



FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING

MINUTES

MONDAY, MARCH 25, 2024  
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 March 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: Jennifer DeMeo, Member/President  
Don McDougal, Member/Vice President  
Ken Endter, Member  
Charley Wolk, Member

Absent: Dave Baxter, Member

General Counsel/District Staff

Present: Jack Bebee, General Manager  
Paula de Sousa, General Counsel (*arrived at 4:28 p.m.*)  
David Lloyd, Acting General Counsel  
Dave Shank, Assistant General Manager/CFO  
Jodi Brown, Management Analyst  
Isabel Casteran, Safety and Risk Officer  
Aaron Cook, Engineering Manager  
Josh Hargrove, Senior Maintenance Technician  
Matt Lian, Utility Worker II  
Martin Serrano, Utility Worker I  
Steve Stone, Field Services Manager  
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Mark Mervich, Lila Hargrove, Steven Gortler, Kevin Stamper, Sarah Stamper, Robert Rice, Tom Hinxton, Jacqueline Howells

## **I. PRELIMINARY FUNCTIONS**

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

PLEDGE OF ALLEGIANCE

President DeMeo led the Pledge of Allegiance.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

MOTION: Director McDougal moved to approve the agenda, as presented; Director Wolk seconded. Motion carried; VOTE:

AYES: Directors DeMeo, Endter, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: Director Baxter

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.*

Robert Rice stepped to the podium to voice his concerns about damage to the private road near Elder and Debra Anne due to heavy equipment from Palm Engineering and the ongoing pipeline replacement. He requested the intersections be replaced, at the least.

Tom Hinxton stepped to the podium to echo Mr. Rice's concerns. He added the private road is used by hundreds of people every day. He requested a fair way to have the road repaired. He reported the homeowners do not have a way to raise the money for repairs.

General Manager Bebee announced the problem is that there is not a single homeowner's association responsible for this. He reported Field Service Manager Stone and Engineering Manager Cook have visited the site and have tried to come up with a resolution for repairs. He summarized the Board's policy for resurfacing roads. He reported for this road, it sounded like it was a full grind and replace, as it has not been done for quite some time. He stated in this case, the District will not take on the entire

cost of grinding and replacing a private road that is already at the end of its useful life. He announced this item can be added to the next agenda with options for the Board to consider.

Vice President McDougal asked if we could address the staging area. General Manager Bebee responded that we generally don't dictate where the staging area is and that the contractor did.

Director Wolk asked if there was a way for the excavator to get to the job without going down the private road and requested this information be provided at the next meeting.

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

- A. YEARS OF SERVICE
  - 1. Steve Stone – 30 years

The Board recognized Steve Stone for his 30 years of service to the District.

- B. NEW CERTIFICATIONS
  - 1. Josh Hargrove – Electrical Instrumentation Technologist, Grade 1

The Board recognized Josh Hargrove for receiving his Electrical Instrumentation Technologist, Grade I certification.

- C. MANAGER'S AWARD
  - a. Martin Serrano
  - b. Matt Lian

The Board recognized Martin Serrano and Matt Lian for receiving Manager's Awards for their exceptional customer service with a customer who experienced a break on the customer's side and repairing that break.

**II. CONSENT CALENDAR----- (ITEMS D-E)**  
*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.

- D. CONSIDER APPROVAL OF MINUTES
  - 1. February 26, 2024 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.

E. CONSIDER ADVANCED APPROVAL TO ATTEND MEETINGS

*Recommendation:* That the Board authorize and approve, in advance, Directors' attendance to the Pure Water of Southern California Plant Tour on April 11, 2024 in Carson, California and the Southern California Water Coalition luncheon on April 19, 2024 in Temecula, California.

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

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

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

F. ISSUANCE OF WATER REVENUE BONDS

*Presented by:* Dave Shank, Assistant General Manager/CFO

There were no public comments on agenda item F.

AGM/CFO Shank provided a brief overview of the final issuance of water revenue bonds.

Steven Gortler presented a slideshow summarizing the final results of the transaction.

Vice President McDougal thanked AGM/CFO Shank and Mr. Gortler for their efforts on this and acknowledged the work they put in to get this completed quickly.

IV. **ACTION / DISCUSSION** ----- (ITEMS G–J)

G. CONSIDER CALL FOR NOMINATIONS FOR THE 2024 CALIFORNIA WATER INSURANCE FUND (CWIF) BOARD

*Recommendation:* That the Board adopt Resolution No. 5070, nominating its ACWA JPIA Board Member, Jennifer DeMeo, to the California Water Insurance Fund Board, an ACWA JPIA Captive Insurance Company and directing the District Secretary to transmit a certified copy to ACWA JPIA by the April 6, 2024 deadline.

There were no public comments on agenda item G.

MOTION: Director Endter moved to adopt Resolution No. 5070, nominating ACWA JPIA Board Member, Jennifer DeMeo, to the California Water Insurance Fund Board; Director McDougal seconded. Motion carried; VOTE:

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

H. CONSIDER AMENDING THE DISTRICT'S FISCAL YEAR 2023-24 BUDGET FOR OPERATIONS, MAINTENANCE, WATER PURCHASES, CAPITAL IMPROVEMENTS, EQUIPMENT AND DEBT SERVICE ANNUAL APPROPRIATIONS AND AMENDING THE DISTRICT'S ANNUAL APPROPRIATIONS

*Recommendation: That the Board adopt Resolution No. 5071 amending the District's Fiscal Year 2023-24 Budget for Operations, Maintenance, Water Purchases, Capital Improvements, Equipment and Debt Service Annual Appropriations and amending the District's Annual Appropriations.*

There were no public comments on agenda item H.

AGM/CFO Shank presented a slideshow summarizing this budget amendment, reporting this item did go through the FP&I Committee. He explained this amendment was necessary, as the previous fiscal year 2023-24 budget and appropriations did not include the detachment fee to the San Diego County Water Authority.

MOTION: Director McDougal moved to adopt Resolution No. 5071, amending the District's Fiscal Year 2023-24 Budget for Operations, Maintenance, Water Purchases, Capital Improvements, Equipment and Debt Service Annual Appropriations and amending the District's Annual Appropriations; Director Endter seconded. Motion carried; VOTE:

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

I. CONSIDER APPROVAL OF REVISIONS TO ARTICLE 2 OF THE ADMINISTRATIVE CODE

*Recommendation: That the Board adopt Resolution No. 5072 amending Article 2 of the Administrative Code with the attached proposed revisions.*

There were no public comments on agenda item I.

General Manager Bebee reported he has started going through the Administrative Code now that the District has changed wholesale water providers, to remove mentions of San Diego County Water Authority. General Manager Bebee also announced that there was a proposed added provision to Article 2 for Directors who have been appointed to other Boards such as CSDA or ACWA that they would not need advanced approval to attend meetings related to those appointments.

Director Endter announced there were instances within Article 2 that used gender-specific pronoun and requested those be changed to "he or she."

MOTION: Director McDougal moved to adopt Resolution No. 5072, amending Article 2 of the Administrative Code with the proposed revisions, as well as replacing any gender-specific pronouns with "he or she;" Director Endter seconded. Motion carried; VOTE:

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

J. CONSIDER SUPPORT FOR FEDERAL FUNDING REQUEST FOR THE FALLBROOK DOWNTOWN WATER RELIABILITY PIPELINE REPLACEMENT PROJECT

*Recommendation: That the Board adopt Resolution No. 5073 supporting the District's application for Fiscal Year 2025 Federal Funding for its Fallbrook Downtown Water Reliability Pipeline Replacement Project.*

There were no public comments on agenda item J.

Jacqueline Howells announced she is working on fiscal year 2025 appropriations request submissions. She also reported she would be in Washington D.C. in the next few weeks. Ms. Howells summarized the various projects included in these federal funding requests.

Director Wolk wanted to make sure Ms. Howells was using the language "water efficiency" and not "conservation" when it comes to the CropSWAP and she responded that the program is focused on water efficiency.

General Manager Bebee reported we did receive \$250,000 from our last request and explained this agenda item was to approve the request for the next budget cycle if and when it does or doesn't pass.

MOTION: Director McDougal moved to adopt Resolution No. 5073, supporting the District's application for Fiscal year 2025 Federal Funding for its Fallbrook Downtown Water Reliability Pipeline Replacement Project; Director Wolk seconded. Motion carried; VOTE:

AYES: Directors DeMeo, Endter, McDougal, and Wolk

NOES: None

ABSTAIN: None

ABSENT: Director Baxter

**V. ORAL/Written Reports------(ITEMS 1-7)**

1. General Counsel
2. General Manager
  - a. EMWD/MWD Update
  - b. Engineering and Operations Report
  - c. Federal Funding Update
    - General Manager Bebee reported we are working through final agreements to finalize detachment, including an agreement with Naval Weapons Station. He also announced the final detachment payment was due this week.
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 provided an overview of the written reports included in the packet.
4. Public Affairs Specialist
  - General Manager Bebee announced there will be a special Board meeting in April with EMWD and also a special event with RMWD.
5. Notice of Approval of Per Diem for Meetings Attended
  - Notification of approval for Directors' attendance to the ACWA Region 10 Workgroup Meeting on March 4, 2024.
6. Director Comments/Reports on Meetings Attended
  - President DeMeo reported there will be an ACWA Board meeting in October in Yorba Linda.
7. Miscellaneous

ADJOURN TO CLOSED SESSION

General Counsel de Sousa announced the Board would be going into Closed Session to discussion item VI.1 for two potential cases.

*Director McDougal left the meeting at 4:57 p.m.*

The Board of Directors adjourned to Closed Session at 4:57 p.m.

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

1. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION INITIATION OF LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (d)(4):

*Two (2) potential cases*

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 March Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 5:45 p.m.

  
President, Board of Directors

ATTEST:

  
Secretary, Board of Directors