



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

MINUTES

**MONDAY, JANUARY 24, 2022
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 Baxter called the January 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, 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 Baxter 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 Baxter 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 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, if there were any Directors participating remotely, which there were, all votes would 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
Ken Endter, Member
Jennifer DeMeo, 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
Isabel Casteran, Risk and Safety Officer
Aaron Cook, Engineering Manager
Mick Cothran, Engineering Technician
Noelle Denke, Public Affairs Specialist
Soleil Develle, Engineering Technician II
Steve Stone, Field Services Manager
Owni Toma, Chief Plant Operator
Bryan Wagner, Utility Worker II
Jeff Wolfe, Utility Technician
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Craig Balben, Leticia Maldonado-Stamos, Joe Naiman, Judi Nurse, Rebecca Nye, and Ross Pike

- 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 on 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

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 requested to speak via Zoom teleconference to inquire about the public hearings that were to be set for the redistricting plans. She also expressed her concern about the ability to have public discussion being limited. General

Manager Bebee reported there had not been a significant change in population data and that the public hearings would be set to take place during the February and March regular Board meetings. General Counsel de Sousa reiterated the deadline for redistricting was April 2022, and that the District was well on track to meet that deadline.

Before the Board adjourned to Closed Session, Rebecca Nye stepped to the podium to address the Board to request a bill exception on a past due bill from the previous owner when she purchased her home. General Manager Bebee responded he would put this as an agenda item for the February Board meeting. Vice President Wolk asked if the amount of the bill was inherited from the previous owner and then confirmed this was not water used by Ms. Nye. For the record, this comment would be considered general public comment on non-agenda items.

B. 2021 EMPLOYEE OF THE YEAR; RESOLUTION NO 5022
1. Soleil Develle

There were no public comments on agenda item B.

The Board adopted Resolution No. 5022, recognizing and commending Soleil Develle for being selected as Employee of the Year for 2021.

C. YEARS OF SERVICE
1. Craig Brown – 20 years

There were no public comments on agenda item C.

The Board recognized Craig Brown for his 20 years of service to the District.

D. ACWA/JPIA H.R. LABOUNTY SAFETY AWARD
1. Jeff Wolfe
2. Bryan Wagner

There were no public comments on agenda item D.

The Board recognized Jeff Wolfe and Bryan Wagner for receiving ACWA/JPIA H.R. LaBounty Safety Awards.

E. MANAGER'S AWARD
1. Jacob Hyink
2. Matt Bench
3. Austin Wendt
4. Christian Hernandez
5. Brandon Stewart
6. Mateo Morgan
7. Jamison Davis

8. Aaron Cox

There were no public comments on agenda item E.

The Board recognized Jacob Hyink, Matt Bench, Austin Wendt, Christian Hernandez, Brandon Stewart, Mateo Morgan, Jamison Davis, and Aaron Cox for receiving Manager's Awards.

II. CONSENT CALENDAR-----(ITEM 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.

There were no public comments on Consent Calendar items.

F. CONSIDER APPROVAL OF MINUTES

1. December 13, 2021 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: Vice President Wolk 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-----(ITEMS G-I)****

G. MID-YEAR BUDGET UPDATE

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

There were no public comments on agenda item G.

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

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

General Manager Bebee reported that the projects that were behind this fiscal year would roll over and be included in the next fiscal year. This would be in addition to the projects already planned for that year, not replacing those projects already planned for the next fiscal year.

Vice President Wolk requested the Board to see an overall plan to evaluate what needs to happen to meet the KPIs that were not being met.

H. PERSONNEL REGULATIONS UPDATE

Presented by: Lisa Chaffin, Human Resources Manager

There were no public comments on agenda item H.

General Manager Bebee reported the updated Personnel Regulations went through the Personnel Committee and were being brought to the Board as an informational item, as it was a major update. He explained the Personnel Regulations were taken out of the Administrative Code, so any future issues could be worked through with the Personnel Committee versus having to go to the full Board for minor issues, such as uniforms.

I. DROUGHT-TOLERANT PLANT PROGRAM UPDATE

Presented by: Mick Cothran, Engineering Technician

There were no public comments on agenda item I.

Engineering Technician Cothran presented a slideshow to provide the Board with an update to the Drought-Tolerant Plant Program.

Vice President Wolk asked if the District purchased the plants. Engineering Technician Cothran reported the plants were purchased from Silverthorn Nursey. General Manager Bebee clarified the cost was reimbursed through a grant program.

General Manager Bebee commended Mr. Cothran's efforts to spearhead this program.

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

J. CONSIDER RESOLUTION NO. 5023 COMMEMORATING MR. GORDON TINKER

Recommendation: *The Board adopt Resolution No. 5023 in commemoration of Mr. Gordon Tinker.*

Joe Naiman requested to speak via Zoom teleconference to note that Mr. Tinker retired as General Manager in 1999, whereas the resolution stated he retired in 2001. General Manager Bebee responded that this change would be made.

General Manager reported Mr. Tinker was the previous General Manager of the District, and this resolution recognized the contributions Mr. Tinker made to the District and the community. He also requested Public Affairs Specialist Denke provide a framed resolution to Mr. Tinker's family.

Vice President Wolk reported a typographical error in the second to last paragraph of the resolution, requesting the word "know" be changed to "knew."

MOTION: Director Endter moved to adopt Resolution No. 5023 in commemoration of Mr. Gordon Tinker, provided the date of retirement be revised to 1999, as well as correcting a typographical error in the second to last paragraph; Director McDougal seconded. Motion carried; VOTE:

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

K. CONSIDER VACTOR RENTAL AGREEMENT WITH RMWD

Recommendation: *For the Board to approve the proposed vactor truck rental agreement with RMWD.*

There were no public comments on agenda item K.

General Manager Bebee summarized this agreement, stating this is to recover some of the costs associated with the District's backup vactor truck. He also noted the RMWD staff that would be operating the vactor truck would need to be trained by FPUD staff.

President Baxter asked how the hourly rate was established. General Manager Bebee explained this was the CalTrans rate for a vactor truck operation.

MOTION: Vice President Wolk moved to approve the proposed vactor truck rental agreement with RMWD; Director Endter seconded. Motion carried; VOTE:

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

L. CONSIDER RECOMMENDED SALARY ADJUSTMENT FOR OPERATIONS MANAGER

Recommendation: For the Board to approve the proposed salary adjustment for the Operations Manager position to a maximum monthly salary of \$16,680.

There were no public comments on agenda item L.

General Manager Bebee explained this went through the Personnel Committee. He reported the District had been unable to fill the Operations Manager position, and after the salary survey was completed, this position was found to be far under the salary survey.

Director Endter confirmed this new salary would be the maximum. General Manager Bebee stated that typically candidates were not hired at the top step, and confirmed the bottom step was 25% lower. He also reported the change would show up in next year's budget and would most likely not have an impact on the current budget.

MOTION: Vice President Wolk moved approve the proposed salary adjustment for the Operations Manager position to a maximum monthly salary of \$16,680; Director DeMeo seconded. Motion carried; VOTE:

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

M. CONSIDER ADDITIONAL LEGAL DAMAGES AND INTEREST PAYMENT RECEIVED FROM THE SAN DIEGO COUNTY WATER AUTHORITY (SDCWA)

Recommendation: That the Board Approve the Committee's recommendation and use the additional funds to reduce the loan amount for the Santa Margarita Conjunctive Use Project.

There were no public comments on agenda item M.

AGM/CFO Shank reported the FP&I Committee discussed the options for the second installment of funds from SDCWA for legal damages. The recommendation was to add those funds to the total to reduce the amount of the loan for the Santa Margarita Conjunctive Use Project by \$1.5M.

MOTION: Director Endter moved to approve the FP&I Committee's recommendation to use of the additional funds received from SDCWA, for legal damages and interest payment, to reduce the loan amount for the Santa Margarita Conjunctive Use Project; Director DeMeo seconded. Motion carried; VOTE:

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

N. CONSIDER ANNUAL REVIEW OF DIRECTORS' PER DIEM COMPENSATION

Recommendation: Staff supports Board decision.

There were no public comments on agenda item N.

General Manager Bebee announced Directors' per diem was reviewed annually, and there was an option to increase the compensation by five percent.

General Counsel de Sousa reported the action item at this meeting was to direct staff to set a noticed Public Hearing to take place at the next meeting for increasing Director per diem compensation. She also announced the adjustment would need to be adopted by ordinance, and that the ordinance would not take effect for 60 days and at least one year from the effective date of the last increase.

MOTION: Director Endter moved to begin the process of increasing Director per diem compensation by 5%, which will require a noticed Public Hearing in February; Director DeMeo 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 reminded the Board it was time to start the annual Form 700 filing process.
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
 - General Manager Bebee provided an overview of the written reports included in the packet and noted next month the KPIs would be presented to the Board.
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.
5. Public Affairs Specialist
 - Public Affairs Specialist Denke reported she has been working on book edits and the 100th anniversary event in June.
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 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 6:10 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Item V.1.

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

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
SIGNIFICANT EXPOSURE TO LITIGATION PURSUANT TO
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 6:33 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, the January Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 6:34 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors