested leaving the language currently written in the Purpose and Intent which are essential for successful oversight of the Department, as IROC is already performing this mission and the majority of the members would like to continue with this roll. Chairperson Peugh concurred.

Member Kubota indicated that he opposes the SDCTA recommendations; IROC is independent and should continue to cover all aspects related to the current Ordinance.

Public Speaker Pat Zaharopoulos, representing the Middle Class Tax Payer's, spoke about her opposition to the proposed SDCTA amendments, and that IROC should retain its broad scope.

Tom Zeleny, Deputy City Attorney, noted that Municipal Code Section §26.2002(a) states that the majority of members should possess expertise in areas such as accounting, etc., and that currently, IROC does not have that majority. Members will have to create such majority. He also noted that §26.2003(b) a new proposal for IROC to submit annual work plan to NR&C Committee for approval, but (f) is overlapping with what is considered policy - and what is cost efficiency. He recommended to either changing IROC to be an advisory body to the Mayor and City Council, or to change the Ordinance that IROC is an advisory body to the Natural Resources & Culture Committee and not to the Mayor and City Council.

Members Stallard-Rodriguez, Billings, Welch, and Kubota expressed concern that submitting a work plan to the NR&C Committee for approval would jeopardize the independence of the Committee. And that narrowing the scope of IROC would limit IROC's abilities and could eliminate some IROC Members. Sean Karafin indicated that their intent is not to limit IROC but to focus IROC.

ACTION: Member Ross made a motion for IROC to send a letter to the Mayor and City Council indicating IROC's opposition, and explained the importance of the list of policy issues in Muni Code section 26.2001 (which the Taxpayer's Association proposes deleting). Member Stallard-Rodriguez seconded, the motion passed 6-1, with Vice Chair Hollingworth in opposition.

Chairperson Peugh asked for suggestions to be addressed in the letter. Member Billings stated that the proposed changes to IROC's Purpose and Intent are essential to IROC's mission.

Ex Officio Member Williams noted he supports the recommended changes by the SDCTA. He added with regard to 26.2003(f), it has been characterized as a "loop hole" but it is the written language, and is directed.

Vice Chair Hollingworth indicated a work plan is a necessity to be adopted by the NR&C and City Council along with IROC, as submitted as 26.2003(b) by the SDCTA. He added the purpose and intent has not been carried out to his expectations. Member Billings disagreed due to the independence of IROC being jeopardized. Member Stallard-Rodriguez concurred, and noted she is not opposed to a work plan; however believes it should be IROC's work plan, not have to be approved by the NR&C.

ACTION: Member Billings made a motion to include in the letter, a statement that the requirement in the Taxpayer's Association's proposed revisions for IROC's work plan to be approved by the NR&C Committee compromises the independence of IROC. Chairperson Peugh seconded, the motion passed 6-1, with Vice Chair Hollingworth in opposition.

Vice Chairperson Hollingworth indicated he supports the SDCTA's proposal as is, and opposed to sending the letter. He then excused himself from the meeting.

Member Billings commented that to support the Taxpayer's Association's proposal to delete the existing Municipal Code Section 26.2003(g), regarding annual financial audits and to include that in the letter. No motion was made.

ACTION: Member Ross made a motion to include in the letter, a statement that IROC intends to put on a future agenda, a discussion on developing IROC's proposal to amend the Municipal Code. Member Welch seconded, the motion passed 6-0.

ACTION: Member Ross made a motion for Chairperson Peugh to send the letter to City Council, consistent with the prior motions approved today. Member Billings seconded, the motion passed 6-0. Member Welch volunteered to work with Chairperson Peugh to draft the letter.

3. IROC Member Comments

Member Kubota provided and circulated an American Water Works Association (AWWA) magazine, featuring a photo of Glenda Evans, Otay Water Treatment Plant. He noted this is circulated all across the United States.