



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

MINUTES

**MONDAY, JANUARY 27, 2020
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.

Writings that are public records and are distributed during a public meeting are available for public inspection at the meeting if prepared by the local agency or a member of its legislative body or after the meeting if prepared by some other person.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Endter called the January Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. A quorum was established, and attendance was as follows:

Board of Directors

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

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager
Paul de Sousa, General Counsel
Dave Shank, Assistant General Manager/CFO
Steve Stone, Field Services Manager
Lisa Chaffin, Human Resources Manager
Aaron Cook, Senior Engineer
Noelle Denke, Public Affairs Specialist
Kelly Laughlin, Administrative Office Specialist
Larry Ragsdale, Safety and Risk Officer

Devin Casteel, System Operations Supervisor
Jacob Hyink, Utility Worker 1
Mateo Morgan, Systems Operator II
Kevin Stamper, Utility Worker II
Sky Peterson, Utility Worker II
Matt Lian, Systems Operator I
Jodi Brown, Management Analyst
Mavis Canpinar, Customer Service Specialist
Chris Hamilton, Senior Instrumentation & Controls Specialist
Jeff Wolfe, Utility Worker II
Abraham Pagan, Instrumentation, Electrical, and Controls Technician 1
Brandon Stewart, Utility Worker 1
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Leticia Maldonado Stamos, Nick Stamos, Eric Heidemann, and Ron Harlan.

PLEDGE OF ALLEGIANCE

President Endter led the Pledge of Allegiance.

APPROVAL OF AGENDA

MOTION: Director McDougal moved to approve the agenda as presented; Vice-President DeMeo 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.

Leticia Maldonado Stamos stepped to the podium to inquire about a five dollar per month per meter assessment she had heard about but could not find any information about. Director McDougal explained this is in regards to the Community Benefit Program and that at this point, LAFCO is doing their due diligence, and at this point we have not heard back yet regarding the status. Director McDougal also noted there would be opportunities for public input for this program in the future.

A. MANAGER'S AWARD

1. Jacob Hyink

2. Toby Stoneburner
3. Mateo Morgan
4. Kevin Stamper
5. Eddie Taylor
6. Alex Galloway
7. Josh Hargrove
8. Larry Ragsdale
9. Jamison Davis
10. Sky Peterson
11. Bryan Wagner
12. Matt Lian

The Board recognized Jacob Hyink, Toby Stoneburner, Mateo Morgan, Kevin Stamper, Eddie Taylor, Alex Galloway, Josh Hargrove, Larry Ragsdale, Jamison Davis, Sky Peterson, Bryan Wagner, and Matt Lian for receiving Manager's Awards for working through the night on holiday weekends.

B. COMMENDATION OF MATEO MORGAN WHO ASSISTED THE CITY OF POWAY

Eric Heidemann, Director of Public Works for the City of Poway, stepped to the podium to address the Board to express the City of Poway's appreciation to Mateo Morgan, Systems Operator II and Devin Casteel, System Operations Supervisor for their assistance in flushing their distribution system and gathering water samples for lab testing.

C. 2019 EMPLOYEE OF THE YEAR; RESOLUTION NO 4987

1. Kelly Laughlin

The Board adopted Resolution No. 4987, recognizing and commending Kelly Laughlin for being voted as Employee of the Year for 2019 by her peers.

D. YEARS OF SERVICE

1. Jeff Wolfe, Utility Worker II – 5 years
2. Chris Hamilton, Senior Instrumentation & Controls Specialist – 5 years
3. Antonio Campos, Plant Maintenance Worker II – 10 years

The Board recognized Jeff Wolfe and Chris Hamilton for their five years of service and Antonio Campos for his 10 years of service with the District.

E. INTRODUCTION OF NEW EMPLOYEES

1. Jodi Brown, Management Analyst
2. Abraham Pagan, Instrumentation, Electrical, and Controls Technician 1
3. Brandon Stewart, Utility Worker 1

General Manager Bebee introduced Jodi Brown as the new Management Analyst, Abraham Pagan as the new Instrumentation, Electrical, and Controls Technician 1, and Brandon Stewart as the new Utility Worker 1.

- F. EMPLOYEE ANNOUNCEMENTS
 - 1. Austin Wendt, Utility Technician

The Board recognized Austin Wendt for his promotion to Utility Technician.

- II. **CONSENT CALENDAR**-----**(ITEMS G – 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.

- G. APPROVAL OF MINUTES
 - 1. December 9, 2019 Combined November/December Regular Board Meeting
 - 2. January 9, 2020 Special Board Meeting

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

- H. CLAIM FOR INUNDATION OF WATER ONTO REAL PROPERTY

Recommendation: The claim will exceed the District authorized amount of \$10,000 per occurrence; therefore, it is beyond the District's settlement authority and needs to be forwarded to JPIA as required. Staff recommends rejection of the claim and to forward to ACWA/JPIA for resolution.

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

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

- III. **ACTION / DISCUSSION CALENDAR** ----- **(ITEMS I – Q)**

- I. CONSIDER CUSTOMER APPEAL OF WATER CHARGES

Recommendation: Because the physical read on the meter verified the water usage on the bill, staff recommends that the Board reject Dr. Harlan's appeal and instead proceed

with a leak adjustment request. A leak adjustment credit for the 44 Kgal leak would be \$106.44.

Dr. Ron Harlan stepped to the podium to address the Board regarding a spike in his water usage that was registered to his meter during a period of time when he was not home. Dr. Harlan provided the Board with an overview of the timeline of events that happened while he was on vacation and noted there was no evidence of a leak on his property, which would include greening or large amounts of water present.

Director McDougal asked Dr. Harlan how much he was asking for. Dr. Harlan responded that he was asking for a refund for roughly 45,000 gallons.

MOTION: Director Wolk moved, that although he believed the water was used on the property, he did not want to spend more Board or staff resources, to approve a credit of \$325 on Dr. Harlan's account to take care of the overage for billing and directed staff not to spend any more time on this issue; Vice-President DeMeo seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

J. CONSIDER UPS BATTERY REPLACEMENT & MAINTENANCE

Recommendation: That the Board approve the proposal from S&C Electric Company to service the UPS system and replace the batteries, for the amount of \$48,515.

MOTION: Director Baxter moved to approve S&C's Electric Company's proposal for to service the UPS system and replace the batteries, for the amount of \$48,515; Vice-President DeMeo seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

K. MID-YEAR BUDGET UPDATE

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

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

Senior Engineer Cook also presented a slide show that provided a mid-year capital improvement project update.

L. PARKING AREA REMODEL

Presented by: Kevin Collins, Purchasing/Warehouse Supervisor

General Manager Bebee provided a brief update of the parking area remodel project, which will include an electric vehicle charging station.

M. CONSIDER CONTRACT AMENDMENT FOR ADDITIONAL TREATMENT FOR THE SANTA MARGARITA CONJUNCTIVE USE PROJECT

Recommendation: That the Board approve a contract amendment with Infrastructure Engineering Corporation for a not to exceed amount of \$771,143 to provide treatment process selection, design services and construction administration additional treatment facilities for the Santa Margarita Conjunctive Use Project. That the Board approve attached resolution 4988 to support an application for grant funds to help address costs associated with the additional treatment facilities.

General Manager Bebee explained this contract amendment went to the Engineering and Operations Committee first. Director Wolk confirmed this is not an additional contract, and General Manager Bebee reiterated this was an amendment to an existing contract and adding additional funds to that contract.

General Manager Bebee explained that Resolution 4988 is to support a grant application to obtain money to offset the amount spent on additional treatment.

MOTION: Director McDougal moved to approve a contract amendment with Infrastructure Engineering Corporation for a not to exceed amount of \$771,143 to provide treatment process selection, design services and construction administration additional treatment facilities for the Santa Margarita Conjunctive Use Project and approve attached Resolution No. 4988 to support an application for grant funds to help address costs associated with the additional treatment facilities; Vice-President DeMeo seconded. Motion carried; VOTE:

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

N. CONSIDER ADOPTION OF RESOLUTION NO. 4989, AMENDING ADMINISTRATIVE CODE ARTICLE 21 TO COMPLY WITH REQUIREMENTS OF

SB998 AND IMPLEMENTATION OF OTHER CUSTOMER SERVICE
CONVENIENCE FEATURES

Recommendation: *That the Board Adopt the Recommended Residential Discontinuation of Service Policy and Resolution No. 4989 amending Article 21 of the District's Administrative Code.*

Assistant General Manager/CFO, Dave Shank, announced that SB 998 standardizes the shut off policy of residential water services. The proposed Residential Discontinuation of Service Policy meets the requirements set by SB 998 and allows the District to be compliant with the SB 998 requirements.

Customer Service Specialist, Mavis Canpinar presented a slide show to show the Board the current Customer Service enhancements the District has implemented and how they provide a positive experience for the District's customers.

MOTION: Vice-President DeMeo moved to Adopt the Recommended Residential Discontinuation of Service Policy and Resolution No. 4989 amending Article 21 of the District's Administrative Code; Director McDougal seconded. Motion carried; VOTE:

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

O. CONSIDER ANNUAL REVIEW OF DIRECTORS' PER DIEM COMPENSATION

Recommendation: *Staff supports Board decision.*

General Counsel de Sousa announced that the Board can vote to increase Director's per diem by five percent each year, but must review this process each year. She went on to explain that the process to increase Director's per diem includes scheduling a noticed public hearing before adopting an ordinance to increase the per diem.

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; Vice-President DeMeo seconded. Motion carried; VOTE:

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

P. CONSIDER UTILITY TECHNICIAN JOB DESCRIPTION REVISIONS AND RECLASSIFICATION OF BACKFLOW/CROSS-CONNECTION TECHNICIAN POSITION TO UTILITY TECHNICIAN

Recommendation: The Personnel Committee recommends Board approval of the reclassification of the Backflow/Cross-Connection Technician position to Utility Technician; and the related changes to the Utility Technician job description, the District organizational chart and salary table.

Vice-President DeMeo announced the Personnel Committee met to review the reclassification of the Backflow/Cross-Connection Technician to Utility Technician and that it made a lot of sense considering this is a neutral change. This change does not cost the District any money and is an efficient change.

General Manager Bebee explained this change will allow this position to also respond to leaks in addition to the position's current duties.

MOTION: Director McDougal moved to approve the reclassification of the Backflow/Cross-Connection Technician position to Utility Technician; and the related changes to the Utility Technician job description, the District organizational chart, and salary table; Director Wolk seconded. Motion carried; VOTE:

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

Q. CONSIDER AMI METER SERVICE REPLACEMENT PROGRAM

Recommendation: That the Board approve the purchase of Badger meters (National Meter and Automation Inc.) per attached for \$173,144.55 (including sales tax) and Inland Water Works Supply Co. for 100W ERTs and Antennas per attached for \$97,203.43 (including sales tax) in order to replace existing drive-by radio read meters that have reached the end of their useful life with fixed network AMI meters that will provide additional real time water usage monitoring tools for the District customers.

Director McDougal stated these meters are very helpful and something everyone should find useful. He questioned if these would work on larger meters as well. General Manager Bebee stated they would work on all meters, as it is the transmitter on the meter.

MOTION: Director McDougal moved to approve the purchase of Badger meters (National Meter and Automation Inc.) per attached for \$173,144.55 (including sales tax) and Inland Water Works Supply Co. for 100W ERTs and Antennas per attached for \$97,203.43 (including sales tax) in order to

replace existing drive-by radio read meters that have reached the end of their useful life with fixed network AMI meters that will provide additional real time water usage monitoring tools for the District customers; Director Baxter seconded. Motion carried; VOTE:

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

IV. ORAL/WRITTEN REPORTS ----- (ITEMS 1–8)

1. General Counsel
 - General Counsel de Sousa reminded the Board it is time to file the annual Form 700.
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 explained the Engineering and Operations KPI report will be presented at the February Regular Board Meeting.
4. Assistant General Manager/Chief Financial Officer
 - a. Financial Summary Report
 - b. Treasurer’s Report
 - c. Budget Status Report
 - d. Warrant List
 - Assistant General Manager/Chief Financial Officer Shank provided an overview of the written reports included in the board packet.
5. Public Affairs Specialist
 - Public Affairs Specialist, Noelle Denke, announced she is finalizing a press release on the New Year’s Eve incident and is working on distributing that to customers.
6. Notice of Approval of Per Diem for Meetings Attended
 - President Endter provided notification to the Board that he approved Vice-President DeMeo’s attendance to the Women in Water Symposium, on Thursday, January 16, 2020.
7. Director Comments/Reports on Meetings Attended
 - Vice-President DeMeo gave a brief overview of her attendance at the Women in Water Symposium, as well as her attendance at the monthly COWU meeting.
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 Item V.1.

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

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

Two (2) Potential Cases

RECONVENE TO OPEN SESSION

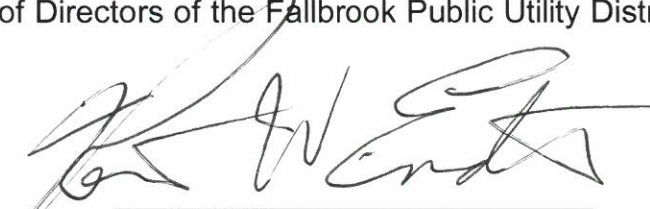
The Board returned from Closed Session and reconvened to Open Session at 6:10 p.m.

REPORT FROM CLOSED SESSION (*As necessary*)

President Endter announced there was no reportable action taken in Closed Session.

VII. ADJOURNMENT OF MEETING

There being no further business to discuss, President Endter adjourned the January Regular Meeting of the Board of Directors of the Fallbrook Public Utility District at 6:10 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors