FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING / PUBLIC HEARING

MINUTES

MONDAY, JUNE 29, 2026
4:00 P.M.

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

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Endter called the June 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
Dave Baxter, Member/Vice President
Jennifer DeMeo, Member
Don McDougal, Member
Charley Wolk, Member

Absent: None

General Counsel/District Staff

Present:
Jack Bebee, General Manager
Paula de Sousa, General Counsel
Dave Shank, Assistant General Manager/CFO
Annalece Bokma, Accounting Technician II
Jodi Brown, Management Analyst
Devin Casteel, Water Operations Manager
Isabel Casteran, Safety and Risk Officer
Aaron Cook, Engineering Manager
Aiden Crayne, Associate Engineer
Noelle Denke, Public Information Officer
John Marchetta, Human Resources Manager
Colter Shannon, Crew Leader
Steve Stone, Field Services Manager
Steve Wuerth, Electrical & Maintenance Manager
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Mark Mervich and Michael Miller

PLEDGE OF ALLEGIANCE

President Endter led the Pledge of Allegiance

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

MOTION: Director Baxter moved to approve the agenda, as presented; Director DeMeo 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.

Mark Mervich stepped to the podium to ask if the District reviews its solar and battery storage systems. General Manager Bebee confirmed it is reviewed annually.

There were no public comments on agenda items A through C.

A. YEARS OF SERVICE
   1. Colter Shannon – 10 years

The Board recognized Colter Shannon for his 10 years of service to the District.

B. NEW CERTIFICATIONS
   1. Aiden Crayne, Engineer in Training

The Board recognized Aiden Crayne for receiving her Engineer in Training certification.

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

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.*

C. CONSIDER APPROVAL OF MINUTES
1. May 20, 2026 Regular Board Meeting / Public Hearing

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

D. CONSIDER ADOPTION OF RESOLUTION NO. 5105 PLACING FIXED CHARGE SPECIAL ASSESSMENTS TO ADD DELINQUENT AND UNPAID CHARGES ON THE TAX ROLL

Recommendation: That the Board adopt Resolution No. 5105 placing fixed charge special assessments to add delinquent and unpaid charges on the annual tax roll for 2026-27 by the San Diego County Treasurer-Tax Collector.

AGM/CFO Shank reported the amount going on the tax roll at $27,000.

E. CONSIDER ADOPTION OF ORDINANCE NO. 362 FIXING WATER STANDBY OR AVAILABILITY CHARGES FOR 2026-27

Recommendation: The Board adopt Ordinance No. 362 as prepared and authorize the Secretary of the Board of Directors to send a certified copy to the Board of Supervisors of the County of San Diego and Auditor and Controller of the County of San Diego.

F. CONSIDER APPROVAL OF THE AMENDED SALARY SCHEDULE (EFFECTIVE JULY 1, 2026) FOR ALL DISTRICT EMPLOYEES, EXCEPT THE GENERAL MANAGER, BY ADOPTION OF RESOLUTION NO. 5106

Recommendation: That the Board adopt Resolution No. 5106 adopting the amended salary schedule (effective July 1, 2026) for all District employees, except the General Manager.

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

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

III. PROPOSED FISCAL YEAR 2026–27 BUDGET ------------------------------ (ITEM G)

G. CONSIDER ADOPTING THE DISTRICT'S RECOMMENDED FISCAL YEAR 2026-27 OPERATING AND CAPITAL BUDGET

Recommendation: Adopt the Budget Resolution No. 5107 – This approves the Recommended Fiscal Year 2026-27 Budget and authorizes the General Manager, subject to the limitations provided in the resolution, to execute the Budget and operate the District.

Management Analyst Brown presented a slideshow on the overview of the recommended fiscal year 2026-27 budget.

MOTION: Director Wolk moved to adopt the budget resolution No. 5107 approving the recommended fiscal year 2026-27 budget and authorizing the General Manager, subject to the limitations provided in the resolution, to execute the budget and operate the District; Director Baxter seconded. Motion passed; VOTE:

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

IV. INFORMATION -- (ITEMS H–I)

H. EMPLOYEE SATISFACTION SURVEY RESULTS

Presented by: John Marchetta, Human Resources Manager

Human Resources Manager Marchetta presented the results of the Employee Satisfaction Survey.

I. ERP PROCESS UPDATE

Presented by: Dave Shank, Assistant General Manager/CFO

AGM/CFO Shank provided a brief update on the status of the ERP implementation process.

V. ACTION / DISCUSSION CALENDAR ------------------------------------ (ITEMS J–R)

J. CONSIDER UPDATE OF EMERGENCY DECLARATION FOR PIPELINE REPLACEMENT

Recommendation: The recommended action is for the Board to continue the emergency action to replace the failed pipelines.

General Manager Bebee reported paving was the only thing left before the emergency declaration can be completed.

MOTION: Director DeMeo moved to continue the emergency action to replace the failed pipelines; Director Wolk seconded. Motion passed; VOTE:

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

K. CONSIDER CONTINUATION OF ENGAGEMENT OF FERNANDEZ, JENSEN, AND KIMMELSHUE (FJK) FOR STATE REPRESENTATION AND THE RBW GROUP (RBW) FOR FEDERAL REPRESENTATION

Recommendation: That the Board authorize the General Manager to enter into an agreement with FJK for State representation for two years for a total of $240,000 and RBW for a total of $360,000 and approve updated Exhibit "B" to the Mutual Services Agreement Between FPUD, RMWD and VCMWD to reimburse their share of the costs.

MOTION: Director Wolk moved to authorize the General Manager to enter into an agreement with FJK for State representation for two years for a total of $240,000 and RBW for a total of $360,000 and approved the updated Exhibit B to the Mutual Services Agreement between FPUD, RMWD, and VCMWD to reimburse their share of the costs; Director DeMeo seconded. Motion passed; VOTE:

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

L. CONSIDER 2026 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS ELECTION, (SEAT C), SOUTHERN NETWORK

Recommendation: That the Board select one candidate from the slate of candidates in the 2026 California Special Districts Association Board of Directors Election, (Seat C), Southern Network for the 2027-2029 term and authorize the District General Manager to cast its vote by electronic ballot.

General Manager Bebee mentioned, out of the slate of candidates, he knew Jason Dafforn who used to work with the City of Oceanside.

MOTION: Director Baxter moved to select Jason Dafforn from the slate of candidates in the 2026 California Special Districts Association Board of Directors Election, (Seat C), Southern Network for the 2027-2029 term and authorized the District General Manager to cast its vote by electronic ballot; Director Wolk seconded. Motion passed; VOTE:

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

M. CONSIDER EXTENDING AGREEMENT WITH VERTEXONE SOFTWARE LLC (WATERSMART PLATFORM) FOR ADDITIONAL FIVE YEARS

Recommendation: Staff recommends that the Board authorize extending the agreement with VertexOne Software LLC for the WaterSmart platform for an additional five years, for a total $132,779.44. This action will provide rate stability, improve budget certainty, support operational efficiency, and ensure uninterrupted service for customers.

MOTION: Director McDougal moved to authorize extending the agreement with VertexOne Software LLC for the WaterSmart platform for an additional five years, for a total of $132,779.44; Director Baxter seconded. Motion passed; VOTE:

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

N. CONSIDER CAMP PENDLETON SERVICE CONTRACT FOR HIGH EFFICIENCY BLOWERS FOR SOUTHERN REGIONAL TERTIARY TREATMENT PLANT (SRTTP) AND NORTHERN REGIONAL TERTIARY TREATMENT PLANT (NRTTP)

Recommendation: It is recommended that the Board approve the request to enter service contracts with Nueros for both plants for service/maintenance contracts for three years for $177,975 per year.

MOTION: Director Wolk moved to approve a service contract with Nueros for high efficiency blowers for the Camp Pendleton Southern Regional Tertiary Treatment Plant (SRTTP) and Northern Regional Tertiary Treatment Plant (NRTTP) for service/maintenance for three years at $177,975 per year; Director DeMeo seconded. Motion passed; VOTE:

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

NOES: None
ABSTAIN: None
ABSENT: None

O. CONSIDER ENGINEERING SUPPORT SERVICES FOR CAMP PENDLETON WATER RECLAMATION PLANTS

<u>Recommendation</u>: It is recommended that the Board authorize staff to execute a professional services agreement with Carollo Engineers for Engineering Support Services for the Camp Pendleton Water Reclamation Plants for a not to exceed amount of $200,000.

MOTION: Director Baxter moved to authorize staff to execute a professional services agreement with Carollo Engineers for engineering support services for the Camp Pendleton Water Reclamation Plants for a not-to-exceed amount of $200,000; Director DeMeo seconded. Motion passed; VOTE:

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

P. CONSIDER ADMINISTRATIVE CODE CHANGES TO ARTICLE 23

<u>Recommendation</u>: That the Board of Directors adopt Resolution No. 5108 and the attached proposed amendments to Article 23, Section 23.5.1(3) of the Administrative Code.

General Manager Bebee provided an overview of this item, stating this would allow the Board to make interim appointments to the Community Benefit Program Committee when vacancies arise.

MOTION: Director McDougal moved to adopt Resolution No. 5108, amending Article 23 of the Administrative Code; Director Wolk seconded. Motion passed; VOTE:

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

Q. CONSIDER REQUEST FOR ADDITIONAL HIGH SCHOOL INTERN

<u>Recommendation</u>: That the Board approve a second high school internship program position.

General Manager Bebee reported the District received 26 applications for the high school intern position. He went on to say there were two candidates that would be great for different reasons and noted this request was to add a second intern because of this.

MOTION: Director DeMeo moved to approve a second high school internship program position; Director Baxter seconded. Motion passed; VOTE:

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

R. CONSIDER AMENDED EMPLOYMENT AGREEMENT BETWEEN FALLBROOK PUBLIC UTILITY DISTRICT AND JACK BEBEE (2026)

<u>Recommendation</u>: That the Amended Employment Agreement between Fallbrook and General Manager Jack Bebee be approved effective July 1, 2026.

General Counsel de Sousa read, onto the record, the notable changes described in the proposed Amended Employment Agreement for General Manager Bebee.

MOTION: Director Wolk moved to approve the amended employment agreement between Fallbrook and General Manager Jack Bebee, effective July 1, 2026; Director DeMeo seconded. Motion passed; VOTE:

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

VII. <u>PUBLIC HEARINGS</u> --(ITEM S)

This agenda item encompasses two separate, consecutively scheduled public hearings and proposed resolutions that relate to the District's Urban Water Management Plan (UWMP) preparation and administration

(1). HOLD PUBLIC HEARING AND CONSIDER APPROVAL OF WATER SHORTAGE CONTINGENCY PLAN; RESOLUTION NO. 5109.

<u>Recommendation</u>: Hold a public hearing and consider adoption of Resolution 5109, adopting the District's Water Shortage Contingency Plan.

General Manager Bebee announced there were no changes to the District's Water Shortage Contingency Plan, but it needed to be readopted every five years as part of the Urban Water Management Plan.

At 4:35 p.m., President Endter opened the Public Hearing to receive public comments on the District's Water Shortage Contingency Plan (WSCP).

Hearing no public comments, President Endter closed the Public Hearing at 4:37 p.m.

MOTION: Director DeMeo moved to adopt Resolution No. 5109, adopting the District's Water Shortage Contingency Plan; Director Wolk seconded. Motion passed; VOTE:

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

(2). HOLD PUBLIC HEARING AND CONSIDER APPROVAL OF 2025 URBAN WATER MANAGEMENT PLAN; RESOLUTION NO. 5110

Recommendation: Hold a public hearing and consider adoption of Resolution 5110, adopting the District's 2025 Urban Water Management Plan.

General Manager Bebee provided an overview of the Urban Water Management Plan.

At 4:38 p.m., President Endter opened the Public Hearing to receive public comments on the District's Water Shortage Contingency Plan (WSCP).

Hearing no public comments, President Endter closed the Public Hearing at 4:39 p.m.

MOTION: Director Baxter moved to adopt Resolution No. 5110, adopting the 2025 Urban Water Management Plan; Director DeMeo seconded. Motion passed; VOTE:

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

VIII. ORAL/WRITTEN REPORTS-- (ITEMS 1—7)

1. General Counsel
2. General Manager
   a. EMWD/MWD Update
   b. Engineering and Operations Report
   c. Federal Funding Efforts Report
      - General Manager Bebee reported on the MWD ag plan and announced Rancho Water District is taking the lead on the Farm Bill efforts.
3. Assistant General Manager/Chief Financial Officer
   a. Financial Summary Report
   b. Treasurer's Report
   c. Budget Status Report
   d. Warrant List
      - AGM/CFO Shank pointed out there were two months' worth of reports included in this packet, as the May Board meeting was rescheduled for earlier in the month, before reports could be generated. He also noted June is the end of the fiscal year.
4. Public Information Officer
      - PIO Denke reported on District participation at community events.
5. Notice of Approval of Per Diem for Meetings Attended
6. Director Comments/Reports on Meetings Attended
7. Miscellaneous
      - President Endter encouraged public participation at Board meetings.

IX. ADJOURNMENT OF MEETING

There being no further business to discuss, the June Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 4:52 p.m.

President, Board of Directors

ATTEST:

Secretary, Board of Directors