



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

MINUTES

**MONDAY, AUGUST 23, 2021
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 DeMeo called the August Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. President DeMeo deferred to General Counsel Norvell to make the following statements on the record regarding the proceedings for this meeting:

General Counsel Norvell announced, for the record, that this meeting was conducted by teleconference using the call-in and web link on the agenda, pursuant to the Brown Act waivers to certain provisions under the Governor's Executive Order in response to the COVID-19 State of Emergency.

General Counsel Norvell also announced the agenda provided notice that members of the public were encouraged to participate in person, or via teleconference using the call-in and web link information, and that members of the public could have also emailed public comments and comments on agenda items in advance of the meeting by mailing them to the District, dropping them in the District's payment drop box, or emailing them to the Board Secretary. Any such written comments would be read on to the record at the appropriate portion of the meeting – up to a limit of three (3) minutes per comment.

General Counsel Norvell noted, for the record, there were no written public comments for any agenda items submitted prior to the submission deadline.

A quorum was established, and attendance was as follows:

Board of Directors

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

Don McDougal, Member

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager
Nicholaus Norvell, General Counsel
David Shank, Assistant General Manager/CFO
Jason Cavender, Operations Manager
Aaron Cook, Engineering Manager
Noelle Denke, Public Affairs Specialist
Lisa Chaffin, Human Resources Manager
Mick Cothran, Engineering Technician II
Isabel Casteran, Safety & Risk Officer

Also present were others, including, but not limited to: Craig Balben, Yareli Albino, Cynthia Young

PLEDGE OF ALLEGIANCE

President DeMeo led the Pledge of Allegiance.

General Counsel Norvell announced that President DeMeo 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 DeMeo 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 DeMeo would then call on each Director to see if there were questions for staff regarding their presentation. After the round of questions, President DeMeo would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President DeMeo would call on each Director to see if there were any comments. General Counsel Norvell announced all votes would be done by roll call.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

MOTION: Director Endter moved to approve the agenda as presented; Director Baxter seconded. Motion passed; 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.

President DeMeo stated, as permitted under the Brown Act, the Board would hear public comments on items within the subject matter jurisdiction of the District that were not on the agenda.

President DeMeo requested that members of the public, who wished to speak on non-agenda items, raise their hand via Zoom Webinar by clicking on the 'Raise Hand' button and via phone by pressing star nine. President DeMeo then asked the Board Secretary if there were any members of the public who would have liked to be heard, or if any written in person public comment speaker slips for non-agenda items had been received in person, via mail, email, or deposit.

There were no public comments on non-agenda items or agenda items A-B.

- A. EMPLOYEE OF THE QUARTER FOR AUGUST 2021
 - 1. Josh Couveau

The Board congratulated Josh Couveau as being selected as Employee of the Quarter for August 2021.

- B. NEW EMPLOYEE ANNOUNCEMENT
 - 1. Isabel Casteran, Safety & Risk Officer

The Board welcomed Isabel Casteran as the new Safety and Risk Officer.

- II. **CONSENT CALENDAR**-----**(ITEMS C – H)**
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.

- C. CONSIDER APPROVAL OF MINUTES
 - 1. July 26, 2021 Regular Meeting

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

- D. CONSIDER PUBLICATION OF ANNUAL FINANCIAL STATEMENT

Recommendation: That the Board approve the draft financial statement developed by staff for publication in the Village News in accordance with Section 6066 of the Government Code.

E. COMMUNITY BENEFIT WATER USERS FY 2020-21 ANNUAL REPORT

Recommendation: This item is for information purposes, no action is required.

F. ANNUAL STATUS REPORT OF PARCELS WITH DEFERRED WATER AVAILABILITY / STANDBY CHARGES

Recommendation: This item is for information only; no action is required of the Board.

G. CONSIDER CLAIM FOR INUNDATION OF WATER ONTO REAL PROPERTY

Recommendation: The aggregate cost of the claims related to the incident will exceed the District retrospective allocation point of \$25,000. Staff recommends rejection of this claim, and any and all claims resulting from this incident, and to forward all claims for this incident to ACWA/JPIA for resolution.

H. CONSIDER ADOPTION OF RESOLUTION 5019 COMPLYING WITH GOVERNMENT CODE REQUIREMENTS FOR WATER SERVICE RELATIVE TO AFFORDABLE HOUSING

Recommendation: That the Board adopt Resolution 5019 complying with SB 1087 priority for affordable housing.

MOTION: Director Endter moved to approve the consent calendar as presented; Director Wolk seconded. Motion passed; VOTE:

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

III. **INFORMATION**------(ITEMS I - J)

I. PRESENTATION BY YARELI ALBINO, STUDENT INTERN, FALLBROOK HIGH SCHOOL

There were no public comments on agenda item I.

Yareli Albino provided a slideshow to the Board of her experience working as a high school intern over the summer.

J. FY 2020-21 YEAR-END BUDGET STATUS REPORT

There were no public comments on agenda item J.

AGM/CFO Shank provided a slideshow to the Board with an overview of the 2020-21 year end Budget Status Report.

IV. **ACTION / DISCUSSION CALENDAR** -----(ITEMS K-P)

K. CONSIDER AWARD OF WINTERHAVEN PIPELINE PHASE II REPLACEMENT PROJECT (JOB 3142)

Recommendation: That the Board authorize the Winter Haven Pipeline Phase II Replacement Project to the lowest responsible bidder.

There were no public comments on agenda item K.

MOTION: Director Baxter moved to authorize the Winter Haven Pipeline Phase II Replacement Project to the lowest responsible bidder, PK Mechanical; Director Endter seconded. Motion passed; VOTE:

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

L. CONSIDER SMRCUP PROFESSIONAL SERVICES AGREEMENT AMENDMENT

Recommendation: That the Board authorize a contract amendment with Infrastructure Engineering Corporation for a not to exceed amount of \$289,866 to continue providing design services during construction for the Santa Margarita Conjunctive Use Project.

There were no public comments on agenda item L.

Director Wolk asked if the funds will be used to design electrical back-up equipment. Engineering Manager Cook advised the majority of the funds are for start-up services for the design engineer to assist the contractor.

MOTION: Director Endter moved to authorize a contract amendment with Infrastructure Engineering Corporation for a not to exceed amount of \$289,866 to continue providing design services during construction for the SMRCUP; Director Wolk seconded. Motion passed; VOTE:

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

M. CONSIDER SMRCUP SCADA PROGRAMMING SERVICES AGREEMENT AMENDMENT

Recommendation: That the Board authorize a contract amendment with Arcadis U.S. Inc. for a not to exceed amount of \$245,961.60 to continue providing SCADA Programming Services for the Santa Margarita River Conjunctive Use Project.

There were no public comments on agenda item M.

Engineering Manager Cook advised the Board there is no increase in cost with this contract amendment; it will only transfer services from one company to another, allowing the same project engineer, who switched companies, to continue providing his services.

MOTION: Director Baxter moved to authorize a contract amendment with Arcadis U.S. Inc. for a not to exceed amount of \$245,961.60 to continue providing SCADA Programming Service for the SMRCUP; Director Endter seconded. Motion passed; VOTE:

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

N. CONSIDER AS-NEEDED SCADA SUPPORT CONTRACT AMENDMENT

Recommendation: That the Board authorize an additional \$37,500 to the annual as-needed support contract with SCADA Integrations, for a combined total of \$75,000.

There were no public comments on agenda item N.

Operations Manager Cavender advised the Board we have been working with Scada Integrations for five years; they provide programming support and specialized troubleshooting. Operations Manager Cavender pointed out that two position vacancies have left the District in a situation where an as-needed support contract would provide necessary Scada assistance should it be required.

Director Endter asked Operations Manager Cavender if the salaries of the two vacant positions make up for what the District will spend with the as-needed support contract. General Manager Bebee confirmed it does. Director Wolk asked if the District

would be able to reduce the amount it's paying for Scada support services once the two vacant positions are filled. General Manager Bebee stated once the positions are filled, the support contract would be reevaluated.

MOTION: Director Baxter moved to authorize an additional \$37,500 to the annual as-needed support contract with SCADA Integrations, for a combined total of \$75,000; Director Endter seconded. Motion passed; VOTE:

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

O. CONSIDER SOLAR POWERED FLOATING MIXER AT RED MOUNTAIN RESERVOIR

Recommendation: That the Board the authorize \$71,323 to IXOM Watercare Inc. for the purchase and installation of a solar powered mixer.

There were no public comments on agenda item O.

Operations Manager Cavender advised the Board the District currently has one solar powered mixer. Operations Manager Cavender stated that in order to keep Red Mountain water quality at acceptable levels once the SMRCUP starts creating additional volumes of stored water, a second floating mixer will be needed to help reduce stratification and maintain water quality.

Director Wolk asked if there is a way to get sediment out of the bottom of the reservoir without draining it. Operations Manager Cavender indicated there is not.

Director Baxter asked if purchasing a third or fourth mixer should be considered, so as to prevent water quality degradation should one of the mixers fail. Operations Manager Cavender stated we could purchase another mixer if needed. General Manager Bebee advised the Board there are other ways to help mitigate stratification aside from using floating mixers, and purchasing additional units at this time isn't necessary. General Manager Bebee stated if there is a need to purchase additional units in the future, the District would do so.

MOTION: Director Endter moved to authorize \$71,323 to IXOM Watercare Inc. for the purchase and installation of a solar powered mixer; Director Baxter seconded. Motion passed; VOTE:

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

ABSTAIN: None
ABSENT: None

- P. CONSIDER APPROVAL OF AMENDMENT TO AMENDED AND RESTATED EMPLOYMENT AGREEMENT BETWEEN FALLBROOK PUBLIC UTILITY DISTRICT AND GENERAL MANAGER JACK BEBEE EFFECTIVE JULY 1, 2021

Recommendation: That the Amended and Restated Employment Agreement with General Manager Jack Bebee be approved effective July 1, 2021.

There were no public comments on agenda item P.

General Counsel Norvell announced, for the record, pursuant to Government Code Section 54953, the following is a summary of the modifications in the form of fringe benefits and/or salary to be paid to the General Manager under the proposed amended and restated Employment Agreement, if approved:

First, there was a proposed increase of annual compensation by 4.5%, from \$220,147.00 to \$230,053.00, effective retroactively to July first 2021. Second, a one-time performance incentive compensation in the amount of \$5000.00 would be provided for the successful completion of the General Manager's work plan goals for Fiscal Year 2020-21. This amount will not be reportable to CalPERS and will not be a part of the calculation of the General Manager's retirement allowance.

Director Wolk stated, for the record, that the provisions of executive leave, vacation and sick leave require additional analysis. Director Wolk also stated, for the record, that this contract is not a template for other employee groups.

MOTION: Director Wolk moved to approve the Amendment to the Amended and Restated Employment Agreement between Fallbrook Public Utility District and General Manager Bebee; Director McDougal 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)

1. General Counsel

- General Counsel Norvell provided an update to the Board about redistricting data and Census information. Census information will be available at the end of September 2021.

- General Counsel Norvell stated that under current law, the District is required to provide its redistricting maps to the local Registrar of Voters 180 days before an election. A new bill introduced, SB574, will change the deadlines to report this information to the local Registrar of Voters to 205 days before the election.
- 2. SDCWA Representative Report
 - General Manager Bebee provided an overview of the written reports included in the Board packet.
- 3. General Manager
 - a. Engineering and Operations Report
 - General Manager Bebee provided an overview of the written reports included in the Board packet.
- 4. Assistant General Manager/Chief Financial Officer
 - AGM/CFO Shank provided an overview of the written reports provided in the Board packet.
- a. Financial Summary Report
- b. Treasurer's Report
- c. Budget Status Report
- d. Warrant List
- 5. Public Affairs Specialist
 - Public Affairs Specialist Denke provided an update on the SMRCUP Ribbon Cutting Event and the 100-year anniversary.
- 6. Notice of Approval of Per Diem for Meetings Attended
- 7. Director Comments/Reports on Meetings Attended
- 8. Miscellaneous

ADJOURN TO CLOSED SESSION

General Counsel Norvell announced that members of the public were welcome to continue to stay on the teleconference line while the Board was in Closed Session, however they would only hear silence. Following Closed Session and prior to adjournment, an oral announcement of reportable action, should there be any, would be made to the public on the teleconference line.

The Board of Directors adjourned to Closed Session at 5:25 p.m. following an oral announcement by General Counsel Norvell of Closed Session Item VI.1.

VI. CLOSED SESSION ----- (ITEM 1)

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
SIGNIFICANT EXPOSURE TO LITIGATION PER GC § 54956.9 (d)(2)

One (1) Potential Case

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 6:02 p.m.

REPORT FROM CLOSED SESSION (*As Necessary*)

There was no reportable action taken in Closed Session.

VII. ADJOURNMENT OF MEETING

There being no further business to discuss, President DeMeo adjourned the August Regular Meeting of the Fallbrook Public Utility District at 6:02 p.m.



President, Board of Directors

ATTEST:



Acting Secretary, Board of Directors