



**FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
COMBINED NOVEMBER/DECEMBER REGULAR BOARD MEETING**

**MINUTES**

**MONDAY, DECEMBER 5, 2022  
4:00 P.M.**

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

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**I. PRELIMINARY FUNCTIONS**

**CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM**

President Baxter called the Combined November/December Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. President Baxter 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, 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, including the current state of emergency declared by Governor Newsom, in order to promote social distancing during the evolving COVID-19 pandemic.

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 did 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. Additionally, 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). There were no written public comments submitted in advance of the meeting, for general public comment or for any agenda items submitted prior to the submission deadline.

General Counsel de Sousa announced that President Baxter would ask the Board Secretary if there were any members of the public who wished to make comments on the item either in person or through Zoom webinar or Zoom teleconference. After public comments, President Baxter would then call on staff to make a presentation for the item on the agenda. After the presentation was made, to avoid everyone speaking at once, President Baxter would then call on each Director to see if there were questions for staff regarding their presentation. After the round of questions, President Baxter would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President Baxter would call on each Director to see if there were any comments. General Counsel de Sousa announced, since there were no Directors participating remotely, votes were not required to be done by roll call.

A quorum was established, and attendance was as follows:

Board of Directors

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

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager  
Dave Shank, Assistant General Manager/CFO  
Paula de Sousa, General Counsel  
Jodi Brown, Management Analyst  
Isabel Casteran, Safety and Risk Officer  
Aaron Cook, Engineering Manager  
Perla Cortez, Customer Service Representative I  
Noelle Denke, Public Affairs Specialist  
Carl Quiram, Operations Manager  
Steve Stone, Field Services Manager  
Steve Wuerth, SCADA, Electrical & Maintenance Supervisor  
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: David Forman, Mark Mervich, Ross Pike, Roy Moosa, and Craig Balben

**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.*

There were no public comments for agenda item A.

MOTION: Director McDougal 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 Baxter led the Pledge of Allegiance.

#### ADDITIONS TO AGENDA PER GC § 54954.2(b)

#### APPROVAL OF AGENDA

MOTION: Director Endter moved to approve the agenda, as presented; Director McDougal 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–H.

**B. SEATING OF DIRECTORS**

1. Ken Endter, Division No. 2
2. Charley Wolk, Division No. 5

General Manager Bebee announced that Directors Endter and Wolk ran unopposed and therefore were re-elected to Divisions 2 and 5, respectively.

**C. ELECTION OF OFFICERS TO THE BOARD OF DIRECTORS**

1. President
2. Vice-President

President Baxter turned the meeting over to General Manager Bebee for the election of officers to the Board of Directors. General Manager Bebee asked for a motion.

**MOTION:** Director Endter moved to nominate Director Wolk as President and Director DeMeo as Vice-President; Director McDougal seconded. Motion carried; **VOTE:**

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

Newly-elected President Wolk presided over the remainder of the meeting.

**D. APPOINTMENTS TO BOARD STANDING COMMITTEES**

1. Fiscal Policy & Insurance
2. Personnel
3. Engineering & Operations

President Wolk made no changes to the standing committees. He offered to revisit this at the January Board meeting if any Directors were interested in sitting on a different committee than they were currently.

**E. YEARS OF SERVICE**

1. Devin Casteel – 25 years
2. Noelle Denke – 20 years

The Board recognized Devin Casteel for his 25 years of service to the District and Noelle Denke for her 20 years of service to the District.

**F. NEW EMPLOYEE ANNOUNCEMENTS**

1. Perla Cortez, Customer Service Representative I

2. Justin Cameron, Utility Worker II

The Board welcomed Perla Cortez as the new Customer Service Representative I and Justin Cameron as the new Utility Worker II.

G. NEW CERTIFICATIONS

1. Steve Wuerth – D4

The Board recognized Steve Wuerth for receiving his D4 certification.

H. EMPLOYEE OF THE QUARTER FOR NOVEMBER 2022

1. Isabel Casteran

The Board recognized Isabel Casteran as the Employee of the Quarter for November 2022.

**II. CONSENT CALENDAR-----**(ITEMS I–J)****

*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.*

I. CONSIDER APPROVAL OF MINUTES

1. October 24, 2022 Regular Board Meeting
2. November 16, 2022 Special Board Meeting / Public Hearing

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

J. CONSIDER 2023 BOARD OF DIRECTORS REGULAR MEETING SCHEDULE

*Recommendation: The Board establish the 2023 Board of Directors' regular meeting schedule, to include combining the November and December regular Board meetings to Monday, December 4, 2023, at 4 p.m.*

There were no public comments on Consent Calendar items.

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

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

NOES: None

ABSTAIN: None

ABSENT: None

**III. INFORMATION----- (ITEM K)**

**K. RECOGNITION OF DISTRICT RECEIVING DISTRICT OF DISTINCTION ACCREDITATION**

*Presented by: Jack Bebee, General Manager*

There were no public comments on agenda item K.

General Manager Bebee recognized the significant effort put forth by the Board in the District receiving the California Special District Association District of Distinction accreditation at the gold level.

Director Baxter asked how many special districts there were in California. General Counsel de Sousa reported there could be over a thousand special districts.

**IV. ACTION / DISCUSSION CALENDAR ----- (ITEMS L-R)**

**L. RECOGNITION OF LT. HERNANDEZ AND OTHERS AT THE SHERIFF'S DEPARTMENT**

*Recommendation: That the Board adopt Resolution No. 5037 in recognition of the San Diego County Sheriff's Department.*

There were no public comments on agenda item L.

Public Affairs Specialist Denke commended the San Diego Sheriff's Department for their efforts in putting a stop to the theft of District backflow devices. Public Affairs Specialist Denke provided a background on the timeline of the thefts and the impact the thefts had to the District. Deputy Prickett was in attendance and also summarized the efforts of the San Diego County Sheriff's Department in catching the suspect.

General Manager Bebee reiterated the District's thanks to the Sheriff's Department, reporting that the financial impact to the District was not just the cost of the devices, but also labor for repairs in the middle of the night.

**MOTION:** Director Endter moved to adopt Resolution No. 5037 in recognition of the San Diego County Sheriff's Department; Director McDougal seconded. Motion carried; **VOTE:**

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

ABSENT: None

M. CONSIDER INITIAL APPOINTMENT OF THE COMMUNITY BENEFIT PROGRAM COMMITTEE

*Recommendation: That the Board approve the recommended members of the Community Benefit Committee*

Mark Mervich raised his hand via Zoom to ask how many applications were received and a brief description of the process for selecting the Committee members. Later in the meeting, General Manager Bebee answered there were 16 applications received and that the Community Benefit Ad-hoc Committee met to select the Committee members. Director McDougal reported on the high quality of the applications received, noting the ad-hoc committee tried not to select an applicant that could possibly be a beneficiary of the program.

General Counsel de Sousa read a written comment from Roy Moosa summarizing his thanks to the Board for supporting the Community Benefit Program.

The seven recommended Committee members include Elana Sterling, Rosie Redmond, Jim Mendelson, Jerry Kalman, Lila Hargrove, Leticia MaldonadoStamos, and Anna Marchand.

General Manager Bebee announced all of the Community Benefit Committee meetings would be Brown Act meetings, and members of the public were welcome to attend. Director McDougal also reported the terms were two and three years, so there would also be a rotation involved and reiterated applicants could reapply down the road if they were not accepted this at this time.

MOTION: Director Baxter moved to approve the recommended members of the Community Benefit Committee; Director Endter seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

N. CONSIDER APPROVING THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR FY ENDING JUNE 30, 2022

*Recommendation: The Committee recommends that the Board approve the ACFR for Fiscal Year Ending June 30, 2022.*

There were no public comments on agenda item N.

David Forman of CliftonLarsonAllen, LLP presented a slideshow which outlined the audit process and what was detailed in the draft Annual Comprehensive Financial Report (ACFR) for fiscal year ending June 30, 2022.

Director McDougal reported this was the cleanest audit the District has had in years, which was a credit to the finance team, the General Manager, and the FP&I Committee.

President Wolk thought it would be helpful if ratepayers were directed to the ACFR if they ever had any questions related to the financial records of the District. He noted how easy the report was to read.

General Manager Bebee announced this was the last audit with Mr. Forman, as the District changes auditors every five years or so.

Director McDougal requested AGM/CFO Shank pass along the Board's appreciation, for the work that went into the ACFR, to his staff.

MOTION: Director McDougal moved to approve the Annual Comprehensive Financial Report for Fiscal Year ending June 30, 2022; Director Endter seconded. Motion carried; VOTE:

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

O. CONSIDER UPDATE OF DISTRICT'S ENGINEERING SERVICE AND RELATED FEES

*Recommendation:* That the Board adopt Resolution No. 5038, adopting miscellaneous fees and charges and revising the District's Administrative Code and taking other actions related thereto.

There were no public comments on agenda item O.

Engineering Manager Cook provided an overview of the engineering service fees and reported this item went through the E&O Committee. He announced the Administrative Code requires a review of these fees every five years.

General Manager Bebee reported there was an update right before this meeting to account for backflow fees to ensure consistency.

Director Endter asked what the percentage of the increases were. Engineering Manager Cook responded that it varied. General Manager Bebee



asked how many meter installations we typically did per year. Engineering Manager Cook reported about 16 meter installations and about 9 sewer lateral installations per year, which was not a very high demand.

President Wolk requested only pages with changes to the Administrative Code be included in the packet. General Counsel de Sousa noted she would look into that.

MOTION: Director Endter moved to adopt Resolution No. 5038, adopting miscellaneous fees and charges and revising the District's Administrative Code and taking other actions related thereto; Director DeMeo seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

P. CONSIDER AWARD OF DAILY-ROSS PIPELINE REPLACEMENT PROJECT

*Recommendation: That the Board award the Daily-Ross Pipeline Replacement Project to the lowest responsible bidder, PK Mechanical, for \$170,000.*

There were no public comments on agenda item P.

Engineering Manager Cook reported this item also went through the E&O Committee and was specific to the DeLuz area. He gave an overview of the proposed project. He also reported that PK Mechanical was the lowest bidder and that they had done work for the District in the past.

MOTION: Director McDougal moved to award the Daily-Ross Pipeline Replacement Project to the lowest responsible bidder, PK Mechanical, for \$170,000; Director Endter seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

Q. CONSIDER AWARD OF HAWTHORNE LIFT STATION REPLACEMENT AND SEWER MAIN INSTALL PROJECT

*Recommendation:* That the Board award the Hawthorne Lift Station Replacement & Sewer Main Install Project to the lowest responsible bidder, Palm Engineering, Inc., for \$219,000.

There were no public comments on agenda item Q.

Engineering Manager Cook announced this item also went through the E&O Committee and was part of the wastewater capital improvement program. He provided an overview of the proposed project. He announced the lowest bidder was Palm Engineering, and they have also performed work for the District in the past.

MOTION: Director DeMeo moved to award the Hawthorne Lift Station Replacement and Sewer Main Install Project to the lowest responsible bidder, Palm Engineering, Inc., for \$219,000; Director Endter seconded. Motion carried; VOTE:

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

#### R. CONSIDER DISTRICT FLEET AND HEAVY EQUIPMENT REPLACEMENT PROGRAM

*Recommendation:* Staff recommends that the Board of Directors approve this updated fleet plan and authorize staff to pursue the Power Your Drive for Fleets grant and budget accordingly in the next fiscal year.

There were no public comments on agenda item R.

General Manager Bebee provided a brief overview of the fleet and heavy equipment replacement plan. He also explained the new EV requirements put forth by the State and outlined the Power Your Drive for Fleets grant. General Manager Bebee reiterated this was just approving the updated fleet plan and allowing staff to pursue the Power Your Drive for Fleets grant. This was not authorizing any purchases at this current time.

General Manager Bebee also predicted there would be adjustments in the future EV requirements. Director Endter agreed.

Director Baxter asked if light duty EV trucks were fit for their purpose. Operations Manager Quiram answered that they would outperform any gas-powered truck.

MOTION: Director McDougal moved to approve the updated fleet plan and authorized staff to pursue the Power Your Drive for Fleets grant and budget accordingly in the next fiscal year; Director Endter seconded. Motion carried; 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
2. SDCWA Representative Report
  - General Manager Bebee provided an overview of the written report included in the agenda 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 agenda packet.
5. Public Affairs Specialist
  - Public Affairs Specialist Denke provided an update to the fourth grade calendar contest, the holiday party, and the Fallbrook parade.
6. Notice of Approval of Per Diem for Meetings Attended
7. Director Comments/Reports on Meetings Attended
  - Director Endter and Director DeMeo reported on their attendance at the ACWA conference.
8. Miscellaneous

**ADJOURN TO CLOSED SESSION**

General Counsel de Sousa announced the Board would be going into Closed Session and that members of the public participating via web or teleconference were welcome to continue to stay on the 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.

There were no public comments on Closed Session items.

The Board of Directors adjourned to Closed Session at 5:44 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Items 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

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 Combined November/December Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 6:20 p.m.



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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors