



**FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING**

MINUTES

**MONDAY, JANUARY 23, 2023
4:00 P.M.**

**FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125**

If you have a disability and need an accommodation to participate in the meeting, please call the Secretary at (760) 999-2704 for assistance so the necessary arrangements can be made.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Wolk called the January Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. President Wolk deferred to General Counsel de Sousa to make the following statements on the record regarding the proceedings for this meeting:

General Counsel de Sousa announced, for the record that, pursuant to the state of emergency declared by Governor Newsom, and in order to promote social distancing during the evolving COVID-19 pandemic, this meeting was being conducted by web and teleconference pursuant to Government Code Section 54953(e)(1)(A), which waives certain teleconferencing requirements in certain circumstances. She noted the first item on the agenda pertained to Board action to make the required findings pursuant to Government Code Section 54953(e).

General Counsel de Sousa also announced the agenda provided notice that members of the public may participate in this meeting by attending in person, and that members of the public who do not wish to attend in person were encouraged to participate in the Board meeting electronically using the call-in and weblink information included on the agenda. Members of the public participating remotely may provide general public comments and comments on agenda items in real time by requesting to speak using the "Raise Hand" function on Zoom or, if they were participating by phone, by pressing *9 to raise their hand. In addition, the agenda provided notice to members of the public on how they may submit comments in advance of the meeting to be read at the appropriate portion of the meeting (up to a limit of 3 minutes per comment).

General Counsel de Sousa announced that President Wolk would ask the Board Secretary if there were any members of the public who had submitted written comments in advance of the meeting, or who wished to make comments on the item either in person or through Zoom webinar or Zoom teleconference. After public comments, President Wolk would then call on staff to make a presentation for the next item on the agenda. After the

presentation was made, to avoid everyone speaking at once, President Wolk would then call on each Director to see if there were questions for staff regarding their presentation. After the round of questions, President Wolk would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President Wolk would call on each Director to see if there were any comments. General Counsel de Sousa announced since there were no Directors participating remotely, roll call vote were unnecessary.

A quorum was established, and attendance was as follows:

Board of Directors

Present: Charley Wolk, Member/President
Jennifer DeMeo, Member/Vice President
Dave Baxter, Member
Ken Endter, Member
Don McDougal, Member

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager
Paul de Sousa, General Counsel
Dave Shank, Assistant General Manager/CFO
Jodi Brown, Management Analyst
Devin Casteel, System Services Supervisor
Isabel Casteran, Risk and Safety Officer
Lisa Chaffin, Human Resources Manager
Aaron Cook, Engineering Manager
Noelle Denke, Public Affairs Specialist
Joe Di Carlo, Instrumentation, Electrical and Controls Technician I
Jorge Lopez, Instrumentation, Electrical and Controls Technician II
Christi Ray, Accounting Technician I
Steve Stone, Field Services Manager
Veronica Tamzil, Accounting Supervisor
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Ruben Flores, Milton Flores, Ross Pike, Craig Balben, Jacqueline Howells, and Victoria Stover

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

A. CONSIDER FINDINGS TO CONTINUE HOLDING REMOTE/
TELECONFERENCE MEETINGS PURSUANT TO ASSEMBLY BILL 361

Recommendation:

1. That the FPUD Board of Directors make the following findings by majority vote:
 - a. The Governor-declared COVID-19 State of Emergency remains in effect and the Board of Directors has reconsidered the circumstances of the COVID-19 State of Emergency; and
 - b. State or local officials continue to impose or recommend measures to promote social distancing.
2. That the FPUD Board of Directors determine that, for the next thirty (30) days, the meetings of the Board and committees shall be held pursuant to the provisions of Government Code section 54953(e), allowing legislative body members and members of the public to participate in meetings remotely in accordance with that section.

MOTION: Director Endter moved to find that the Governor-declared COVID-19 State of Emergency remains in effect and the Board of Directors has reconsidered the circumstances of the COVID-19 State of Emergency; and State or local officials continue to impose or recommend measures to promote social distancing and that meetings of the Board of Directors and Committees shall be held pursuant to provisions of the Government Code section 54953(e), allowing legislative body members and members of the public to participate in meetings remotely in accordance with that section; Director DeMeo seconded. Motion passed; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

PLEDGE OF ALLEGIANCE

President Wolk led the Pledge of Allegiance.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

MOTION: Director McDougal moved to approve the agenda, as presented; Director Endter seconded. Motion carried; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk
NOES: None

ABSTAIN: None
ABSENT: None

PUBLIC COMMENT

Members of the public are invited to address the Board of Directors on any item that is within the subject matter jurisdiction of the legislative body. The Board President may limit comments to three (3) minutes.

There were no public comments for non-agenda items.

There were no public comments for agenda items B–F.

B. 2022 EMPLOYEE OF THE YEAR; RESOLUTION NO 5039
1. Devin Casteel

The Board recognized and commended Devin Casteel as the 2022 Employee of the Year.

MOTION: Director McDougal moved to adopt Resolution No. 5039, recognizing and commending Devin Casteel as the 2022 Employee of the Year; Director Endter seconded. Motion carried; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

C. YEARS OF SERVICE
1. Lisa Chaffin – 5 years

The Board recognized Lisa Chaffin for her five years of service to the District.

D. NEW EMPLOYEE ANNOUNCEMENT
1. Christi Ray, Accounting Technician I

The Board welcomed Christi Ray as the new Accounting Technician I.

E. ACWA/JPIA H.R. LABOUNTY SAFETY AWARD
1. Isabel Casteran
2. Juliana Luengas

The Board recognized Isabel Casteran and Juliana Luengas for receiving ACWA/JPIA H.R. LaBounty Safety Awards.

- F. NEW CERTIFICATIONS
 - 1. Nick Cannata – CSM1
 - 2. Jorge Lopez – CWEA EIT Grade 2
 - 3. Joe Di Carlo – CWEA EIT Grade 1

The Board congratulated Nick Cannata for receiving his CSM1 certification, Jorge Lopez for receiving his CWEA EIT Grade 2 certification, and Joe Di Carlo for receiving his CWEA EIT Grade 1 certification.

II. CONSENT CALENDAR----- (ITEM G)

All items appearing on the Consent Calendar may be disposed of by a single motion. Items shall be removed from the Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items. Such items shall be considered separately for action by the Board.

There were no public comments on Consent Calendar items.

- G. CONSIDER APPROVAL OF MINUTES
 - 1. December 5, 2022 Combined November/December Regular Board Meeting

Recommendation: The Board approve the minutes of the aforementioned meeting of the Board of Directors of the Fallbrook Public Utility District.

MOTION: Director McDougal moved to approve the Consent Calendar as presented; Director DeMeo seconded. Motion carried; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

III. INFORMATION----- (ITEMS H-I)

- H. RECOGNITION AND COMMENDATION OF STUDENT ARTWORK

Presented by: Noelle Denke, Public Information Officer

There were no public comments on agenda item H.

The fourteen 4th grade “Be Water Smart” calendar contest winners were recognized and commended for their creative artwork used in the publication of the 2023/2024 “Be Water Smart” calendar.

I. MID-YEAR OPERATING BUDGET UPDATE

Presented by: David Shank, Assistant General Manager/Chief Financial Officer

There were no public comments on agenda item I.

Assistant General Manager/CFO Shank presented a slide show that provided an overview and update of the mid-year budget.

General Manager Bebee announced the Community Benefit Committee has met but did not think the Committee would be in a position to come back with projects to award by the end of this fiscal year.

Engineering Manager Cook provided an overview of the CIP and budget.

Director Baxter asked if there were any tools or resources needed to hit the projects and close the gap on the budget. Engineering Manager Cook responded we were working with our contractor to identify alternative suppliers to assist with supply chain issues.

Director Endter asked if we could get ahead of replacing pipeline prior to contract approval. Engineering Manager Cook explained we were approaching our pipeline purchasing differently in order to speed it up, however, other materials were difficult to procure right now.

IV. **ACTION / DISCUSSION CALENDAR** ----- (ITEMS J–N)

J. CONSIDER CUSTOMER REQUEST FOR BILL ADJUSTMENT – 205 S. BRANDON ROAD

Recommendation: Staff will support Board direction on this item.

Ruben and Milton Flores stepped to the podium to request the Board waive past due fees acquired by the previous owner on a property they recently purchased.

General Manager Bebee provided background information on this situation, including that this was a unique situation due to Covid and that usually there is a not a past due bill this large for a residential property. He also reported a letter to local real estate agents was sent as reminder for them to check into unpaid balance on utility bills.

Director Baxter reiterated by waiving this past due amount, it is really reabsorbed by the other rate payers and asked if the Floreses had looked into any legal action they could take to clear up the balance. Mr. Flores answered they did

look into this, and because there was no lien placed on the property, it would not have come up when running the title. General Manager Bebee stated this account could not be locked because of Covid, which is why the past due balance did not show up on the tax roll.

President Wolk asked if they had attempted any recourse with the real estate agent. Mr. Flores stated they did attempt this, but the real estate agent was also unaware of this past due bill. President Wolk asked General Counsel de Sousa to look into any recourse the District has with the real estate agent for not doing their due diligence in confirming whether a past due balance existed.

MOTION: Director McDougal moved to waive a past due balance of \$4,583.01, due to the unique COVID-19 circumstances, inherited by the new property owner at 205 S. Brandon Road; Director DeMeo seconded. Motion carried; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

K. CONSIDER ANNUAL REVIEW OF DIRECTORS' PER DIEM COMPENSATION

Recommendation: Staff supports Board decision.

There were no public comments on agenda item K.

General Manager Bebee announced Directors' per diem was reviewed annually. There was an option to hold a noticed public hearing in February to potentially increase the compensation by five percent. The increase would be effective 60 days after the public hearing was held and no less than one year from the date of the last increase.

MOTION: Director McDougal moved to begin the process of increasing Director per diem compensation by 5%, which will require a noticed Public Hearing in February; Director Endter seconded. Motion passed; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk
NOES: None
ABSTAIN: None
ABSENT: None

- L. CONSIDER APPROVAL OF MEMORANDUM OF UNDERSTANDING (MOU) WITH THE DISTRICT AND CITY OF OCEANSIDE, UNITED STATES MARINE CORPS BASE CAMP PENDLETON, RANCHO CALIFORNIA WATER DISTRICT AND RAINBOW MUNICIPAL WATER DISTRICT FOR COORDINATION OF ACTIVITIES TO SUPPORT DEVELOPMENT OF REGIONAL WATER RELIABILITY IMPROVEMENT PROJECTS

Recommendation: That the Board authorize the General Manager to execute the attached Memorandum of Understanding Santa Margarita and San Luis Rey Water Reliability Agreements with non-substantive changes.

There were no public comments on agenda item L.

General Manager Bebee briefly reviewed the proposed MOU included in the agenda packet.

Director McDougal commended General Manager Bebee for his credibility with these other agencies to be able to work together on a project like this.

MOTION: Director McDougal moved authorize the General Manager to execute a Memorandum of Understanding for the Santa Margarita and San Luis Rey Water Reliability Agreements with non-substantive changes; Director DeMeo seconded. Motion passed; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: None

- M. CONSIDER CALL FOR NOMINATIONS, REGULAR AND ALTERNATE SPECIAL DISTRICT MEMBER TO SERVE ON THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION (LAFCO)

Recommendation: If any member of the Board of Directors expresses a desire for nomination for the four year term, commencing May 1, 2023, upon a motion made and passed by the Board, staff will assist the nominee in completing the necessary paperwork for submittal to LAFCO by the deadline for nominations, which is Tuesday, February 21, 2023.

There were no public comments on agenda item M.

General Manager Bebee outlined the call for nominations for a regular and alternate special district member to serve on LAFCO for a four year term,

commencing May 1, 2023. He reported if any Director was interested in being nominated, they could request that at this time.

President Wolk asked if the San Diego County Water Authority was trying to have someone run as a LAFCO candidates. General Manager Bebee had not heard anything related to this.

There was no action taken by the Board.

N. CONSIDER FIELD SERVICES REORGANIZATION

Recommendation: That the Board approve the reorganization and the resulting job description and organizational chart changes and approve the new construction supervisor position.

There were no public comments on agenda item N.

Vice President DeMeo reported this item went through the Personnel Committee.

General Manager Bebee announced this was a reclassification of the meter services/construction supervisor position into a construction supervisor and system services supervisor position. Because this also adjusted the salary schedule, it required Board approval.

MOTION: Director DeMeo moved to approve the proposed Construction Supervisor job description and salary range, along with the related changes to the salary table; Director Endter seconded. Motion passed; VOTE:

AYES: Directors Baxter, DeMeo, Endter, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: None

V. ORAL/WRITTEN REPORTS----- (ITEMS 1-8)

There were no public comments on oral/written reports.

1. General Counsel

- General Counsel de Sousa provided an update on the legislative session, as well as updates on AB2449.

2. SDCWA Representative Report

- General Manager Bebee provided an overview of the written reports included in the packet.
- 3. General Manager
 - a. Engineering and Operations Report
- 4. Assistant General Manager/Chief Financial Officer
 - a. Financial Summary Report
 - b. Treasurer's Report
 - c. Budget Status Report
 - d. Warrant List
 - AGM/CFO Shank provided an overview of the written reports included in the packet.
 - AGM/CFO Shank reported that the Daily Road property has sold.
 - President Wolk asked what the Springbrook charge was in the warrant list. AGM/CFO Shank reported that was their annual fee.
- 5. Public Affairs Specialist
- 6. Notice of Approval of Per Diem for Meetings Attended
- 7. Director Comments/Reports on Meetings Attended
- 8. Miscellaneous

ADJOURN TO CLOSED SESSION

The Board of Directors adjourned to Closed Session at 5:50 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Items VI.1 and 2.

VI. CLOSED SESSION ----- (ITEMS 1–2)

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (d)(2)

One (1) Potential Case

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION PER GOVERNMENT CODE SECTION 54956.9 (d)(2)

One (1) Potential Case

RECONVENE TO OPEN SESSION

The Board came out of Closed Session and reconvened to Open Session at 6:12 p.m.

REPORT FROM CLOSED SESSION (*As necessary*)

There was no reportable action taken during Closed Session.

VII. ADJOURNMENT OF MEETING

There being no further business to discuss, the January Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 6:12 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors