



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

**MINUTES**

**MONDAY, APRIL 25, 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 April 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). There were no written public comments submitted in advance of the meeting, for general public comment or for any agenda items.

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 also announced there was a public hearing to be held during the meeting. General Counsel de Sousa announced, if there were any Directors participating remotely, which there were not, all votes would have had to be done by roll call. Because no Directors were participating remotely, there was no need to have votes 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  
Paula de Sousa, General Counsel  
Dave Shank, Assistant General Manager/CFO  
Devin Casteel, Systems Operations Supervisor  
Aaron Cook, Engineering Manager  
Mick Cothran, Engineering Technician  
Noelle Denke, Public Affairs Specialist  
Jodi Brown, Management Analyst  
Steve Stone, Field Services Manager  
Francisco Cardenas, Systems Operator I  
Miguel Castellanos, Systems Operator I  
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Craig Balben, Ross Pike, and Diane Radack

- 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 Endter 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 McDougal moved to approve the agenda as presented; Director Endter seconded. Motion carried; VOTE:

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

#### PUBLIC COMMENT

There were no public comments for non-agenda items.

*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.*

- B. NEW EMPLOYEE ANNOUNCEMENTS
  - 1. Carl Quiram, Operations Manager
  - 2. Francisco Cardenas, Systems Operator I

There were no public comments on agenda item B.

The Board welcomed Carl Quiram as the new Operations Manager and Francisco Cardenas as the new Systems Operator I, noting Mr. Cardenas has been a temporary employee at the District and is now a permanent employee.

General Manager Bebee reported that Operations Manager Quiram was unable to attend this meeting and that he would bring him back for introduction at the May regular Board meeting.

- C. EMPLOYEE PROMOTION ANNOUNCEMENTS
  - 1. Jacob Hyink, Equipment Mechanic
  - 2. Miguel Castellanos, Systems Operator I

There were no public comments on agenda item C.

The Board recognized Jacob Hyink for his promotion to Equipment Mechanic and Miguel Castellanos for his promotion to Systems Operator I.

- 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. March 28, 2022 Regular Board Meeting/Public Hearing
  - 2. April 11, 2022 Special Board Meeting/Public Hearing

*Recommendation: That 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 Town Hall Meeting scheduled for May 2, 2022 at the FPUD District office.

General Manager Bebee announced that for Consent Calendar item E, only two Directors were allowed to attend the Town Hall meeting scheduled for May 2, 2022, unless the Board wished to treat the Town Hall as a special Board meeting.

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----- (ITEMS F – G)**

**F. REVIEW STRATEGIC PLAN FOR FISCAL YEAR 2022/2023**

There were no public comments on agenda item F.

General Manager Bebee reported every year he updates the strategic plan, as the budget is prepared. He wanted the Board to be aware of what is in the plan, and where the District is currently with the latest document and also queue up conversation about any comments related to what is in the document.

Director Endter asked how the supply chain issues would affect the projects included in the strategic plan. General Manager Bebee explained the strategic objective would remain the same, but procurement process to achieve that would need to change moving forward.

**G. BOARD NOTIFICATION OF EMERGENCY DECLARATION FOR PIPELINE REPLACEMENTS**

There were no public comments on agenda item G.

General Manager Bebee explained there were a number of leaks due to a small surge in pressure in one of the pressures zones, unfortunately exposing pipe that was corroded and ready to be replaced. General Manager Bebee reported that in order to get this done right away and to prevent property damages or other issues, he declared an emergency.

General Manager Bebee explained the District was using an existing contractor to complete this work, and the District supplied the pipe. He noted our crews were busy with leaks at the same time. General Manager Bebee explained



if this emergency continues, it will come back to the Board to approve at the May meeting. He did note that the District had budgeted more for pipeline replacement, and that this was still within the overall budget.

**IV. ACTION / DISCUSSION CALENDAR ----- (ITEMS I – K)**

**H. CONSIDER UPDATE OF EXPANSION OF LATENT POWERS  
(COMMUNITY BENEFIT PROGRAM)**

*Recommendation: That the Board establish an ad-hoc Board committee to develop the draft administrative requirements and framework for the Community Benefit Program with input from the community.*

There were no public comments on agenda item H.

General Manager Bebee gave an update on the status of the District's application to LAFCO for the expansion of latent powers. He explained LAFCO has conditionally approved this, and the next step is a protest hearing, scheduled for May 31, 2022. General Manager Bebee reported there will be outreach to explain the process as well. He noted, if everything was successful, this program would be established around January. General Manager Bebee requested the Board consider forming an ad-hoc Board committee to assist in developing the administrative requirements for the program, as well as to engage the public for their input.

Director McDougal expressed his interest in continuing to serve on the ad-hoc Board committee. Director Endter also expressed his interest. President Baxter appointed Directors McDougal and Endter to serve on this ad-hoc Board committee.

**MOTION:** Director McDougal moved to establish an ad-hoc Board committee to develop the draft administrative requirements and framework for the Community Benefit Program with input from the community; Director DeMeo seconded. Motion carried; **VOTE:**

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

**I. DISCUSSION ON WATER SHORTAGE CONTINGENCY PLAN**

*Recommendation: That the Board take the Governor's executive order under advisement as more detailed State guidance regarding non-functional turf, regulatory mandates and further developments in regional conservation program outreach and expansion comes to fruition. At this time the Board directs District*

*staff to prepare for a Board declaration of a “Water Shortage Response Level 2 – Water Shortage Watch”.*

There were no public comments on agenda item I.

General Manager Bebee provided an update of the Governor’s executive order due to drought conditions, which required a level 2 water response. He reported the District had already seen a 9-10% drop in demand. General Manager Bebee announced the District would begin preparing for a level 2 response, which would include outreach to customers, however there was no formal action needed at this point.

President Baxter asked what high-level approach this would require. General Manager Bebee answered that it was mostly outreach. He did report this may affect the special agricultural rate depending on what actions were taken by MWD.

Director Endter asked if there was a conflict of interest if the Board does a “watch and wait.” General Counsel de Sousa explained that the way it is written, it is up to the State Board to decide, which is what the District will need to react to. The State Board will adopt emergency regulations at their May meeting and go through the administrative procedure. General Counsel de Sousa did note the supply and demand assessment was now due June 1<sup>st</sup>, instead of the usual July 1<sup>st</sup>. The guidelines for this were just released.

President Baxter asked if there were ways around this reduction since we have our own water sources. General Counsel de Sousa noted the District would still need to comply, or would face fines.

MOTION: Director McDougal moved to direct District staff to prepare for a Board declaration of “Water Shortage Response Level 2 – Water Shortage Watch,” Director DeMeo seconded. Motion carried; VOTE:

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

J. CONSIDER REQUEST FOR APPROVAL TO SELL SURPLUS PROPERTY (APNS 102-30-039, 105-49-215, AND 101-45-014)

*Recommendation: That the Board adopt the attached resolution making findings and declaring the parcels surplus land and authorizing District staff to proceed with the sales process.*

There were no public comments on agenda item J.



Engineering Manager Cook reported there were three parcels identified that the District owned that were not be used. He explained the recommendation was to go through the process to declare these parcels as surplus, which would allow the District to go through the steps to sell them. Engineering Manager Cook briefly detailed each parcel.

Director McDougal noted this went through the Engineering and Operations Committee, and it made sense to get rid of these parcels, as it would also save on maintenance costs.

Director Endter asked if we have already reached out to other public agencies regarding the sale of these parcels. General Counsel de Sousa then outlined the process of selling public agency owned parcels.

MOTION: Director McDougal moved to adopt Resolution No. 5026, making findings and declaring the parcels surplus land and authorizing District staff to proceed with the sales process; Director Endter seconded. Motion carried; VOTE:

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

K. CONSIDER GUM TREE PIPELINE REPLACEMENT PROJECT CHANGE ORDER

Recommendation: *That the Board approve the pending change orders requests for work performed by SRK Engineering.*

There were no public comments on agenda item K.

Engineering Manager Cook provided an overview of the project, as well as the pending change orders for the Gum Tree Pipeline Replacement project. He explained towards the end of this project, removal of existing pipeline was found to have asbestos, which required an additional cost for disposal. There was also an additional cost for erosion control. Engineering Manager Cook also reported SRK Engineering was the contractor helping with the emergency pipeline repairs mentioned earlier.

Vice President Wolk stated it would be beneficial to know which projects were under budget. General Manager Bebee stated this could be included going forward.



MOTION: Director Endter moved to approve the pending change orders requests for work performed by SRK Engineering for the Gum Tree Pipeline Replacement Project; Director McDougal 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
2. SDCWA Representative Report
  - General Manager Bebee provided an overview of the written report included in the agenda packet.
    - Vice President Wolk asked if there was a legal precedent for a wholesale agency to direct a retail agency how to allocate their water.
3. General Manager
  - a. Engineering and Operations Report
    - General Manager Bebee provided an overview of the written report included in the agenda packet.
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 report included in the agenda packet.
    - AGM/CFO Shank reported there was almost \$4M outstanding from the state. A payment had not been received since January.
    - AGM/CFO Shank reported shutoffs were starting, which will start with accounts that are 120 days late. He also noted the District received funds for wastewater from the state arrearage program.
      - Vice President Wolk asked why \$595,000 was pulled out of LAIF. AGM/CFO Shank explained all money pulled out of LAIF was for CIP due to not receiving a check from the state for SMCUP.
5. Public Affairs Specialist
  - Public Affairs Specialist Denke reported that the District had a booth at the Avocado festival and will also have a booth at Arts in the Park on May 1, 2022.
  - Public Affairs Specialist Denke reported she was working on the 100<sup>th</sup> Anniversary event as well.

6. Notice of Approval of Per Diem for Meetings Attended
  - President Baxter and Director Endter both reported on the CSDA SDLA event in April.
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 5:09 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. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PER GOVERNMENT CODE SECTION 54957:

*Discuss Performance Evaluation of General Manager*

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PER GOVERNMENT CODE SECTION 54957:

*Discuss Performance Evaluation of General Counsel*

3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED 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 5:29 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 April Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 5:30 p.m.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors