



FALLBROOK PUBLIC UTILITY DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING / PUBLIC HEARING

MINUTES

MONDAY, FEBRUARY 24, 2020
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.

Writings that are public records and are distributed during a public meeting are available for public inspection at the meeting if prepared by the local agency or a member of its legislative body or after the meeting if prepared by some other person.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Endter called the February Regular Meeting/Public Hearing of the Board of Directors of the Fallbrook Public Utility District to order at 4:02 p.m. A quorum was established, and attendance was as follows:

Board of Directors

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

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager
Paul de Sousa, General Counsel
Dave Shank, Assistant General Manager/CFO
Devin Casteel, System Operations Supervisor
Aaron Cook, Senior Engineer
Noelle Denke, Public Affairs Specialist
Kyle Drake, Collections Supervisor

Chris Hamilton, Senior Instrumentation & Controls Specialist
Steve Stone, Field Services Manager
Owni Toma, Chief Plant Operator
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: There were no others present.

PLEDGE OF ALLEGIANCE

President Endter 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; Vice-President DeMeo seconded. Motion passed; 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.

A. EMPLOYEE OF THE QUARTER FEBRUARY 2020

1. Chris Hamilton

General Manager Bebee commended Chris Hamilton for being chosen as Employee of the Quarter for February 2020.

B. INTRODUCTION OF NEW EMPLOYEE

1. Hugo Santillan, Utility Worker 1

General Manager Bebee introduced Hugo Santillan as the new Utility Worker 1.

C. EMPLOYEE ANNOUNCEMENTS

1. Jeff Evans

General Manager Bebee announced Jeff Evans has transferred to the Backflow position as a Utility Technician.

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.

D. APPROVAL OF MINUTES

1. January 27, 2020 Regular Board Meeting

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

Director Wolk requested that the minutes of the January 27, 2020 Regular Board Meeting be pulled from the Consent Calendar for correction.

MOTION: President Endter moved to approve the Consent Calendar, with the exclusion of Item D, the January 27, 2020 Regular Board Meeting minutes; Vice-President DeMeo seconded. Motion passed; **VOTE:**

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

NOES: None

ABSTAIN: None

ABSENT: None

Director Wolk requested that the minutes of the January 27, 2020 Regular Board Meeting be revised to change the call to order to reflect a Regular Board Meeting instead of a Special Board Meeting. Director Wolk also requested to add a statement that Director McDougal reported there would be future opportunities for public input in response to a Public Comment regarding the Community Benefit Program, greater detail be added to Item J, as well as changing the word “his” to “this” in Item P, as this was a typographical error.

MOTION: Director McDougal moved to approve the minutes of the January 27, 2020 Regular Board Meeting, with the noted corrections from Director Wolk; Director Wolk seconded. Motion passed; **VOTE:**

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

NOES: None

ABSTAIN: None

ABSENT: None

E. NOTICE OF COMPLETION – DE LUZ ROAD PIPELINE REPLACEMENT

Recommendation: That the Board authorize staff to file the attached Notice of Completion with the San Diego County Recorder.

MOTION: President Endter moved to approve the Consent Calendar with the revisions noted to the January 27, 2020 Regular Board Meeting minutes; Vice-President DeMeo seconded. Motion passed; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

III. INFORMATION----- (ITEMS F – G)

F. REVIEW OF COMMUNICATION PLAN

Presented by: Noelle Denke, Public Affairs Specialist

Public Affairs Specialist, Noelle Denke, stepped to the podium to summarize the District's Communication Plan, including increasing the District's social media footprint and producing a video to be posted to the District's social media accounts.

General Manager Bebee announced there may be a community event planned to highlight issues the District is working on. Public Affairs Specialist Denke noted this would be similar to an open house.

Director Wolk suggested utilizing the blank space on customer billing statements for communication purposes. General Manager Bebee noted Assistant General Manager/CFO Shank has been working to have messages printed on the billing envelopes as well.

G. ENGINEERING AND OPERATIONS KEY PERFORMANCE INDICATORS

Presented by: Aaron Cook, Senior Engineer

Staff presented a slideshow summarizing the key performance indicators for the engineering, system operations, collection, construction/maintenance, and system service departments.

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

H. CONSIDER REVISION OF ADMINISTRATIVE CODE ARTICLE 29, DISTRICT EMERGENCY RESPONSE PLAN (ERP); RESOLUTION NO. 4990

Recommendation: That the Board adopt Resolution No. 4990 revising Administrative Code Article 29, Emergency Action Plan (EAP), with the proposed changes.

Assistant General Manager/CFO Shank reported that after a review of Article 29 was conducted, it was discovered to be out of date. The proposed changes to Article 29 of the Administrative Code, including the Emergency Action Plan, provide guidance to staff on what to do in the event an emergency should occur.

MOTION: Director McDougal moved to adopt Resolution No. 4990, revising Administrative Code Article 29, Emergency Action Plan (EAP), with the proposed changes; Director Wolk seconded. Motion carried; VOTE:

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

I. CONSIDER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS CALL FOR NOMINATIONS – SEATS B AND C

Recommendation: Staff supports the Board's direction.

General Manager Bebee announced this is a great opportunity for a Board member to participate in the California Special Districts Association. He explained there are two open seats, however Seat C has an incumbent who will be rerunning. Seat B is currently vacant.

MOTION: President Endter moved to nominate Vice-President DeMeo for Seat B on the California Special Districts Association Board of Directors, in concurrence with adoption of Resolution No. 4991; Vice-President DeMeo seconded. Motion carried; VOTE:

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

J. CONSIDER SCADA PROGRAMMING SERVICES FOR SMRCUP

Recommendation: That the Board authorize a Professional Services Agreement with Zak Controls for an amount not to exceed \$301,738.

Director Baxter noted that proposals for SCADA programming services for SMRCUP were reviewed by the Engineering and Operations Committee, and the proposal from Zak Controls came in well under budget. Director Baxter thought it was important to note that Zak Controls would not be leaning on the District to provide software or configuration software, as this is something they own themselves.

MOTION: Director McDougal moved to approve authorization of a Professional Services Agreement with Zak Controls for SCADA programming services for SMRCUP for an amount not to exceed \$301,738; Director Baxter seconded. Motion carried; VOTE:

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

K. CONSIDER WATER RECLAMATION PLANT HEADWORKS COVER REPLACEMENT

Recommendation: That the Board authorize award of the headworks cover replacement to the lowest responsible bidder, GSE Construction Company Inc. for \$149,800.

President Endter announced the Engineering and Operations Committee has reviewed this proposal and recommends that the Board approve the headworks cover replacement by GSE Construction Company Inc. for \$149,800.

Director McDougal asked about the size of the headworks cover replacement, in terms of scope. General Manager Bebee explained this is not a single cover but a series of covers for the headworks.

MOTION: Director Baxter moved to authorize award of the headworks cover replacement to the lowest responsible bidder, GSE Construction Company Inc. for \$149,800; Director McDougal seconded. Motion carried; VOTE:

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

L. CONSIDER LOWER SANTA MARGARITA WATER SUPPLY RELIABILITY PILOT PROJECT

Recommendation: That the Board authorize a Professional Services Agreement with Hazen and Sawyer for an amount not to exceed \$745,000.

Senior Engineer Cook announced the District is looking into additional treatment facilities. General Manager Bebee stated the main reason for this is to look at a way to develop a cost-effective local supply; a partnership with Camp Pendleton presents opportunities for this.

Director McDougal asked if there is an additional need to treat this water. General Manager Bebee stated the Regional Board came up with nutrient limits for discharge, with nitrogen and phosphorus limits being very low, and the pilot project will deal with the permitting, as well as verifying the treatment process and the cost associated with that.

Director McDougal asked how this project affects the District's needs from the conjunctive use project. General Manager Bebee stated it could end up being more water than the District could take, which is why Rainbow is also involved.

Director Wolk questioned if there would be a need to build a pipe from the pilot facility. General Manager Bebee reported there would be a small section of pipe to be installed, but for the pilot, we will probably locate an area nearby the infiltration basins.

Senior Engineer Cook reported that part of the scope of this project is working with the Board and deciding the regulatory compliance aspect of the project.

President Endter asked how this affects the ocean outfall. Senior Engineer Cook stated only low-flow brine would be going into the outfall.

MOTION: Director Baxter moved to authorize a Professional Services Agreement with Hazen and Sawyer for an amount not to exceed \$745,000 for the Lower Santa Margarita Water Supply Reliability Pilot Project; Director McDougal seconded. Motion carried; VOTE:

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

M. CONSIDER PROFESSIONAL SERVICES AGREEMENT WITH PUDGIL AND COMPANY

Recommendation: That the Board approve the General Manager to enter into the attached professional services agreement with Pudgil and Company for a retainer fee of \$5,000 per month to provide public information support services to the District for the detachment/exclusion from the SDCWA and annexation to EMWD process.

MOTION: Director McDougal moved to approve the General Manager to enter into a professional services agreement with Pudgil and Company for a retainer fee of \$5,000 per month to provide public information support services to

the District for the detachment/exclusion from SDCWA and annexation to EMWD process; Director Wolk seconded. Motion carried; VOTE:

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

N. CONSIDER LETTER OF OPPOSITION TO AB 1184 (GLORIA)

Recommendation: That The Board authorize the General Manager to work with the Board President to prepare and issue a letter of opposition to AB 1184 (Gloria) – Public records: writing transmitted by electronic mail: retention.

President Endter announced there was confusion regarding which Assembly Bill this considers, and this item is actually in reference to AB 2093, which is a very similar bill to AB 1184 (Gloria), which was vetoed last year. President Endter explained AB 2093 would require public agencies to retain electronic mail records for two years.

General Counsel de Sousa noted AB 2093 is the same as AB 1184, verbatim. General Counsel de Sousa explained Governor Newsom vetoed AB 1884 with a very strong message, which included the additional cost to taxpayers being one of the reasons the Governor could not support the bill. General Counsel de Sousa also stated letters of opposition are the way to show support for the opposition to this bill.

MOTION: Director McDougal moved to authorize the General Manager to work with the Board President to prepare and issue a letter of opposition to AB 2093 (Gloria) – Public records: writing transmitted by electronic mail: retention; Director Wolk seconded. Motion carried; VOTE:

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

V. **PUBLIC HEARING** ----- (ITEM O)

At 4:56 p.m., President Endter opened the Public Hearing to receive public comments. Hearing none, President Endter closed the Public Hearing at 4:57 p.m.

O. POTENTIAL INCREASE IN COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS (ADMINISTRATIVE CODE SECTION 2.12); ORDINANCE NO. 346

Recommendation: Hold the public hearing and consider adoption of Ordinance No. 346, to increase Board compensation from \$105 to \$110.25 for each day's service to the District and to update Section 2.12 of the District's Administrative Code to reflect the updated amount.

MOTION: Director McDougal moved to adopt Ordinance No. 346, to increase Board compensation from \$105 to \$110.25 for each day's service to the District and to update Section 2.12 of the District's Administrative Code to reflect the updated amount; Vice-President DeMeo seconded. Motion carried;
VOTE:

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

VI. ORAL/WRITTEN REPORTS----- (ITEMS 1-8)

1. General Counsel
2. SDCWA Representative Report
 - General Manager Bebee explained the written SDCWA Representative report is in the packet should there be any questions.
3. General Manager
 - a. Engineering and Operations Report
 - General Manager Bebee announced the Regional Board added additional provisions for the discharge permit for the wastewater treatment plant. He mentioned Oceanside will likely appeal the permit. President Endter asked what that time frame would be. General Manager Bebee suspected it would happen in the next few weeks.
4. Assistant General Manager/Chief Financial Officer
 - a. Financial Summary Report
 - b. Treasurer's Report
 - c. Budget Status Report
 - d. Warrant List
 - Assistant General Manager/Chief Financial Officer gave a summary of the written reports included in the agenda packet.
 - Director Wolk questioned the payments that were pulled from the PFM account. General Manager Bebee clarified that currently, two contractor payments have been made from the PFM account funds, and if we do not receive the state funds, the Board may need to authorize another long-term reserve payment. He reiterated that once the funds are received, they will be deposited back to where they were pulled.
5. Public Affairs Specialist

6. Notice of Approval of Per Diem for Meetings Attended
7. Director Comments/Reports on Meetings Attended
 - Vice-President DeMeo reported that she attended a Hoover Dam tour and the monthly COWU meeting, both of which were very informative.
8. Miscellaneous

The Board of Directors adjourned to Closed Session at 5:07 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Items VII.1 and 2.

VII. CLOSED SESSION------(ITEMS 1-2)

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

Name of Case: Otay Water District v. Fallbrook Public Utility District, San Diego Co. Sup. Ct. No. 37-2020-00004572-CU-MC-CTL

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

Name of Case: Bonnie Kessner and Andrea McCartney-Page, et al. vs. City of Santa Clara et al., Santa Clara Co. Sup. Ct. Case Number unspecified.

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 5:45 p.m.

REPORT FROM CLOSED SESSION (As Necessary)

President Endter announced there was no reportable action taken in Closed Session.

VIII. ADJOURNMENT OF MEETING

There being no further business to discuss, President Endter adjourned the February Regular Meeting of the Board of Directors of the Fallbrook Public Utility District at 5:45 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors