



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

**MINUTES**

**MONDAY, SEPTEMBER 26, 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 September 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, if there were Directors

participating remotely, all votes would need to be done by roll call, however no Directors were participating remotely.

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  
Devin Casteel, System Operations Supervisor  
Aaron Cook, Engineering Manager  
Mick Cothran, Engineering Technician  
Kyle Drake, Collections Supervisor  
Donald Parker, Crew Leader  
Matt Perez, Utility Worker  
Carl Quiram, Operations Manager  
Alex Stanko, Crew Leader  
Peter Velasco, Utility Worker  
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Jacqueline Howells, Rebecca Chaparro, David Flesh, and Meena Westford

**I. PRELIMINARY FUNCTIONS**

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

PLEDGE OF ALLEGIANCE

President Baxter 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 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.*

There were no public comments for non-agenda items.

- A. YEARS OF SERVICE
1. Aaron Cox – 20 years
  2. Matt Perez – 20 years
  3. Dave Shank – 5 years

There were no public comments for agenda item A.

The Board recognized Aaron Cox and Matt Perez on their 20 years of service to the District and Dave Shank for his five years of service to the District.

- B. NEW CERTIFICATIONS
1. Jeff Wolfe – NASSCO
  2. Peter Velasco – CSM2, NASSCO
  3. Donald Parker – CSM2
  4. Alex Stanko – B.A. Degree

There were no public comments for agenda item B.

The Board recognized Jeff Wolfe for receiving his NASSCO certification, Peter Velasco for receiving his CSM2 and NASSCO certification, Donald Parker for receiving his CSM2 certification and Alex Sanko for receiving his Bachelor's degree.

- II. **CONSENT CALENDAR**-----**(ITEM C)**  
*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. August 17, 2022 Special Meeting
  2. August 22, 2022 Regular Meeting
  3. September 2, 2022 Special Meeting

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

There were no public comments on Consent Calendar items.

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

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

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

**D. COLORADO RIVER SHORTAGES PRESENTATION**

Meena Westford, of Metropolitan Water District of Southern California, presented a slideshow on the Colorado River supply and shortages.

Director McDougal asked about the talk of abandoning Lake Powell and letting the water flow into Lake Mead. Ms. Westford answered that she did not think the Bureau of Reclamation was inclined to do that, reporting it provides water storage, as well as hydropower. It is unlikely they would drain Lake Powell.

President Baxter asked about the structure and about how we can turn this around. Ms. Westford reported that 80% of the Colorado River use is for agriculture and the other 20% is for municipal and industrial uses. She reported there was a lot more to be done, including similar projects to the Southern California Pure Water Program, to help offset the demands on the Colorado River.

General Manager Bebee explained this is a long-term issue, as there is just not enough water in the Colorado to meet all the needs. This issue supports the diversified California strategy using Colorado River supplies, Bay Delta and local projects. The other issue is that the uses are mostly for agriculture water, and the mix of what water costs they can afford changes what can be done. He explained the Colorado River is going to be one of the most complicated, difficult issues to address over the next several decades.

Vice President Wolk reported there was a problem with pushing conservation. He explained that anyone with a little bit of knowledge about water

knows that's not possible, as they never take a close look at what would happen when you pull that water from agriculture. There would be no water to produce any food and that new supply development must be part of the discussion.

**IV. ACTION / DISCUSSION CALENDAR -----(ITEMS E–H)**

**E. CONSIDER CUSTOMER REQUEST FOR BILL ADJUSTMENT**

*Recommendation: Staff supports Board direction.*

David Flesh stepped to the podium to address the Board regarding a past due bill he inherited from the previous owner of his recently-purchased home. Mr. Flesh provided a brief overview and timeline of his situation and experience. He requested a waiver of the past due fees in the amount of \$5,142.89.

General Manager Bebee reported this was made worse by the moratorium, as a past due balance of this size would usually end up on the tax roll. However, with the pandemic moratorium in place, placement onto the tax roll was suspended. He also mentioned local real estate agents needed to be reminded to check past due balances before the property is closed.

Director McDougal thought it would also be helpful to notify local escrow companies, instead of only real estate agents, of this issue. General Manager Bebee suggested the FP&I Committee come up with a letter to send real estate agents and escrow companies alerting them of the need to check into past due utility bills.

Vice President Wolk thought it was important to note that any waiver of past due fees is absorbed by the rest of the rate payers. General Counsel de Sousa announced, for the record, that the District had unrestricted revenues that were currently used by the Board to offset the cost of service. Vice President Wolk did not want to wait for the FP&I Committee to review this, but instead wanted to do something now, beyond outreach. Director McDougal agreed that there was a need for immediate action. General Manager Bebee reported they could work with BB&K on drafting something to rectify this problem.

**MOTION:** Director McDougal moved to approved a waiver of past-due charges, in the amount of \$5,142.89, after an unpaid balance from a previous homeowner was transferred to the new homeowner at 1690 Jackson Road; Director DeMeo seconded. Motion carried; **VOTE:**

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



F. CONSIDER FALLBROOK AS AN INTERNATIONAL DARK SKY COMMUNITY

Recommendation: Staff supports Board direction.

There were no public comments on agenda item F.

Luisa Cano of the Fallbrook Beautification Alliance presented a slideshow on the FBA's initiative to add Fallbrook to the list of International Dark Sky Communities. She provided an overview of the initiative, outlined what an international dark sky community was and the benefits of receiving such designation. Ms. Cano requested the Board send a letter of support to the San Diego County Long Range Planning Project Manager showing their support of this initiative.

Director McDougal reported the County building department has had a change in lighting requirements and are always concerned about light pollution.

Director Endter asked if this would affect the Community Benefit Program. Director McDougal stated the County is still responsible for the lighting. General Manager Bebee reported if the community asked the District to provide supplemental lighting for some reason, then it would just be providing the right type of lighting. He announced there was no obligation to take over any lighting or responsibility, only the maintenance. General Counsel de Sousa stated it was expressly clear in LAFCO's approval that if powers were activated, all the District was doing was supplementing County services with some District revenue through a committee process where an organization in the community is doing the work. She reiterated it was the District that applied for this and not the County. General Manager Bebee reiterated that we were just providing a letter of support for this initiative; we were not leading any efforts or taking on any other enforcement responsibilities.

MOTION: Director McDougal moved to approve sending a letter of support to the San Diego County Long Range Planning Project Manager supporting the Fallbrook Beautification Alliance's initiative to add Fallbrook to the list of International Dark Sky Communities; Director Wolk seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

G. CONSIDER TERMINATION OF CONTRACT WITH PACIFIC HYDROTECH CORPORATION FOR OVERLAND TRAIL LIFT STATION REHABILITATION PROJECT

*Recommendation: That the Board terminate, for cause, the construction contract with Pacific Hydrotech Corporation for the Overland Trail Lift Station Rehabilitation project.*

There were no public comments on agenda item G.

Engineering Manager Cook provided an overview of the Overland Trail Lift Station Rehabilitation Project. He reported the pumps that were procured and installed have never performed properly. He went on to state we have tried working with the contractor, with no resolution. At this time, the recommendation is to terminate the contract. There will be a potential impact to the budget.

General Counsel de Sousa explained this is for termination of default for the contractor's inability to complete the contract in time. She reiterated that there were some retention proceeds that could be withheld that can help the District in paying for this issue.

Director DeMeo inquired about the cost for terminating the contract. General Manager Bebee reported the discussion on cost recovery and next steps may be considered in another forum. General Counsel de Sousa explained the District had recourses under its contract. General Manager Bebee also noted this was a last resort, as we had tried to come up with a solution, but was unsuccessful.

President Baxter mentioned there were environmental exposures in the past due to failing pumps. He asked how that would affect this termination. General Manager Bebee announced we had not been fined yet on that event, but the contractor was put on notice if we were assessed a fine, it would be passed along to them.

MOTION: Director McDougal moved to terminate, for cause, the construction contract with Pacific Hydrotech Corporation for the Overland Trail Lift Station Rehabilitation; Director Endter seconded. Motion carried;  
VOTE:

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

H. CONSIDER WINTER HAVEN PIPELINE REPLACEMENT CHANGE ORDER

*Recommendation: That the Board approve pending Change Order 3 for \$43,817.82 for work performed by PK Mechanical on the Winter Haven Pipeline Phase II Replacement Project.*



There were no public comments on agenda item H.

Engineering Manager Cook provided an overview of the Winter Haven Pipeline Replacement project and change order 3, which came about as the project was nearing completion. This change order included retaining walls around fire hydrants.

MOTION: Director DeMeo moved to approve pending change order 3 for \$43,817.82 for work performed by PK Mechanical on the Winter Haven Pipeline Phase II Replacement Project.; 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)**

There were no public comments on oral/written reports.

1. General Counsel
  - General Counsel de Sousa provided an update on AB2449. She also reviewed SB1439 and the Levine Act, as it related to political contributions.
2. SDCWA Representative Report
  - General Manager Bebee reviewed the change to the PSAWR rate. He also reported all contracts that didn't get Board approval were identified at the SDCWA Board meeting, noting there was a \$1.2M public relations contract included. General Manager Bebee also discussed that there were newly-appointed SDCWA Board officers.
3. General Manager
  - a. Engineering and Operations Report
    - General Manager Bebee reported he was going to Washington D.C. for an AWWA meeting, as well as meetings regarding federal funding for District projects.
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. He also announced the Prop 218 notice was going out on the Monday following the Board meeting.
5. Public Affairs Specialist



6. Notice of Approval of Per Diem for Meetings Attended
  - Notification of Approval for Directors' Attendance at a meeting with Aecom on August 30, 2022.
7. Director Comments/Reports on Meetings Attended
  - Director Endter reported on his attendance at the CSDA quarterly meeting.
  - Director McDougal announced he has been able to review the history book that has been written for the past year and a half, and he was pleased with how well done it was done.
  - Director DeMeo reported on her attendance at a meeting with Aecom.
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 6:00 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Items VI.1–3.

**VI. CLOSED SESSION----- (ITEMS 1–3)**

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION PER GOVERNMENT CODE SECTION 54956.9 (d)(2):

*One (1) Potential Case*

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

*One (1) Potential Case*

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION PURSUANT TO GOVERNMENT CODE SECTION 54956.9 (d)(1):

*Name of Case: In re: Peppertree Park Villages 9 & 10  
Case No. 17-05137-LT7*

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 September Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 6:43 p.m.



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President, Board of Directors

ATTEST:



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Secretary, Board of Directors