Finance and Personnel Committee Meeting - March 4, 2020

1. Agenda Packet
   Documents:

   200304 AGENDA PACKET - POSTED 200228.PDF

2. Media Index By Agenda Item
   Documents:

   MEDIA INDEX BY AGENDA ITEM.PDF
FINANCE AND PERSONNEL COMMITTEE

AGENDA

DATE: Wednesday, March 4, 2020  TIME: 4:30 p.m.

1. CALL MEETING TO ORDER AND ROLL CALL.

2. ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED IN THE AGENDA.

3. PUBLIC COMMENT.
   Opportunity for members of the public to address the Committee. (Government Code Section 54954.3).

4. ACTION AGENDA.
   The following items on the Action Agenda call for discussion and action by the Committee. All items are placed on the Agenda so that the Committee may discuss and take action on the item if the Committee is so inclined, including items listed for information.

   A. Consideration to Study Providing Special Rates to Senior Citizens (No Enclosure)

   B. Customer Bill Dispute – 258 5th Avenue, Chula Vista

   C. Citizens Advisory Committee Recommendation to Perform an Energy Audit

5. CLOSED SESSION.
   At any time during the regular session, the Committee may adjourn to closed session to discuss real property matters within the attorney-client privilege, subject to the appropriate disclosures. (Government Code Section 54956.8).

6. NEXT MEETING DATE: Wednesday, March 18, 2020 at 4:30 p.m.

7. ADJOURNMENT.

This agenda was posted at least seventy-two (72) hours before the meeting in a location freely accessible to the Public on the exterior bulletin board at the main entrance to the Authority’s office and it is also posted on the Authority’s website at www.sweetwater.org. No action may be taken on any item not appearing on the posted agenda, except as provided by California Government Code Section 54954.2. Any writings or documents provided to a majority of the members of the Sweetwater Authority Governing Board regarding any item on this agenda will be made available for public inspection at the Authority Administration Office, located at 505 Garrett Avenue, Chula Vista, CA 91910, during normal business hours. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in a meeting should direct such request to the Board Secretary at (619) 409-6703 at least forty-eight (48) hours before the meeting, if possible.

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TO: Governing Board (Finance and Personnel Committee)  
FROM: Management  
DATE: February 28, 2020  
SUBJECT: Customer Bill Dispute - 258 5th Avenue, Chula Vista

SUMMARY
On November 29, 2019, Monica Salcedo, the account holder, received a water bill in the amount of $945.69. Ms. Salcedo contacted Customer Service regarding the high amount and per the One-Time Adjustments to Customers’ Water Bills policy (Policy), was granted a one-time adjustment in the amount of $200. The next time the meter was read for regular billing, the usage was unusually high at 371 cubic feet. This triggered an audit to have the meter rechecked. Field staff rechecked the meter three times and each time found the meter read to be correct and the meter not running. On the third visit, the Customer Service Field Leadworker spoke with Ms. Salcedo and was informed that her husband, Chris Thompson, had made repairs on the property but did not specify what they were.

Mr. Thompson contacted the General Manager and expressed his concerns about the water bill and believed the meter was faulty. Staff contacted Mr. Thompson on behalf of the General Manager and offered to test the meter and waive the $130 meter test deposit fee. Staff informed Mr. Thompson that if the meter was faulty, the account would be adjusted accordingly. Mr. Thompson then asked if the original one-time adjustment could be reversed and instead applied to the current bill. Staff explained that this was not allowed in accordance with the Policy.

Subsequently, the meter tested 100% accurately on four different flow rates. Staff contacted Mr. Thompson by phone and email to report the results and informed him that any additional appeal would need to be addressed to the Board of Directors.

The current amount due on the account is $2,791.66. No additional fees or penalties have been assessed at this time.

PAST BOARD ACTION
The Governing Board has never reversed a one-time adjustment to allow a customer to apply for another one on a larger water bill.
Memo to: Governing Board (Finance and Personnel Committee)  
Subject: Customer Bill Dispute - 258 5th Avenue, Chula Vista  
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**FISCAL IMPACT**

If the original one-time adjustment is reversed, and Ms. Salcedo is allowed to apply the one-time adjustment to her current bill, the adjustment would be $1,555.40, lowering the amount due to $1,236.26.

**POLICY**

One-Time Adjustments to Customers’ Water Bills

**ALTERNATIVES**

1. Deny the request to reverse the prior one-time adjustment in the amount of $200 that was granted on December 26, 2019, and allow the customer to enter into an extended payment plan for 12 months.

2. Grant the request to reverse the $200 one-time adjustment. Adjust the $200 back onto the account, and allow a new adjustment of $1,555.40.

**STAFF RECOMMENDATION**

Staff recommends that the Governing Board adhere to the Policy (Section 4, item 4.4), and deny the request to reverse the one-time adjustment in the amount of $200 that was granted on December 26, 2019, and allow the customer to enter into an extended payment plan for 12 months.

**ATTACHMENTS**

1. One-Time Adjustments to Customers’ Water Bills Policy
2. Consumption history for 258 5th Avenue from January 1, 2018 to present
3. Ms. Salcedo Public Comment from the February 26, 2020 Regular Board meeting
One-Time Adjustments to Customers’ Water Bills

Control ID: 6055
Policy Owner(s): Director of Administrative Services
Policy Expert(s): Customer Service Manager
Approval Date: 02/05/2020
Approved By: Management

Policy

Sweetwater Authority (Authority) shall adjust a customer’s water bill when it is necessary to provide relief when there is a sudden and unforeseen increase in water usage in accordance with the terms of this One-Time Adjustments to Customers’ Water bills policy (Policy).

Purpose

To set rules for making adjustments to customer water bills so as not to profit by a customer's misfortune.

Scope

This Policy governs the adjustment of all bills prepared and delivered to customers of the Authority. All water bill adjustments calculated by the Authority’s Customer Service staff shall be performed in accordance with this Policy.
To provide its current and future customers with a safe and reliable water supply.

**Procedure**

1. **One-Time Water Bill Adjustments**

   1.1. A one-time adjustment may be made to the customer’s water bill if the following prerequisites are met:

   A. The account is in an active status.

   B. The account has not received an adjustment under this policy in the past.

   C. A properly executed adjustment request form is received prior to the mailing date of the second regular bill mailed; in other words, the second bill mailed after the bill that the customer wishes to adjust.

2. **Calculating One-Time Adjustments**

   2.1. Determine the average use for calculating purposes by adding the usage for the previous 12-month period and divide by the number of bills being considered (normally six bills for bimonthly accounts and 12 bills for monthly accounts).

   2.2. In situations where there is no consumption history, adjustments will be based on average use for the service address, like type users for non-domestic accounts, or other billing periods that the Customer Service Manager deems reasonable.
2.3. To calculate the bill:

A. Figure the dollar amount for the average use determined in item 2.1. of this Policy, by multiplying the average use by the Authority Charge stated in Section 1.2.B of the Supplement to the Rates and Rules.

B. Determine the amount of the excess loss, which is the difference between actual use for the water bill for which an adjustment is requested, and the average use calculated in 2.1. of this Policy.

C. The Director of Finance will compute the wholesale cost of treated water on each occasion when the cost is changed by the San Diego County Water Authority (SDCWA).

D. Multiply the amount of the water loss in hundred cubic feet computed in item 2.3.B. above, by the wholesale cost of water as computed by the Director of Finance in item 2.3.C. above.

E. Add the total dollar amount of the average use (calculated in item 2.3.A. above) to the total dollar amount of the excess loss (calculated in item 2.3.D. above).

F. Subtract the total dollar amount (calculated in item 2.3.A above) from the total water charge of the high bill for which an adjustment is requested to determine the amount of the adjustment.

G. SDCWA surcharges stated in Sections 1.2.B and 1.3 of the Supplement to the Rates and Rules will not be adjusted under this policy.

3. Approval – One-Time Adjustments

3.1. Under this Policy, the Customer Service Manager is authorized to approve adjustments up to $400.
3.2. Under this Policy, the General Manager is authorized to approve adjustment up to $1,500.

3.3. Under this Policy, the Governing Board shall approve or deny adjustments in excess of $1,500.

3.4. The adjustment provided under this Policy will be in the form of a credit against the current balance due on the succeeding month(s) bill(s).

4. Status of Accounts Pending One-Time Adjustments

4.1. Customer water bills waiting for approval will be placed in a pending status and will not be subject to fines, penalties or turnoffs.

4.2. A letter will be sent to the customer as soon as practical after the Authority has made a decision.

4.3. The date and amount of the adjustment will be entered as a notation to the customer data file.

4.4. Once an adjustment is made under this policy, no future adjustments for that account will be considered.

5. Reporting

5.1. The General Manager will provide a quarterly report to the Governing Board through the Finance & Personnel Committee on all adjustments applied to customer water bills under this Policy.

6. Denials

6.1. The Authority has the right to deny a request for a one-time water bill adjustment for the following reasons:
To provide its current and future customers with a safe and reliable water supply.

ADMINISTRATIVE SERVICES
One-Time Adjustments to Customers’ Water Bills

A. When damage to water lines is caused by a city, county, or private contractor, or other third party. The customer must first seek compensation from the entity responsible for the damage before being considered for an adjustment by the Authority.

B. When a customer knowingly permits leaks to continue as stated in the Sweetwater Authority Rates & Rules – Section VIII, "Unauthorized Use or Waste of Water - No consumer shall use water upon any land other than that covered by the Application for Service, nor shall knowingly permit leaks or waste of water," such as when the excessive use is due to the intentional or negligent act of the customer, or non-responsiveness of the customer to warning signals such as high water bills, leak notifications, visible water, or other factors that should have made the customer reasonably aware of the existence of a leak.

7. Appeals

7.1. Decisions made by the Customer Service Manager regarding a customer’s written request for a water bill adjustment may be appealed by submitting a letter to the General Manager within 30 days from the date of the Denial of Adjustment notification letter.

7.2. If the customer is not satisfied with the General Manager’s decision, (either in support of the Customer Service Manager or concerning his/her decision on adjustment amounts up to $1,500), the customer may appeal the decision by submitting a letter to the Governing Board within 30 days from the date of the Denial of Adjustment notification letter.

7.3. Decisions made by the Governing Board are final.
To provide its current and future customers with a safe and reliable water supply.

Reference Documents

Rates and Rules

Supplement to Rates and Rules 2020

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February 19, 2020

To: Sweetwater authority

From: Monica Salcedo (258 5th Ave., Chula Vista)

We would like Sweetwater Authority to reconsider our billing period from 11/20/19 through 01/31/20. We received a bill for the period of 9/18/19 through 11/19/19 for 945.69. After receiving a bill that high, we requested an adjustment. We were granted approximately a $200 reduction. At that point we asked for a meter check. We never received any correspondence. After calling, we understood that the meter was checked and changed. We were willing to accept the bill and reduction. Later we received a door hanger indicating that we were using more water than normal. We called a leak detection company. They would not charge us because they said we had no leak and that the meter was stable. For the period of 11/20/19 through 01/21/20 we received a bill for $2791.66. These numbers are far beyond our normal use and our ability to pay; far beyond the normal usage for a 40 unit apartment complex. We have inspected the property, and use the property as our primary residence. We have not seen any evidence of a leak of that size.

Please consider that either the meter was malfunctioning or some other irregularity happened resulting in these ENORMOUS bills.

Kind regards,

Monica Salcedo
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TO: Governing Board
FROM: Citizen’s Advisory Committee
DATE: February 7, 2020
SUBJECT: Consideration of Citizens Advisory Committee Recommendation to Perform an Energy Audit

SUMMARY
At its January 20, 2020 meeting, the Citizens Advisory Committee (CAC) voted to make a recommendation to the Governing Board to conduct an Energy Audit of all Authority facilities. The CAC would like the Board to consider adding this item to its FY 2020-21 Strategic Plan Work Plan.

PAST BOARD ACTION(S)
December 11, 2019 The Governing Board approved the Citizens Advisory Committee focusing on safety, reliability and affordability.
July 24, 2019 The Governing Board approved Policy 522.

FISCAL IMPACT
The fiscal impact is unknown at this time.

POLICY
Board Policy 522 - Citizens Advisory Committee

   Section III. Orientation/ Establishment of Meeting Date and Times/ Conduct for Meetings:

   D. CAC Members/ Alternates may attend SWA Committee and Governing Board meetings and provide individual or organized public comment regarding CAC approved recommendations on items or issues to be considered by the Governing Board. When representing the CAC, the Member/ Alternate public comment must reflect the official position of the CAC as determined by an official motion garnering the requisite number of affirmative votes as specified in Section III.C. above. In all cases where applicable, Authority staff will convey information on official CAC recommendations to the applicable Authority Committee and/or the Authority Governing Board prior to or as part of the Governing Board’s consideration of the items or issues under consideration.
Memo to: Governing Board  
Subject: Consideration of Citizens Advisory Committee Recommendation to Perform an Energy Audit  
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The CAC should deliver CAC approved recommendations to Authority staff in time to reasonably be added to reports provided to the Governing Board. The Detailed Work Plan approved by the Governing Board provides the framework for what items will be considered by the Governing Board and when those items will be considered. Authority staff should notify the CAC, in all instances where practicable given operational constraints, as to applicable deadlines for receipt of official CAC recommendations, to enable compliance with scheduling legal requirements.

ALTERNATIVES

1. Approve to conduct an energy audit of all Authority facilities and add this goal to the FY 2020-21 Strategic Plan Work Plan.

2. Reject the recommendation to conduct an energy audit of Authority facilities.

3. Other direction as determined by the Governing Board.

COMMITTEE RECOMMENDATION

The Citizens Advisory Committee recommends that the Governing Board conduct an energy audit of all Authority facilities and add this goal to its FY 2020-21 Strategic Plan Work Plan.
AGENDA

DATE: Wednesday, March 4, 2020 TIME: 4:30 p.m.

1. CALL MEETING TO ORDER AND ROLL CALL. (00:00)

2. ITEMS TO BE ADDED, WITHDRAWN, OR REORDERED IN THE AGENDA. (00:00)

3. PUBLIC COMMENT. (00:11)
   Opportunity for members of the public to address the Committee. (Government Code Section 54954.3).

4. ACTION AGENDA.
   The following items on the Action Agenda call for discussion and action by the Committee. All items are placed on the
   Agenda so that the Committee may discuss and take action on the item if the Committee is so inclined, including items
   listed for information.

   A. Consideration to Study Providing Special Rates to Senior Citizens (No Enclosure) (00:33)
   B. Customer Bill Dispute – 258 5th Avenue, Chula Vista (33:45)
   C. Citizens Advisory Committee Recommendation to Perform an Energy Audit (45:51)

5. CLOSED SESSION. (1:11:25)
   At any time during the regular session, the Committee may adjourn to closed session to discuss real property matters
   within the attorney-client privilege, subject to the appropriate disclosures. (Government Code Section 54956.8).

6. NEXT MEETING DATE: Wednesday, March 18, 2020 at 4:30 p.m. (1:11:27)

7. ADJOURNMENT. (1:11:30)
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