



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

**AGENDA**

**MONDAY, FEBRUARY 28, 2022  
4:00 P.M.**

**FALLBROOK PUBLIC UTILITY DISTRICT  
990 E. MISSION RD., FALLBROOK, CA 92028  
PHONE: (760) 728-1125**

**THIS MEETING WILL BE HELD PURSUANT TO GOVERNMENT CODE SECTION 54953(e)(1)(A), WHICH WAIVES CERTAIN BROWN ACT TELECONFERENCING REQUIREMENTS DURING A PROCLAIMED STATE OF EMERGENCY WHEN STATE OR LOCAL OFFICIALS HAVE IMPOSED OR RECOMMENDED MEASURES TO PROMOTE SOCIAL DISTANCING, AND ALLOWS SOME OR ALL OF THE MEMBERS OF THE FALLBROOK PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS TO ATTEND THIS MEETING TELEPHONICALLY OR VIA VIDEO CONFERENCE. MEMBERS OF THE PUBLIC WHO DO NOT WISH TO ATTEND IN PERSON ARE ENCOURAGED TO PARTICIPATE IN THE MEETING VIA WEB CONFERENCE USING THE BELOW CALL-IN AND WEBLINK INFORMATION. MEMBERS OF THE PUBLIC MAY ALSO PARTICIPATE IN THIS MEETING BY ATTENDING IN PERSON AT THE DISTRICT OFFICE LOCATED AT 990 E. MISSION RD., FALLBROOK, CA 92028.**

**Join Zoom Meeting**

<https://us06web.zoom.us/j/82003172211?pwd=UU10YWltMkVwWGVaUFNkQnA2bHA4Zz09>

**MEETING ID: 820 0317 2211**

**AUDIO PASSCODE: 363170**

**Dial by your location**

+1 346 248 7799 US (Houston); +1 720 707 2699 US (Denver); +1 253 215 8782 US (Tacoma);  
+1 312 626 6799 US (Chicago); +1 646 558 8656 US (New York); +1 301 715 8592 US (Washington DC)

**Find your local number: <https://us06web.zoom.us/j/82003172211?pwd=UU10YWltMkVwWGVaUFNkQnA2bHA4Zz09>**

**PUBLIC COMMENTS:** Members of the public may submit public comments and comments on agenda items in one of the following ways:

**SUBMIT COMMENTS BEFORE THE MEETING:**

- By emailing to our Board Secretary at [leckert@fpud.com](mailto:leckert@fpud.com)
- By mailing to the District Offices at 990 E. Mission Rd., Fallbrook, CA 92028
- By depositing them in the District's Payment Drop Box located at 990 E. Mission Rd., Fallbrook, CA 92028

All comments submitted before the meeting by whatever means must be received at least 1 hour in advance of the meeting. All comments will be read to the Board during the appropriate portion of the meeting. Please keep any written comments to 3 minutes.

**REMOTELY MAKE COMMENTS DURING THE MEETING:** The Board President will inquire prior to Board discussion if there are any comments from the public on each item.

- Via Zoom Webinar go to the "Participants List," hover over your name and click on "raise hand." This will notify the moderator that you wish to speak during oral communication or during a specific item on the agenda.
- Via phone, you can raise your hand by pressing \*9 to notify the moderator that you wish to speak during the current item.

**MAKE IN-PERSON COMMENTS DURING THE MEETING:** The Board President will inquire prior to Board discussion if there are any comments from the public on each item, at which time members of the public attending in person may make comments.

**THESE PUBLIC COMMENT PROCEDURES SUPERSEDE THE DISTRICT'S STANDARD PUBLIC COMMENT POLICIES AND PROCEDURES TO THE CONTRARY.**

*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

- 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.*

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.*

- B. 2021 EMPLOYEE OF THE YEAR PLAQUE PRESENTATION
- C. EMPLOYEE OF THE QUARTER FEBRUARY 2022
1. Devin Casteel
- D. YEARS OF SERVICE
1. Kerry Mehrens – 15 years
- E. NEW EMPLOYEE ANNOUNCEMENTS
1. Nick Cannata, Utility Worker I

**II. CONSENT CALENDAR----- (ITEMS F – G)**

*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.*

- F. CONSIDER APPROVAL OF MINUTES  
1. January 24, 2022 Regular Board Meeting

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

- G. CONSIDER ADVANCE APPROVAL TO ATTEND MEETINGS

Recommendation: *That the Board authorize and approve, in advance, Directors' attendance to the California Special Districts Association's 2022 Special District Leadership Academy Conference, April 3–April 6, 2022, in San Diego, California.*

**III. ACTION / DISCUSSION CALENDAR -----(ITEMS H – J)**

- H. CONSIDER CUSTOMER REQUEST FOR BILL ADJUSTMENT – 109 DEL SURENO

Recommendation: *In the past, the Board has directed staff to work with the customer to develop a payment plan in these situations. Staff will support Board direction on this item.*

- I. CONSIDER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS CALL FOR NOMINATIONS – SEAT B

Recommendation: *Staff supports the Board's direction.*

- J. CONSIDER REQUEST FOR APPROVAL TO AWARD ONE-TIME PAVING PROJECT TO PETERS PAVING AND GRADING

Recommendation: *That the Board approve a one-time paving project to Peters Paving and Grading for \$99,500.00.*

**IV. INFORMATION -----(ITEM K)**

- K. ENGINEERING AND OPERATIONS KEY PERFORMANCE INDICATORS

Presented by: Aaron Cook, Engineering Manager  
Steve Stone, Field Services Manager

**V. PUBLIC HEARINGS -----(ITEMS L – M)**

- L. POTENTIAL INCREASE IN COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS (ADMINISTRATIVE CODE SECTION 2.12); ORDINANCE NO. 351

Recommendation: Hold the public hearing and consider adoption of Ordinance No. 351, to increase Board compensation from \$115.76 to \$121.55 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.

- M. PUBLIC HEARING REGARDING REDISTRICTING OF DIVISION BOUNDARIES FOR FPUD BOARD OF DIRECTORS

Recommendation:

1. Receive a report from District staff on the redistricting proposal and permissible criteria to be considered to redraw division boundaries;
2. Conduct a public hearing to receive public input on division boundaries; and
3. Provide direction to staff (if any) regarding the redistricting proposal to be considered at the next public hearing.

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

1. General Counsel
2. SDCWA Representative Report
3. General Manager
  - a. Engineering and Operations Report
4. Assistant General Manager/Chief Financial Officer
  - a. Financial Summary Report
  - b. Treasurer's Report
  - c. Budget Status Report
  - d. Warrant List
5. Public Affairs Specialist
6. Notice of Approval of Per Diem for Meetings Attended
7. Director Comments/Reports on Meetings Attended
8. Miscellaneous

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

1. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6:

Agency Designated Negotiators: Jack Bebee, General Manager; Lisa Chaffin, Human Resources Manager

Employee Organizations: Fallbrook Public Utility District Employees' Association; Fallbrook Management Employees' Association

2. 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

REPORT FROM CLOSED SESSION (*As necessary*)

**VIII. ADJOURNMENT OF MEETING**

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**DECLARATION OF POSTING**

I, Lauren Eckert, Executive Assistant/Board Secretary of the Fallbrook Public Utility District, do hereby declare that I posted a copy of the foregoing agenda in the glass case at the entrance of the District Office located at 990 East Mission Road, Fallbrook, California, at least 72 hours prior to the meeting in accordance with Government Code § 54954.2(a).

I, Lauren Eckert, further declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

February 23, 2022  
Dated / Fallbrook, CA

/s/ Lauren Eckert  
Executive Assistant/Board Secretary

**M E M O**

**TO:** Board of Directors  
**FROM:** Paula de Sousa, General Counsel  
**DATE:** February 28, 2022  
**SUBJECT:** Findings to Continue Holding Remote/Teleconference Committee Meetings Pursuant to Assembly Bill 361

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Purpose

Consider findings necessary to continue holding remote/teleconference meetings pursuant to Assembly Bill 361.

Summary

As more fully described in the Board memo for the October 25, 2021 Board of Directors meeting related to AB 361, the State of California has adopted legislation (AB 361), which allows public agencies to hold fully or partially virtual meetings under certain circumstances without being required to follow certain standard Brown Act teleconferencing requirements.

Under AB 361, a legislative body holding a fully or partially virtual meeting pursuant to AB 361 must make certain findings at least every thirty (30) days in order to continue holding such meetings. Because the Board of Directors last made the required findings on behalf of the Board and all FPU D Committees more than 30 days ago, the Board of Directors is required to make the findings to proceed with holding this meeting pursuant to AB 361. The findings would remain in effect for the Board of Directors for the next 30 days.

If the Board of Directors desires to hold the meeting in a manner allowing remote participation pursuant to AB 361, the Board must reconsider the COVID-19 State of Emergency, find that the proclaimed COVID-19 State of Emergency still exists, and find either of the following: (1) that state or local officials continue to impose or recommend measures to promote social distancing, or (2) that as a result of the COVID-19 emergency, meeting in person would present imminent risks to the health or safety of attendees. Based on the continued COVID-19 State of Emergency and required or recommended social distancing measures, as further described in the October 25, 2021 Board memo, the Board can make the required findings.

If the Board does not make the required findings, any Board members participating remotely would not be able to participate in the rest of the meeting, which may deprive the Board of a quorum and result in meeting cancellation.

Recommended Actions

1. That the FPU D 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.

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## M E M O

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
**DATE:** February 28, 2022  
**SUBJECT:** February 2022 Employee of the Quarter

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Out of five nominations, Devin Casteel was chosen as the February 2021 Employee of the Quarter for the following reasons:

*“Devin has done a great job of overseeing the operators train and begin operating the SMRCUP. He has been willing to put in extra time and has worked well with the project contractor, regulators, and Camp Pendleton’s operators to coordinate through many challenges, all while still completing the routine responsibilities of operating the distribution system.”*

Devin received a Certificate of Appreciation and a monetary award of \$150. Additionally, Devin will have lunch with the General Manager, a member of the Board of Directors, and the previous Employee of the Quarter.

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## MEMO

**TO:** Board of Directors  
**FROM:** Lauren Eckert, Executive Assistant/Board Secretary  
**DATE:** February 28, 2022  
**SUBJECT:** Approval of Minutes

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### Recommended Action

That the Board approve the minutes of the following meeting of the Board of Directors of the Fallbrook Public Utility District:

1. January 24, 2022 Regular Meeting



**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 FPU D 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 100<sup>th</sup> 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

**M E M O**

**TO:** Board of Directors  
**FROM:** Lauren Eckert, Executive Assistant/Board Secretary  
**DATE:** February 28, 2022  
**SUBJECT:** Consider Advance Approval to Attend Meetings

---

Purpose

To authorize Directors' attendance, travel, and expenses to events requiring approval by the Board of Directors in advance.

Summary

Article 2 of the Administrative Code prescribes that compensation for attendance and reimbursement for expenses at occasions, events, or meetings related to District business, other than those listed in section 2.12, shall be determined by the Board of Directors, in advance, on a case-by-case basis.

The request is for advance approval to the following event:

1. California Special Districts Association's *2022 Special District Leadership Academy Conference*, April 3–April 6, 2022, San Diego.

Recommended Action

That the Board authorize and approve, in advance, Directors' attendance to the California Special Districts Association's *2022 Special District Leadership Academy Conference*, April 3–April 6, 2022, in San Diego, California.





## MEMO

**TO:** Board of Directors  
**FROM:** David Shank, Assistant General Manager/CFO  
**DATE:** February 28, 2022  
**SUBJECT:** Customer Request for Bill Adjustment – 109 Del Sureno

---

### Purpose

Provide the Board with background on a customer's account. This customer is requesting a bill adjustment for unpaid balances transferred to their account after the property was purchased (Attachment A).

### Summary

The prior owner's account was locked November 26, 2018. On March 2, 2020, the property was unlocked due to bankruptcy protection for residents. While no payments were received, water was used at the property. The home was purchased out of bankruptcy with unpaid water balances by the current owner. On June 11, 2021 a new owner contacted the District to change property ownership. At that time, the new owner was advised of a past due balance and the District's policy of transferring unpaid balances to new owners. On October 19, 2021, the balance of \$2,852.92 was transferred to the new owner. Due to the timing of the balance transfer, none of the past due funds were included in the State's water arrearages program application. This program provides funding for qualifying past due water account balances.

While not common, these past due balance transfers do happen. Because the accounts are secured by the property, the balances follow property ownership. Often times it is remedied by the two involved parties, however, this is not always the case. In the past, new owners have been required to pay the transferred amount. In one recent request, the Board provided some relief to a new owner by charging the standby rate because the property had not been occupied and was not using water.

There are no late fees or other administrative charges included in the past due balance that was transferred. At this time, there are no additional adjustment that can be made by staff. The Board can choose to provide some relief to the customer but this has not been past practice. It should also be noted that the District offers payment plans to customers to help ease the financial burden of past due balance payments.

### Recommended Action

In the past, the Board has directed staff to work with the customer to develop a payment plan in these situations. Staff will support Board direction on this item.

# **Attachment A**

Fallbrook Public Utility Company  
Account Number: 017774-000  
Service Address: 109 Del Sureno  
Fallbrook, CA 92028

30, December 2021

To Whom it May Concern,

Recently, I moved to the lovely town of Fallbrook purchasing a 1975 Spanish-style home near the quaint downtown. After closing on the house and settling in, I come to find out the prior owner did not pay the water for the past year and had no intention of paying said water bill.

While I know it is typical for the new owner to be responsible for the delinquent bills and former owners and tenants, would it at all be possible for an exception? The prior bill is a total of \$2,852.92, an amount I do not have sitting in the bank as a single Hispanic woman. Would it be possible to make an exception to excuse this water bill?

I know I could technically go after the prior owner in small claims court for the total amount, but I also know he was a struggling Veteran, and that is not something I want to pass along to him. A kindness that hopefully will be passed along.

With deep gratitude,

Rebekah Nye

Owner of 109 Del Sureno, Fallbrook CA 92028  
Prior Owner Name: Shachell Osbourne



CUSTOMERS ARE RESPONSIBLE FOR  
WATER PIPE BREAKS ON THEIR PROPERTY

**\*\*PAST DUE NOTICE\*\***  
MESSAGE CENTER

Name:	
SHACHELL OSBOURNE	
Service Address:	
109 DEL SURENO	
Due Date:	Amount Due:
7/20/2021	\$2,913.31

**\*\*PAST DUE NOTICE\*\*** Your account balance includes a balance forward/past due amount. Please pay upon receipt. The due date for this billing applies to the current charges only and does **\*NOT\*** extend the due date of the balance forward/past due amount. If the balance forward/past due amount is \$50.00, or more, your account is subject to additional fees and/or locking if payment is not received immediately.

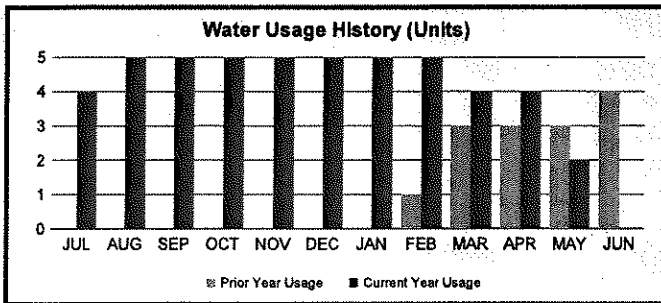
SEE REVERSE FOR IMPORTANT BILLING INFORMATION

CURRENT CHARGES DETAIL

Account Number	Class	Meter Serial #	Meter Readings		Total Units
			Current	Previous	
014880-000	D	18306935	66	63	3

Service Period	6/4/2021 - 6/11/2021
Meter Read Dates	Prev: 5/19/2021 - Curr: 6/11/2021
PREVIOUS BALANCE	\$2,852.92
PAYMENTS/CR -THANK YOU	\$0.00
<b>BALANCE FORWARD</b>	<b>\$2,852.92</b>

\*CLOSED\*



Current Usage this month (Unit = 1000 gallons): **3**  
Usage last month (Unit = 1000 gallons): **2**

<b>WATER USAGE = 3 Units</b>	
3 Units @ Tier 1	\$20.49
<b>TOTAL WATER USAGE CHARGE</b>	<b>\$20.49</b>
WATER CAPITAL IMPROVE CHR	\$2.79
WATER MONTHLY FIXED CHARGE	\$15.29

<b>WASTEWATER CHARGES</b>	
WASTEWATER FLOW	\$13.87
WASTEWATER MONTHLY FIXED CHARGE	\$3.03
WASTEWATER CAPITAL IMPROVE CHR	\$3.32

<b>CHRGs LEVIED BY OTHERS</b>	
MWD RTS CHARGE	\$0.56
CWA CHARGE	\$1.04

<b>TOTAL CURRENT CHARGE</b>	<b>\$60.39</b>
<b>TOTAL DUE</b>	<b>\$2,913.31</b>

**MAKE CHECKS PAYABLE TO:**

**FALLBROOK PUBLIC UTILITY DISTRICT**  
990 E. MISSION RD. FALLBROOK, CA 92028  
Office Hours: Monday-Friday, 8:00am to 4:30pm  
Phone: (760) 728-1125 (24 Hrs) Website: www.fpud.com

**Billing Payment Options**

Walk-in: 990 E. Mission Rd. Fallbrook, CA 92028  
Online: [www.onlinebiller.com/fpud](http://www.onlinebiller.com/fpud) By Phone: (877) 281-3434

PayNearMe: **7-ELEVEN** **CVS** pharmacy

Make a cash payment at participating locations. See reverse for details.

Check here for change of address or phone number. Enter changes on the reverse side.

NAME:

FBS0701A 421 1 AV 0.398  
7000000464 00.0004.0093 421/1



SHACHELL OSBOURNE  
109 DEL SURENO  
FALLBROOK CA 92028-2309

Please detach and return bottom portion with your payment.

Due Date:	Amount Due:
7/20/2021	\$2,913.31
Account Number	Service Period
014880-000	6/4/2021 - 6/11/2021
Meter Serial Number	Enter Amount Enclosed:
18306935	

REMIT TO:

**CLOSING BILL**



FALLBROOK PUBLIC UTILITY DISTRICT  
990 E MISSION RD  
FALLBROOK, CA 92028-2232

0148800000029133100291331

**028**

Information to identify the case:				
Debtor 1	<u>Shachell Osbourne</u>			Social Security number or ITIN xxx-xx-2521
	First Name	Middle Name	Last Name	EIN - - - - -
Debtor 2				Social Security number or ITIN - - - - -
(Spouse, if filing)	First Name	Middle Name	Last Name	EIN - - - - -
United States Bankruptcy Court Southern District of California				
Case number: 20-00007-MM7				

**Order of Discharge**

12/15

**IT IS ORDERED:** A discharge under 11 U.S.C. § 727 is granted to:

Shachell Osbourne  
aka Shachell Alberni

3/31/20

By order of the court: Barry K. Lander  
Clerk of the Bankruptcy Court

**Explanation of Bankruptcy Discharge in a Chapter 7 Case**

This order does not close or dismiss the case, and it does not determine how much money, if any, the trustee will pay creditors.

This order does not prevent debtors from paying any debt voluntarily or from paying reaffirmed debts according to the reaffirmation agreement. 11 U.S.C. § 524(c), (f).

**Creditors cannot collect discharged debts**

This order means that no one may make any attempt to collect a discharged debt from the debtors personally. For example, creditors cannot sue, garnish wages, assert a deficiency, or otherwise try to collect from the debtors personally on discharged debts. Creditors cannot contact the debtors by mail, phone, or otherwise in any attempt to collect the debt personally. Creditors who violate this order can be required to pay debtors damages and attorney's fees.

**Most debts are discharged**

Most debts are covered by the discharge, but not all. Generally, a discharge removes the debtors' personal liability for debts owed before the debtors' bankruptcy case was filed.

However, a creditor with a lien may enforce a claim against the debtors' property subject to that lien unless the lien was avoided or eliminated. For example, a creditor may have the right to foreclose a home mortgage or repossess an automobile.

Also, if this case began under a different chapter of the Bankruptcy Code and was later converted to chapter 7, debts owed before the conversion are discharged.

In a case involving community property: Special rules protect certain community property owned by the debtor's spouse, even if that spouse did not file a bankruptcy case.

**For more information, see page 2 >**

**Some debts are not discharged**

Examples of debts that are not discharged are:

- ◆ debts that are domestic support obligations;
- ◆ debts for most student loans;
- ◆ debts for most taxes;
- ◆ debts that the bankruptcy court has decided or will decide are not discharged in this bankruptcy case;
- ◆ debts for most fines, penalties, forfeitures, or criminal restitution obligations;
- ◆ some debts which the debtors did not properly list;
- ◆ debts for certain types of loans owed to pension, profit sharing, stock bonus, or retirement plans; and
- ◆ debts for death or personal injury caused by operating a vehicle while intoxicated.

Also, debts covered by a valid reaffirmation agreement are not discharged.

In addition, this discharge does not stop creditors from collecting from anyone else who is also liable on the debt, such as an insurance company or a person who cosigned or guaranteed a loan.

**This information is only a general summary of the bankruptcy discharge; some exceptions exist. Because the law is complicated, you should consult an attorney to determine the exact effect of the discharge in this case.**

\*\* Property had been in CH 7 BK since 2020 – paperwork attached to Springbrook account. The meter had been locked.

3-2-20 Removed standby service due to meter unlocked 4 bankruptcy protection

6-11-21 New owner called to put service in her name. At the time of her call she was made her aware of unpaid charges on seller account. She was nice but not okay with process

7-1-21 New owner packet mailed

7-16-21 OBC to seller – left message – advised of balance owed and emailed closing bill to seller

10-19-21 Balance transferred

11-17-21 IBC from ow - sttd aware that balance was from prev ow and will not pay it. Advs when we start locking meter after the first of the year and her account has an outstanding balance we will evaluate for lock and apply lock fee's and past due fee's.



## MEMO

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
**DATE:** February 28, 2022  
**SUBJECT:** California Special Districts Association Board of Directors Call for Nominations Seat B; Draft Resolution No. 5024

---

### Purpose

Fallbrook Public Utility District is a member of the California Special Districts Association (“CSDA”). The CSDA Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of CSDA for the 2023-2025 term for Seat B.

### Summary

The leadership of CSDA is elected from six geographical networks, and each network has three seats on the Board with staggered 3-year terms. Fallbrook Public Utility District is located within the Southern Network, and the current Call for Nominations is for Seat B, currently filled by the incumbent, Don Bartz of the Phelan Pinon Hills Community Services District, whose term is expiring.

The following can be found in Attachment A for the Board’s information: (1) CSDA Board of Directors Call for Nominations Seat B, which includes the commitment and expectations of the role; (2) 2022 Board of Directors Nomination Form; and (3) 2022 CSDA Board Candidate Information Sheet. Additionally, draft Resolution No. 5024 has been prepared in the event the Board of Directors wishes to nominate a candidate.

The deadline for receiving nominations for Seat B is March 31, 2022.

### Recommended Action

Staff supports the Board’s direction.



# **Attachment A**

**From:** Neil McCormick <neilm@csda.net>  
**Sent:** Monday, January 31, 2022 11:30 AM  
**To:** Lauren Eckert  
**Subject:** CSDA Board of Directors Call for Nominations Seat B



**California Special  
Districts Association**  
*Districts Stronger Together*



**GET INVOLVED  
IN CSDA**

## **CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS - SEAT B**

**Deadlines:**

***Northern, Sierra, Bay, Central & Southern Networks - March 31, 2022***

***Coastal Network - due to vacancy - April 11, 2022***

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2023 - 2025 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network they seek to represent.

[\(CSDA Network Map\)](#)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

**Commitment and Expectations:**

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.

- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento. (CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the Spring, and the CSDA Annual Conference - held in the Fall. (CSDA does **not** reimburse expenses for the two conferences even if a Board or committee meeting is held in conjunction with the event)
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected. (CSDA does **not** reimburse expenses for the Academy classes even if a Board or committee meeting is held in conjunction with the event).

Please review the CSDA Board [Policy 2.16 Board Commitments & Responsibilities](#).

**Nomination Procedures:**

Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action and [Candidate Information Sheet](#) must accompany the [Nomination Form](#). The deadline for receiving nominations for the Northern, Sierra, Bay Area, Central and Southern Networks is March 31, 2022. Due to the current vacancy in the Coastal Network, the deadline for receiving nominations for the Coastal Network is April 11, 2022. Nominations and supporting documentation may be mailed or emailed.**

Mail: 1112 I Street, Suite 200, Sacramento, CA 95814  
 Fax: 916.442.7889  
 E-mail: [amberp@csda.net](mailto:amberp@csda.net)

**Once received, nominees will receive a candidate's letter. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.**

CSDA will begin electronic voting on June 2, 2022. All votes must be received through the system no later than 5:00 p.m. July 8, 2022. The successful candidates will be notified no later than July 12, 2022. All selected Board Members will be introduced at the Annual Conference in Palm Desert, CA in August 2022.

**Expiring Terms ([See enclosed network map](#))  
 (\*=Incumbent is running for re-election)**

Northern Network	Seat B	Kim Seney, Director, Gold Mountain Community Services District*
Sierra Network	Seat B	Jerry Gilmore, Director, Truckee Sanitary District*

Bay Network	Seat B	Ryan Clausnitzer, GM, Alameda County Mosquito Abatement District*
Central Network	Seat B	Lorenzo Rios, GM, Clovis Veterans Memorial District*
Coastal Network	Seat B	<b>Vacant</b>
Southern Network	Seat B	Don Bartz, GM, Phelan Pinon Hills Community Services District*

**CSDA will be using a web-based online voting system, allowing your district to cast your vote easily and securely.** Electronic Ballots will be emailed to the main contact in your district June 2, 2022. All votes must be received through the system no later than 5:00 p.m. July 8, 2022.

*Districts can opt to cast a paper ballot instead; but you must contact Amber Phelen by e-mail at [amberp@csla.net](mailto:amberp@csla.net) by **March 31, 2022** in order to ensure that you will receive a paper ballot on time.*

CSDA will mail paper ballots on June 2, 2022 per district request only.

If you have any questions, please contact Amber Phelen at [amberp@csla.net](mailto:amberp@csla.net).



California Special Districts Association  
 1112 I Street, Suite 200, Sacramento CA, 95814  
 877.924.2732 | [www.csla.net](http://www.csla.net)

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**California Special  
Districts Association**  
*Districts Stronger Together*

## 2022 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: \_\_\_\_\_

District: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Network: \_\_\_\_\_ (see map)

Telephone: \_\_\_\_\_

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Nominated by (optional): \_\_\_\_\_

Return this form, a Board resolution/minute action supporting the candidate, and Candidate Information Sheet by mail or email to:

CSDA  
Attn: Amber Phelen  
1112 I Street, Suite 200  
Sacramento, CA 95814  
(877) 924-2732

amberp@csda.net

***DEADLINE FOR RECEIVING NOMINATIONS:***

***March 31, 2022 at 5:00 p.m.***



**2022 CSDA BOARD CANDIDATE INFORMATION SHEET**

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: \_\_\_\_\_

District/Company: \_\_\_\_\_

Title: \_\_\_\_\_

Elected/Appointed/Staff: \_\_\_\_\_

Length of Service with District: \_\_\_\_\_

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

\_\_\_\_\_  
\_\_\_\_\_

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

\_\_\_\_\_  
\_\_\_\_\_

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

\_\_\_\_\_  
\_\_\_\_\_

4. List civic organization involvement:

\_\_\_\_\_  
\_\_\_\_\_

**\*\*Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after March 31, 2022 will not be included with the ballot.**

**RESOLUTION NO. 5024**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE FALLBROOK PUBLIC UTILITY DISTRICT  
NOMINATING \_\_\_\_\_  
TO THE CSDA BOARD OF DIRECTORS**

\* \* \* \* \*

**WHEREAS**, the Fallbrook Public Utility District (FPUD) is a member district of the California Special Districts Association (CSDA); and

**WHEREAS**, \_\_\_\_\_ began his/her tenure with the Fallbrook Public Utility District in \_\_\_\_\_; and

**NOW, THEREFORE, BE IT RESOLVED THAT** the Board of Directors of the Fallbrook Public Utility District does place its full and unreserved support in the nomination of \_\_\_\_\_ to represent the Southern Network, Seat B, on the CSDA Board of Directors; and

**BE IT FURTHER RESOLVED** that the District Secretary is hereby directed to transmit a certified copy of this resolution to CSDA, 1112 I Street, Suite 200, Sacramento, California, 95814, forthwith.

**PASSED AND ADOPTED** by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 28<sup>th</sup> day of February, 2022, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

**M E M O**

**TO:** Board of Directors  
**FROM:** Engineering and Operations Committee  
**DATE:** February 28, 2022  
**SUBJECT:** Request for approval to award one-time paving project to Peters Paving and Grading

---

Description

This request is that the Board approve a one-time paving project to Peters Paving and Grading.

Since July 2021, numerous valve replacements and leak repairs have occurred in various areas, all requiring a permanent paving solution. With a total of 47 patches needed, and FPUD staff unable to complete this work, an RFP was issued for a total lump sum one-time paving job. Peters Paving and Grading was the lowest responsive and responsible bidder.

Purpose

As a result of leak repairs throughout our service area, a total of 47 sites have been temporarily patched with cold mix asphalt. In order to fully complete the repairs, the cold mix will need to be replaced with a permanent hot mix. The expectation was that FPUD staff would complete this work internally; however, due to staff shortages, there is a need to contract this job to an outside vendor.

On November 8th, 2021, an RFP was submitted to 10 paving contractors and posted on the FPUD website. Of those 10, four bids were submitted, in the following amounts.

Peters Paving and Grading - \$99,500.00  
Cali State Paving - \$115,800.00  
Kirk Paving - \$134,500.00  
RGC General Engineering - \$248,547.82

Budgetary Impact

For the current fiscal year, \$100,000.00 has been allocated in the operating budget for paving projects required by leak repair and valve replacement.

Recommended Action

That the Board approve a one-time paving project to Peters Paving and Grading for \$99,500.00





RFP Summary – one time paving services

Bidder	Bid Amount
Peters Paving	\$99,500.00
Cali State Paving	\$115,800.00
Kirk Paving	\$134,500.00
RGC General Engineering	\$248,547.82



**M E M O**

**TO:** Board of Directors  
**FROM:** Engineering and Operations Committee  
**DATE:** February 28, 2022  
**SUBJECT:** Engineering and Operations Key Performance Indicators

---

Purpose

To provide information to the Board on the Key Performance Indicators (KPIs) that have been developed for Engineering and Operations.

Summary

The primary purpose for developing and tracking KPIs is to provide a performance measurement system that gives management the ability to analyze data, make better decisions, and improve the organization. District KPIs are largely focused on Capital Improvement Projects (CIP), Preventative Maintenance (PM), leak response, and regulatory compliance.

Recommended Action

This is an information item. No board action needed.

**M E M O**

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
Paula C.P. de Sousa, General Counsel  
**DATE:** February 28, 2022  
**SUBJECT:** Public Hearing to Consider Adoption of Ordinance No. 351, Providing for an Increase in Board Member Compensation

---

Purpose

For the Board to hold a public hearing and consider whether to adopt an ordinance increasing the amount of per diem compensation for members of the Board from \$115.76 to \$121.55.

Summary

On February 22, 2021, the Board of Directors adopted Ordinance No. 349, setting the Board's per diem compensation at \$115.76 per day for each day's service rendered as a Director by order of the Board or as specified in Section 2.12 of the District's Administrative Code. Directors may only receive compensation from the District for a maximum of 10 days per month.

Under Water Code Section 20202, the Board may increase per diem compensation by up to five percent (5%) for each calendar year since the effective date of the last change to Board compensation. By law, the Board must hold a noticed public hearing to consider an increase in per diem compensation. An ordinance increasing per diem compensation may not take effect for sixty (60) days from the date of adoption and is subject to a referendum.

At its January 24, 2022 meeting, the Board of Directors directed staff to provide notice of a public hearing on February 28, 2022 to receive public comments regarding a proposed increase to the Board's per diem compensation from \$115.76 to \$121.55.

A public hearing notice (Attachment A) was published in the Fallbrook and Bonsall Village News on February 17, 2022, and February 24, 2022. After holding the public hearing, the Board may consider adoption of Ordinance No. 351 (Attachment B), which would set the new rate of compensation at \$121.55 effective April 29, 2022, unless the voters of the District successfully petition for a referendum on the ordinance. The ordinance would also update Section 2.12 of the District's Administrative Code to reflect the updated amount.

### Recommended Action

Hold the public hearing and consider adoption of Ordinance No. 351, to increase Board compensation from \$115.76 to \$121.55 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.

### Attachments

Attachment A: Copy of Public Hearing Notice

Attachment B: Proposed Ordinance No. 351

# **Attachment A**

NOTICE OF PUBLIC HEARING  
FALLBROOK PUBLIC UTILITY DISTRICT POTENTIAL INCREASE  
IN COMPENSATION FOR MEMBERS OF THE BOARD OF  
DIRECTORS

NOTICE IS HEREBY GIVEN that on February 28, 2022, the Board of Directors of the Fallbrook Public Utility District will hold a public hearing at 4:00 p.m., or as soon thereafter as practicable, as part of the Regular Meeting of the Board. Due to the COVID-19 State of Emergency and pursuant to waivers to certain provisions of the Brown Act under Government Code Section 54953(e), the meeting will be held both in person and via Webconference/Teleconference. The Board will hold the public hearing in order to receive oral and written testimony regarding the proposed adoption of Ordinance No. 351. Instructions for members of the public to observe the Board Meeting and the public hearing in person or via Web Conference / Teleconference will be included in the February 28, 2022 meeting agenda.

Members of the public who wish to address the Board of Directors regarding Ordinance No. 351 may submit written testimony for receipt no later than 3:00 pm on February 28, 2022 (with a reading limit of no more than 3 minutes), by mail to the attention of the Board Secretary, at 990 E. Mission Rd., Fallbrook, CA 92028, by deposit in the District's payment drop box located at the above-mentioned address, or by e-mail to the Board Secretary at [leckert@fpud.com](mailto:leckert@fpud.com). Written testimony will be read to the Board during the public hearing. Members of the public may also provide oral testimony during the public hearing in person or via Webconference/Teleconference by following the instructions for public comment included in the February 28, 2022 meeting agenda. These public comment procedures supersede the District's standard public comment policies and procedures to the contrary.

Upon conclusion of the hearing, the Board will consider adoption of proposed Ordinance No. 351, which would increase the amount of compensation for members of the Board of Directors. Copies of proposed Ordinance No. 351 will be available upon posting of the agenda for the February 28, 2022 Regular Meeting of the Board by calling the District at (760) 728-1125 or at the District's web site: [www.fpud.com](http://www.fpud.com).

## **Attachment 6**



**ORDINANCE NO. 351**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE  
FALLBROOK PUBLIC UTILITY DISTRICT  
SETTING THE AMOUNT OF PER DIEM COMPENSATION  
FOR THE BOARD OF DIRECTORS**

\* \* \* \* \*

**WHEREAS**, Public Utilities Code Section 16002 provides that the Board of Directors may increase the amount of per diem compensation that may be received by members of the Board by an ordinance adopted pursuant to Water Code Section 20200, *et seq.*; and

**WHEREAS**, on February 22, 2021, the Board of Directors adopted Ordinance No. 349, setting per diem compensation at \$115.76 per day; and

**WHEREAS**, Water Code Section 20202 provides that the District may increase the amount of compensation which may be received by members of the Board of Directors in an amount not to exceed five percent (5%) for each calendar year since the effective date of the last adjustment; and

**WHEREAS**, a public hearing to consider an increase in the compensation of the members of the Board was duly noticed in accordance with Water Code Section 20203 and Government Code Section 6066, and said hearing was held on the date hereof.

**BE IT ENACTED BY** the Board of Directors of Fallbrook Public Utility District as follows:

**SECTION I.** The Board of Directors of the District hereby amends Ordinance No. 327, "An Ordinance of the Board of Directors of the Fallbrook Public Utility District Authorizing an Increase in Compensation of Governing Board Members," Section 4, "Director Compensation," to read as follows:

**Section 4.** DIRECTOR COMPENSATION

Compensation for the Directors of the Governing Board for regular, adjourned and special meetings, to include occurrences set forth in Section 2.12 of the Administrative Code, is established at One Hundred Twenty One Dollars and Fifty-Five Cents (\$121.55) per day for each day's attendance. A Director shall not receive compensation for more than 10 days of service in a month. Increases will be subject to the requirements of California Public Utilities Code Section 16002 and California Water Code Section 20200 *et seq.*

**SECTION II.** All other provisions of Ordinance No. 327, as adopted on January 26, 2009, shall remain unchanged and in full effect.

**SECTION III.** Ordinance No. 349, adopted February 22, 2021, is hereby repealed and shall no longer be of any force or effect.

**SECTION IV.** Section 2.12 of the District's Administrative Code shall be revised to replace "One Hundred Fifteen Dollars and Seventy-Six Cents (\$115.76)" with "One Hundred Twenty One Dollars and Fifty-Five Cents (\$121.55)." All other provisions of Section 2.12 shall remain unchanged and in full force and effect.

**SECTION V.** If any clause or provision of this Ordinance is found to be void or unenforceable by a court of competent jurisdiction, the remaining provisions of this Ordinance shall nonetheless continue in full force and effect.

**SECTION VI.** This Ordinance shall be posted at three public places in the District and shall be caused to be published pursuant to Section 6061 of the Government Code in the Fallbrook Village News, a newspaper of general circulation. This Ordinance shall take effect on April 29, 2022, which date is at least one year from the operative date of the last adjustment and is no less than 60 days after its passage.

**PASSED AND ADOPTED** by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 28<sup>th</sup> day of February, 2022, by a roll call vote, as follows:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

\_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

**M E M O**

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
Paula de Sousa, General Counsel  
**DATE:** February 28, 2022  
**SUBJECT:** Public Hearing Regarding Redistricting of Division Boundaries for FPUD  
Board of Directors

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Purpose

Conduct first public hearing regarding redistricting of division boundaries for the Board of Directors.

Summary

Every ten years, agencies with by-division election systems must use new census data to review and, if needed, redraw electoral division lines to reflect how local populations have changed. This process, called redistricting, ensures all divisions comply with both state and federal law.

Public utilities districts are governed by Public Utilities Code section 15501 et seq., which provides that a district divided into divisions shall be divided so that the divisions shall be as nearly as equal in population as may be. (Pub. Util. Code § 15961.6(b)). Public utility districts divided into divisions are statutorily required to adjust their division boundaries by resolution after each federal decennial census. (Pub. Util. Code § 15963; Elec. Code, § 22000(a).) The District's Board of Directors is responsible for adjusting the District's division boundaries.

The primary goal of redistricting is to have the substantially equal populations in each division. However, perfect distribution is impractical and some deviation is tolerable, or even necessary, based on certain secondary considerations that the Board may consider, such as: (a) topography, (b) geography, (c) cohesiveness, (d) contiguity, (e) integrity, (f) compactness, and (g) communities of interest. In addition, division boundaries must comply with the U.S. Constitution, California Constitution, and the Federal Voting Rights Act (52 U.S.C. § 10301, as amended).

Prior to approving a new division map, the Board must receive comments on the redistricting plan prior to adoption by holding at least two open and noticed public hearings—one for public comment on the plan and one at the time of adoption. The purpose of this item is to hold the first of the public hearings.

At its December 13, 2021 meeting, the Board directed District staff to prepare a redistricting proposal for the Board's consideration at the public hearings, with support from BB&K.

## Analysis of Current Divisions / Redistricting Proposal

The District's current division boundaries were adopted in 2016 as the result of a settlement in a legal action under the California Voting Rights Act of 2001 (Cal. Elec. Code § 14025 *et seq.*). Under the terms of the settlement, the District converted from an at-large election system to a by-division election system and adopted division maps compliant with state and federal law, including the Federal Voting Rights Act.

Analysis of the District's current division boundaries, adjusted for the 2020 Census data, shows the divisions remain population-balanced. The District's population is 34,738. The ideal division population is one-fifth of that number, or 6,948.

Determining population balance is done by measuring the spread, or deviation, between the least populated division and the greatest populated division. Deviations of 10% or less are generally considered acceptable under U.S. Supreme Court rulings on the equal population standard under the U.S. Constitution.

The current population of Division 3 is under the ideal at -6.08% while Division 1 is over the ideal at 3.56%. Combined, those deviations bring the District's current total deviation to 9.64%. As such, the division boundaries are not required to be adjusted to achieve a population balance of less than a 10% deviation.

Another consideration is the distribution of minority voters throughout the District, and whether there is a possibility of creating a majority-minority voting division pursuant to the Federal Voting Rights Act. This analysis involves reviewing the ethnicity demographics from the census data, specifically citizens of voting age population (CVAP).

Upon review of the District's CVAP data, the existing Divisions 3 is a majority-minority Hispanic division (a division in which an identified minority comprises the majority of voting age population).

Based on the above analysis of population and demographics, the Board may consider re-adopting the District's current division boundaries as the District's redistricting plan for 2022. The current division boundaries are shown in Attachment 1. Detailed demographic information is available on the District's website.

### Next Steps

Following this public hearing and Board direction to staff (if any) regarding the redistricting proposal, the Board will hold a second public hearing at which it can consider adoption of a final redistricting plan. The District must complete its redistricting process by April 17, 2022 and provide the new division information to the Registrar of Voters by that date.

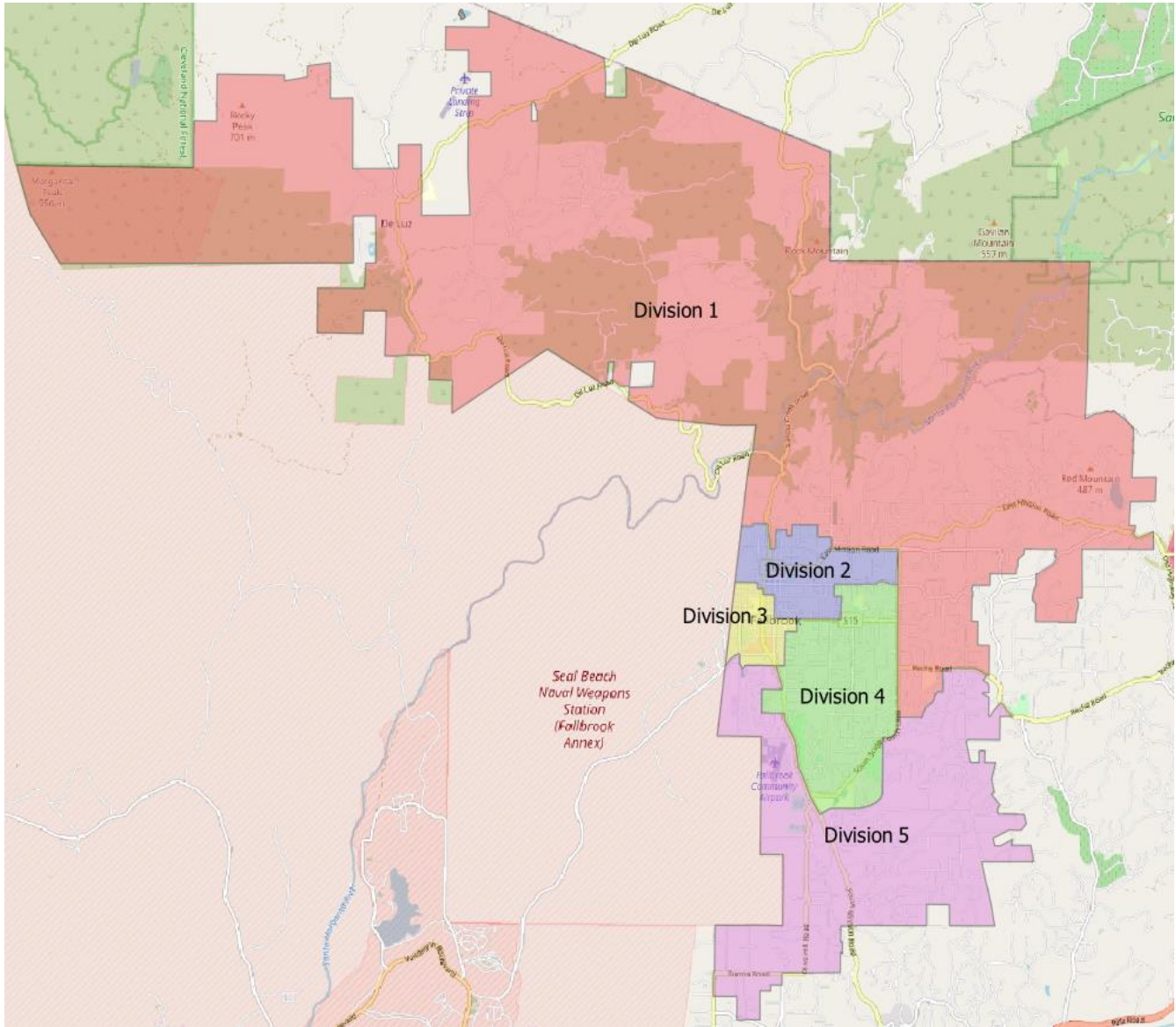
### Recommended Action

1. Receive a report from District staff on the redistricting proposal and permissible criteria to be considered to redraw division boundaries;

2. Conduct a public hearing to receive public input on division boundaries; and
3. Provide direction to staff (if any) regarding the redistricting proposal to be considered at the next public hearing.

# Attachment 1

## Current / Proposed Division Boundaries



**Attachment &**

**FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
NOTICE OF PUBLIC HEARING**

**To Receive Public Input and Proposals Regarding  
Board of Director Division Boundaries**

**NOTICE IS HEREBY GIVEN** that, pursuant to California Elections Code Section 22001, the Board of Directors of Fallbrook Public Utility District will hold a public hearing to receive input regarding potential redistricting of Director divisions.

Public Hearings are scheduled as follows:

DATES: February 28, 2022 and March 28, 2022

TIMES: 4:00 p.m.

LOCATION: 990 East Mission Road, Fallbrook, CA 92028

<https://us06web.zoom.us/j/82003172211?pwd=UU10YWltMkVwWGVaU FNkQnA2bHA4Zz09>

The public is invited to attend and/or submit information regarding their Communities of Interest, and proposed division boundaries for the 2021 redistricting process. Draft maps will not be available until census-block level 2020 U.S. census data is released.

Questions or input may also be emailed to: [leckert@fpud.com](mailto:leckert@fpud.com)

Complete redistricting information can be found at <https://www.fpud.com/redistricting-process>

Dated: February 17, 2022

By: /s/ Lauren Eckert  
Executive Assistant/Board Secretary



1. **MWD Issues**

MWD has updated its sales projection and is now projecting lower sales than previous forecasts. This sales projection has a substantial impact on its projected rates. SDCWA sent a letter over concerns with the proposed budget that will impact future rates, which is attached. Many of the concerns noted by SDCWA are similar concerns that FPUD has expressed with SDCWA.

2. **SDCWA Finances and Rates**

SDCWA presented an updated rate alternative to re-allocate some of the variable costs to fixed. The proposed rate alternative included the following:

- Converting customer service and transportation to meter equivalents.
- Changing a number of other fixed charges from average demands to peak demands.

This rate structure was presented just for discussion and has not yet been fully evaluated. The potential impact of these rates to FPUD would create some challenges given the variability in Santa Margarita Conjunctive Use Project deliveries in different hydrological cycles. It would increase the percentage of some of these fixed costs. It would also decrease some charges that are converted from sales volume based to meter equivalent like customer service. Overall SDCWA projects a slight net increase for FPUD compared to the current rate structure.

**A. Key Upcoming Issues**

Some key issues for the upcoming year include:

- Drought messaging and implementation of any additional mandatory drought restrictions by the state depending on the rainfall in the remainder of the winter.
- Fully understanding the use of consultants and lobbyist within San Diego County.
- Evaluating options to mitigate the SDCWA high rate forecast and more fully estimating a realistic potential low end demand projection.
- Getting an update on the next phase of the regional conveyance study that was approved by the Board and developing a plan to fund millions in additional project work if the project continues to be pursued.

February 19, 2022

**MEMBER AGENCIES**

- Carlsbad  
Municipal Water District
- City of Del Mar
- City of Escondido
- City of National City
- City of Oceanside
- City of Poway
- City of San Diego
- Fallbrook  
Public Utility District
- Helix Water District
- Lakeside Water District
- Olivenhain  
Municipal Water District
- Otay Water District
- Padre Dam  
Municipal Water District
- Camp Pendleton  
Marine Corps Base
- Rainbow  
Municipal Water District
- Ramona  
Municipal Water District
- Rincon del Diablo  
Municipal Water District
- San Dieguito Water District
- Santa Fe Irrigation District
- South Bay Irrigation District
- Vallecitos Water District
- Valley Center  
Municipal Water District
- Vista Irrigation District
- Yuima  
Municipal Water District

**Katano Kasaine**  
 Assistant General Manager, Finance and Administration  
 Metropolitan Water District of Southern California  
 P.O. Box 54153  
 Los Angeles, CA 90054-0153

**RE: MWD's Proposed biennial budget for fiscal years 2022/23 and 2023/24; proposed water rates and charges for calendar years 2023 and 2024**

Dear Katano:

As discussed at last month's finance committee meeting, attached are our initial questions and comments on the proposed 2023 and 2024 budget and rates. In addition to these comments, Director Miller requested that the budget document include actuals for fiscal year 2020/21 and projected actuals for fiscal year 2021/2022 in all summary tables comparing what is proposed for fiscal years 2022/23 and 2023/24 to the 2021/22 budget. This information will be extremely helpful in assessing our recent trends and how past budget projections compare to actuals.

We also requested at the last board meeting that the General Manager provide a schedule for the strategic planning meetings referenced in the budget transmittal (top of p. 4)<sup>1</sup> including Integrated Resources Plan, rate refinement and cost of service and long-term financial plan. Director Fong Sakai suggested that we add to this list MWD's Climate Action Plan, which should also be integrated with these other planning processes. We hope this schedule will be available by Tuesday so that we have the benefit of better understanding as we deliberate the budget how management will integrate these processes and the timeline for doing so.

Thank you very much and we look forward to our workshop next week.

Sincerely,

**OTHER REPRESENTATIVE**

County of San Diego



**Lois Fong Sakai**  
 Director



**S. Gail Goldberg**  
 Director

//S//

**Marty Miller**  
 Director



**Tim Smith**  
 Director

cc: Adel Hagekhalil, MWD General Manager

<sup>1</sup> All references in this letter and attachment are to the February 8, 2022 Board Memo 9-2 unless otherwise indicated.

## Water Authority MWD Delegation's Initial Budget and Rates Questions

### Actions to Reduce Expenditures and Short-Term Rate Impacts

- 1) It is our understanding from the budget memo (Table 2: Initially Projected Expenditures at p. 6) that there is no proposed reduction of the previously adopted budget; rather, the “cuts” described (Table 3: Proposed budget actions to reduce rate impacts) are solely to reduce the amount of the increases staff would have presented, i.e., from an 18% increase to a 10% increase. Was there any effort taken to identify actions that could be done to reduce expenditures authorized by the board in the last adopted budget? If so, please provide the details of that effort and potential cost savings that were identified but not recommended by management. Also, the Board approved a “no unfunded cost increase” requirement in last year’s budget; please provide a list of all unfunded costs that were incurred for the current budget.
- 2) The budget memo states that the Board requested staff to budget and set rates “at a level lower than full cost recovery” during the last budget cycle (bottom of p. 7). What requests are being referred to by this comment? We are aware that staff recommended that the Board not impose the Water Stewardship Rate and instead recover demand management costs from reserves rather than allocate and recover those costs as a supply charge. Was there any other action taken by the board or requests of staff to set rates at a level that would not ensure full cost recovery? If so, please identify those actions.
- 3) We do not recall the board being advised that staffing levels were inadequate or that management believed our operations had become “too reliant on overtime and temporary employees” (top of p. 8). In fact, during the last discussion we had while searching for potential cost savings due to COVID, we were told that the annual \$7 million in “succession planning” included employing two people in some positions for an extended period. Your memo states that it is “clearly apparent that there is a need for additional staff” (top of p.8). Please provide the details of management’s assessment supporting this statement and need for 141 new positions as well as a breakdown of the positions between: 1) the 20 new positions and 12 new temporary positions included in the draft budget; 2) the 80 new positions recommended by the General Manager to be added to the budget; and 3) the remaining 41 positions (leaving aside the temporary positions) management is not recommending be filled at this time. Also advise and provide analysis on how the addition of the new positions will reduce overtime and number of temporary employees. We assume there is documented management review and assessment supporting these recommendations, and we would appreciate receiving this as soon as possible since it is a very important and impactful issue in our consideration of the proposed budget.
- 4) The memo states that succession planning is “ongoing;” please identify the costs of that program included in the proposed budget and whether it still involves having more than one employee filling any position for a period longer than 60-days.
- 5) Most of the budget actions to reduce rate impacts propose to use debt to finance expenditures that were initially planned to be funded with current rates, including supply program (would have been funded by supply rates), conservation programs (historically funded by water stewardship rate and now supply rates), and Capital Investment Plan (CIP) (reducing pay-as-you-go funding level). Similarly, using the WaterFix refund reserves to fund the tunnel project does not actually represent any cost reduction, just a change in how it is paid for. While these actions will provide current rate relief, they also increase the cost of these projects over the long run, and that cost

should be reported in the budget analysis and taken into account in terms of long-term impacts on future budget and rates.

- 6) The reduced use of PAYGo funding has a similar impact of shifting current costs to future generations. We are anxious to begin work on a long-range finance plan so that the board can better understand the impacts of current decision-making on future generations, including long-term rate impacts. For now, please identify where PAYGo was set in the last budget and how that PAYGo was applied. As you know, in many prior years PAYGo that was collected and planned to be used to pay current CIP costs was later needed and used to pay current operating costs, with the differential necessary to pay CIP costs being made up by the issuance of unplanned debt (again, increasing the long-term cost of these projects).
- 7) We strongly support the continued emphasis on the water Conservation Program; however, it is not accurate to describe that MWD is *increasing* the spending this year. The current budget already included funding at \$43 million annually and for the ten-year forecast. Footnote 3 of the Fund Summary table from the [current budget](#) expressly states that Demand Management “includes conservation estimated expenditures of \$25M. The conservation appropriation is \$43M.” The only change is that now, staff is proposing to pay these current supply costs by borrowing money rather than reducing expenditures. Our concern is that if we are having difficulty paying for these and other programs now out of current revenues, it does not bode well for future budgets and planned projects. We are concerned for the same reason about asking to potentially shift an additional \$7 million in conservation costs to debt financing and would again ask that staff instead explore ways to reduce other expenditures to pay for these vital conservation measures.

### **Water Sales Trends**

One of the key budget assumptions (middle of p. 5) states that, “[w]ater transactions include water sales, exchanges and wheeling, *which can be greatly impacted by hydrologic conditions.*” While this statement is true about MWD’s volumetric sale of water, it is not true as related to its delivery of the Water Authority’s exchange water, which is based on a fixed, agreed-upon schedule. We have requested many times that MWD reverse the change it made in its financial reporting to begin describing water “transactions” as opposed to its earlier practice of reporting MWD water sales.<sup>1</sup> While water wheeling and exchange deliveries are an important source of revenue for MWD, there are important differences between MWD water sales revenue and wheeling/exchange revenue, including that wheeling revenues under the Exchange Agreement are for all practical purposes a fixed source of revenue for MWD.

We appreciate that staff has adjusted for the downward trend in projected demand for MWD water. However, it is important to bear in mind in reviewing the budget that the “water demand” numbers for FY 2023 and 2024 *include 280,000 AF of Water Authority water*; adjusting for this factor, demand for MWD water would more accurately be stated as 1.31 and 1.26 MAF, respectively. This

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<sup>1</sup> Prior to 2016, staff distinguished between water sales revenue and other revenue, but beginning in FY 2016 staff combined MWD water sales revenue with the Water Authority’s water delivery revenue as MWD “sales.” In FY 2018, MWD staff changed the reporting to describe “transactions,” combining water sales and delivery revenues and in FY 2019 it began to at least break out the categories included as “transactions.” MWD had taken the position in litigation that its delivery of water to the Water Authority constituted the sale of MWD water, but that contention has now been finally adjudicated. Revenue received by MWD for the delivery of the Water Authority’s exchange water is just that, payment for transportation not the sale of water by MWD.

fact is especially important not only when comparing current to historical water sales, but also when planning for long term trends which will hopefully be part of the ongoing IRP and long-range financial planning efforts. These trends are also very important when assessing the overall budget including consideration of how it might be reduced rather than increased to better match anticipated long term trends. We appreciate that the General Manager has identified this budget as a “transition” budget, but we must all be wary of increasing costs and expenditures at the same time we are projecting lower water sales in the future and with what we are transitioning to not yet known or established by the board of directors.<sup>2</sup>

### **State Water Contract (SWC) Costs**

We appreciate State Water Project costs in the budget draft better reflect recent hydrologic conditions than presented in prior budgets. Related to the costs associated with the SWC on page 171 of the [updated proposed budget dated February 10](#), the per acre-foot SWC power costs for FY 2022/23 are 84% higher than those assumed in the fiscal year 2021/22 budget and almost 190% higher than they actually were in FY 2020/21. This increase is being attributed to higher market prices; *please provide the data relied on to support this power cost trend and budget request*. Director Sutley also asked this question at last month’s committee meeting when the budget was first presented.

The SWC budget also includes almost a 35% increase for Delta Water Charge capital costs, which includes non-reimbursable Oroville Spillway repair expenditures. What are the details causing the increase in Delta Water Charge capital costs and what share (in dollars and percent) of the increased costs are due to the repair expenditures?

### **Shift of Current Supply Costs to Debt**

Has staff reviewed with bond counsel its proposal (including the complete list of projects) to bond finance conservation and other current water supplies, and if so, did bond counsel provide any guidance or express any concern?

What is the assumed life of the conservation and other water supply programs that are proposed to be bond funded? How does this useful life compare to the term of the proposed bond issuance? Also, please confirm that funding these water supply programs by debt instead of current revenue will not have any impact on how MWD allocates and recovers these costs in its rates.

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<sup>2</sup> This is by no means a criticism of MWD; indeed, the Water Authority board and staff and member agencies have devoted substantial time and effort over the past two years to identify and take cost reduction measures to address the reduced demand for water in the Water Authority’s service area. Per capita potable water use in the Water Authority’s service area has declined from 235 gpcd in 1990 to 124 gpcd in 2017. Sales to our member agencies declined from over 600,000 AF in 2008 to about 365,000 AF in 2020, or by almost 40%. The projected drop in demand for MWD water could in fact be greater than projected in the current budget proposal consistent with the continued downward trend we have been seeing for many years and which will be increasingly difficult to manage in the future. For a thoughtful discussion of the challenges facing both Water Authority and MWD see [Report to San Diego LAFCO, Fallbrook and Rainbow MWD Wholesaler Reorganization, Professor Michael Hanemann, December 31, 2021](#). This report was prepared in response to pending proposals to annex two Water Authority member agencies into Eastern MWD in Riverside County and contains extensive discussion about the “governance” and rate challenges both Water Authority and MWD are and will be facing.

### **Capital Investment Plan (CIP)**

First, we appreciate the change in this proposed budget to plan to fund 100% of planned CIP spending in order to (hopefully) avoid further unplanned debt issuance such as has frequently occurred with past budgets when rates were set at 80% of CIP spending.

Second, while we appreciate and fully support the need to implement projects to reduce system constraints for the State Water Project exclusive areas, the budget document does not explain why the proposed biennium CIP is increasing by \$100 million, or 20%, or how this number relates to the SWP exclusive area.<sup>3</sup>

We suggest that management establish accounting mechanisms so that, if MWD is successful in securing outside funding, current and future rates may be adjusted in a manner that is transparent and fair to all ratepayers.

Has a value engineering analysis been conducted on MWD's plan to address aging infrastructure? Given an ongoing and increased focus on repair and refurbishment over the past few budget cycles, we request an update on what has been accomplished so far and at what cost, along with an estimate of the total remaining work and the time period over which that work is planned to be completed.

Has MWD performed a risk-based, cost/benefit analysis on its CIP to ensure it is working on its most critical projects? If so, please provide the criteria used in this analysis. Based on MWD's analysis in whatever form, has staff considered whether some projects could be deferred in order to prevent a 20% increase to this biennial CIP? Leaving aside the SWP exclusive area as presenting an extraordinary circumstance that was neglected in the past (although unknown to many board members), it is unlikely that all of the projects in the CIP present the same level of urgency. Again, we request staff analysis so that we can better understand the thinking given the impact on rates and affordability.

The proposed budget only includes planning costs for the Regional Recycled Water Program (RRWP), while the 10-year rate forecast includes the sum of projected capital and O&M costs for the implementation of the RRWP. Please add the specific O&M and capital costs (in dollar amounts) to the 10-year forecast summary table on page 216 of the updated proposed budget dated February 10.

What costs are included in the Capital Investment line item in the summary tables on pages 20 and 21 of the updated proposed budgets dated February 10? These costs (\$381.4 million and \$389.0 million for FYs 2022/23 and 2023/24, respectively) do not add up to the proposed annual CIP costs of \$300 million, the addition of debt funding annually \$18 million of conservation programs and the debt funding costs for the High Desert Water Bank (\$38.4 million and \$46.0 million for FYs 2022/23 and 2023/24).

### **Operations and Maintenance (O&M) Cost**

Has management done an assessment of current positions to determine if some existing positions might be repurposed to support current priorities? Are the positions being requested under the

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<sup>3</sup> Our December 2021 action authorized \$24.5 million in funding and MWD's December 10, 2021, letter to Governor Newsom stated that \$52 million of the \$552 million funding request was to address SWP system constraints.

proposed budget and the pending additional 80 positions described on page 8 of the board letter needed in order to meet long-term, rather than short-term needs? Are there any outside professional services that will be reduced as a result of the new FTEs under either of these staffing levels? Also, how many of the proposed positions are requested in anticipation of implementation of the Delta tunnel and RRWP?

MWD’s current staffing level is around 1,855 employees—almost 120 employees below the proposed budget and about 20 employees less than at the close of the last biennial budget. What is the assumed vacancy rate in the budget and how is that reflected in the proposed salary and benefit costs? Does management have a recruitment plan on how it plans to fill the proposed budgeted 1,974 positions and if approved, the 80 additional positions? Given known factors affecting this employment market, we believe it will be difficult if not impossible to fill staffing at this level even if approved by the board; *when does the budget assume these positions will be filled?*

### **Rates and Charges**

The proposed budget states, “all demand management costs are functionalized as supply and collected on the Tier 1 and Tier 2 supply.” What amount (in dollars) of demand management costs is allocated to the Tier 2 supply rate? If no Tier 2 sales occur, *as is assumed in the budget*, how will these demand management costs be recovered? If there are no demand management costs allocated to the Tier 2 supply rate, then please update the budget and cost of service report to correctly reflect that demand management costs are being fully allocated and recovered in the Tier 1 supply rate.

Staff indicates that 1% of the proposed 2023 “overall” rate increase is driven by the proposed rate increases being implemented in the second half of FY 2022/23. Staff reported that *we closed fiscal year 2020/21 with net revenues of \$193.7 million*—in a stronger position than planned in our current biennial budget. Earlier this month, staff reported that expenditures and revenues are tracking on budget for this fiscal year. What has changed that requires this 1% catch-up? This is a material factor that should be accounted for to potentially avoid the additional 1% rate increase.

### **10-Year Forecast**

We appreciate the commitment of the General Manager to begin work on a long-range finance plan as part of the integrated planning processes described in the board memo. In the meantime, we request a section be added to the current proposed 10-Year Forecast for “*Debt Structure and Principal Amortization*,” with 1) information and charts showing long-term outstanding debt and best service payment schedules; 2) “Significant Debt Program Assumptions”; and 3) “Schedule for Future Debt Issuance.” This was requested last budget cycle, but was not implemented; we think this would be especially helpful now as the board considers increasing debt in lieu of necessary rate increases to pay costs originally expected to be paid from current revenues. This information is readily available and will increase transparency of our budget deliberations.

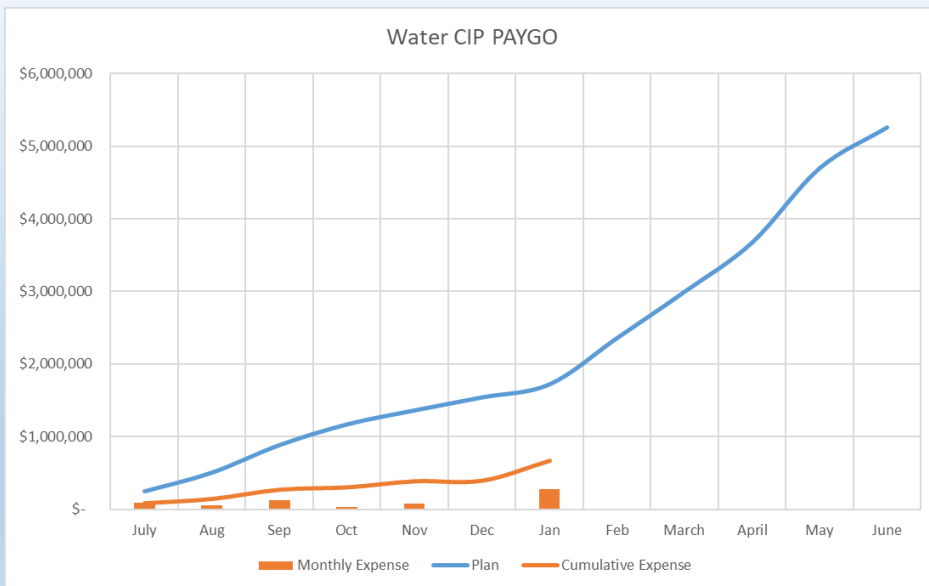


# Fallbrook Public Utility District

## Engineering and Operations FY22

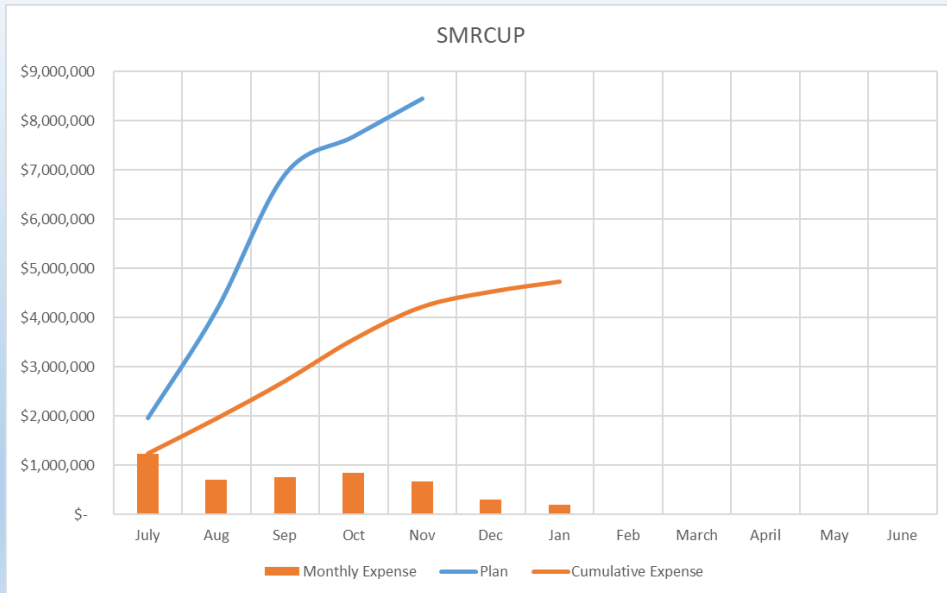
Board Meeting Feb 2022

### Water PAYGO CIP FY22



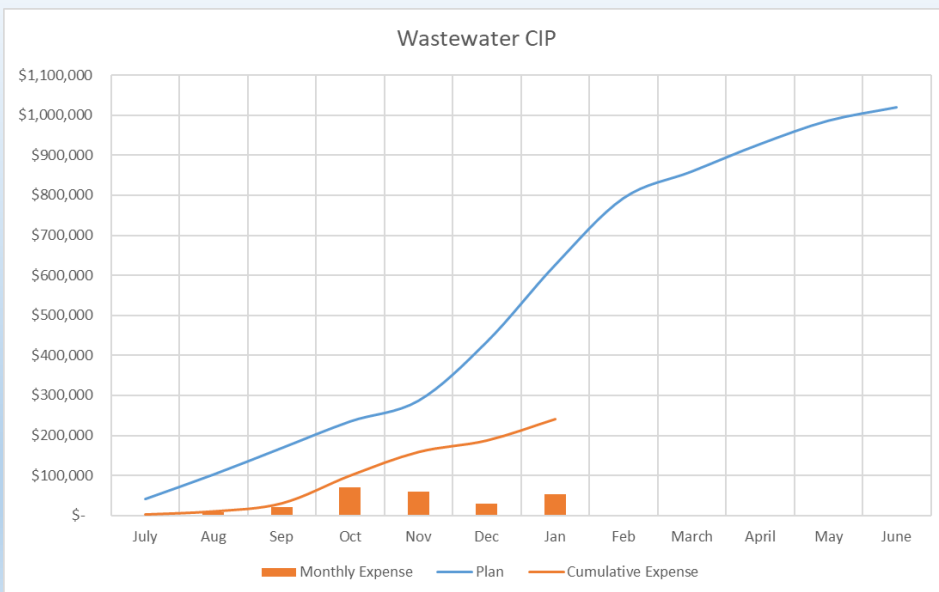


## Water SMRCUP CIP FY22



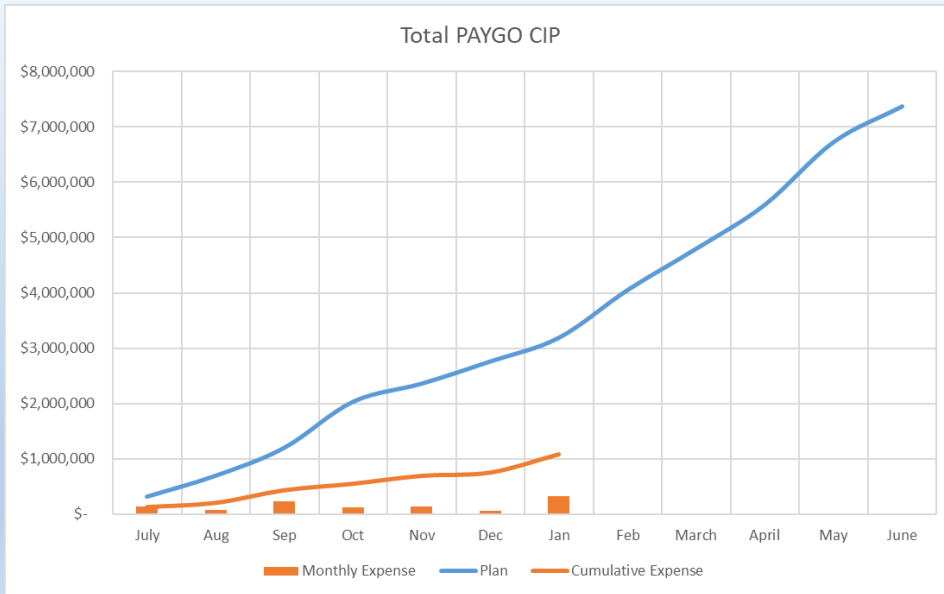
3

## Wastewater System CIP FY22



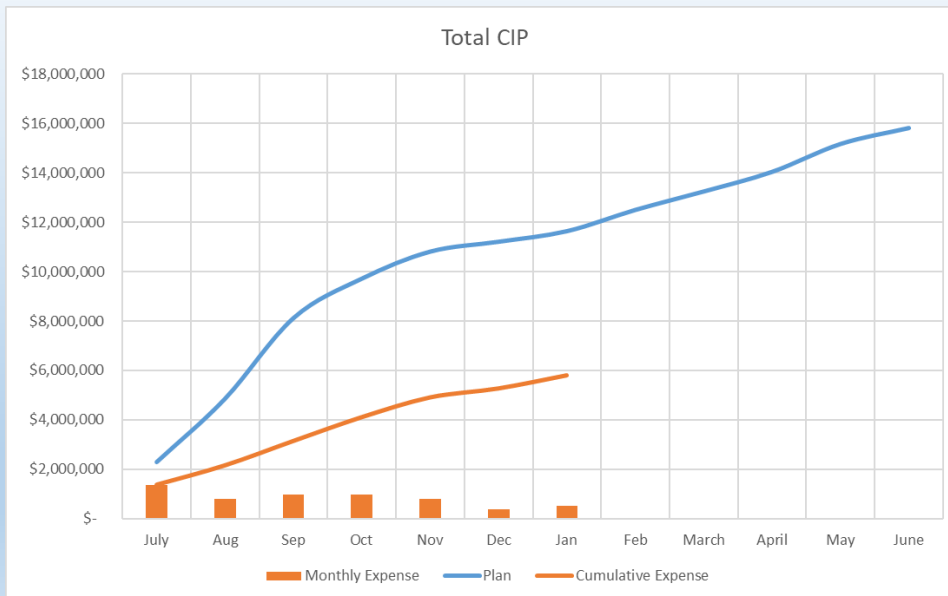
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## Total PAYGO CIP FY22



5

## Total CIP FY22



6

# Wastewater Treatment

Reclamation Plant

Recycled Water

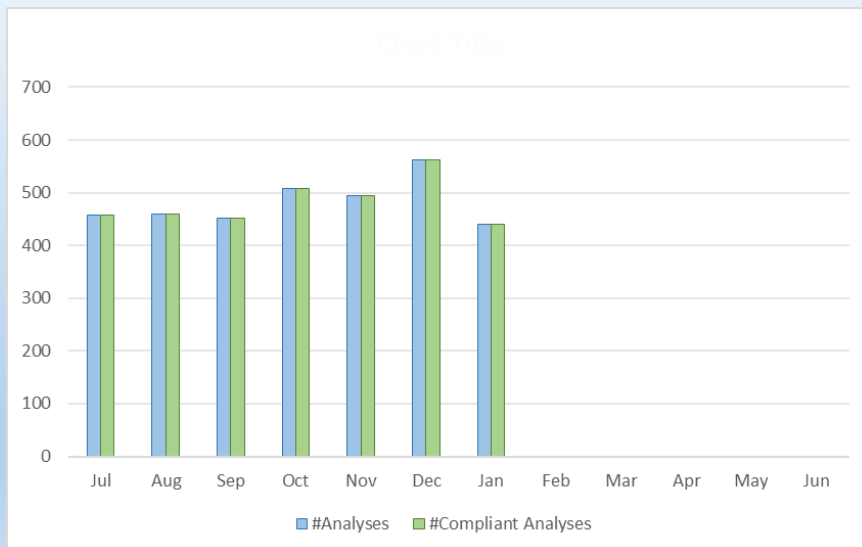
- Wastewater System Violations
- Reclamation Plant PMs Completed
- Energy Cost per MG
- Recycled Water – Time Out of Service

7

## Wastewater Treatment System Regulatory Compliance

**SRWQCB  
Compliance:**  
NPDES  
WDR

**Analyses performed:**  
Daily  
Monthly  
Quarterly  
Semi-annually  
Annually

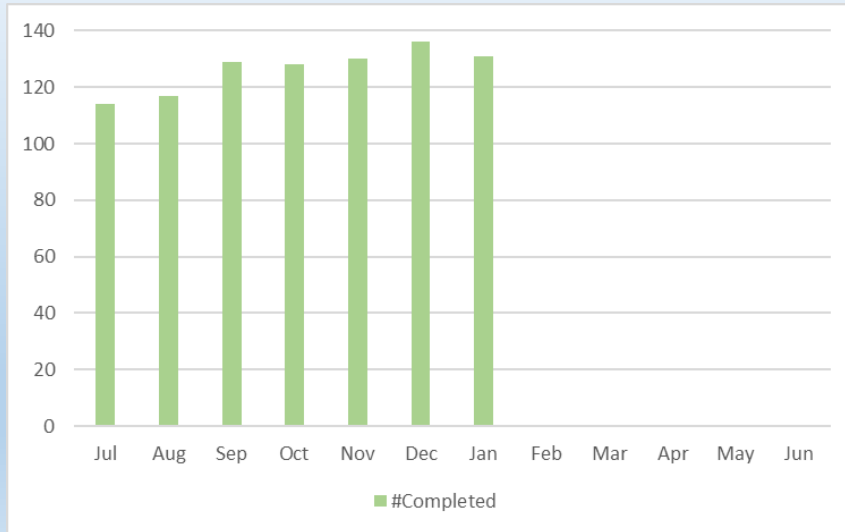


8

## Reclamation Plant – Preventative Maintenance Work Orders

Equipment Service/Inspection

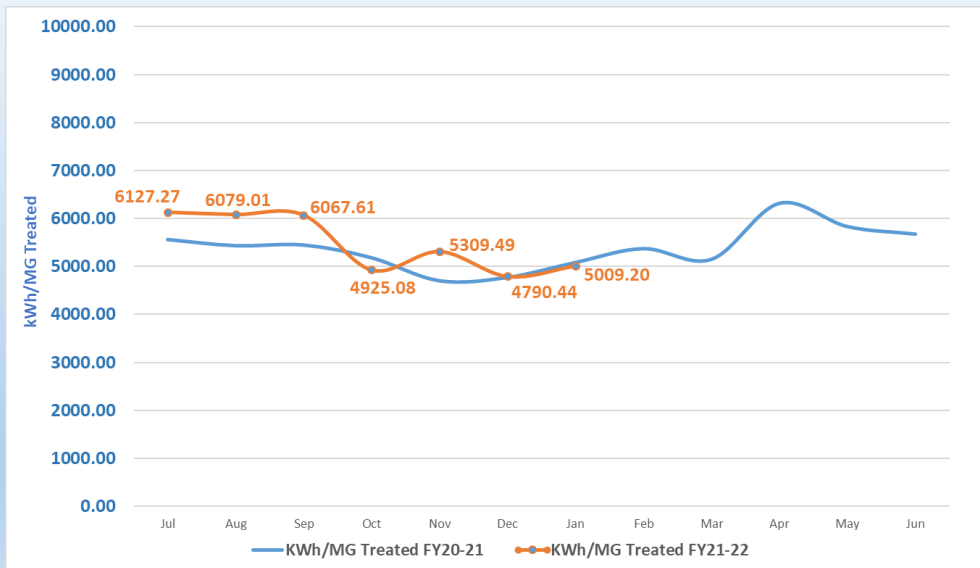
Site Maintenance



9

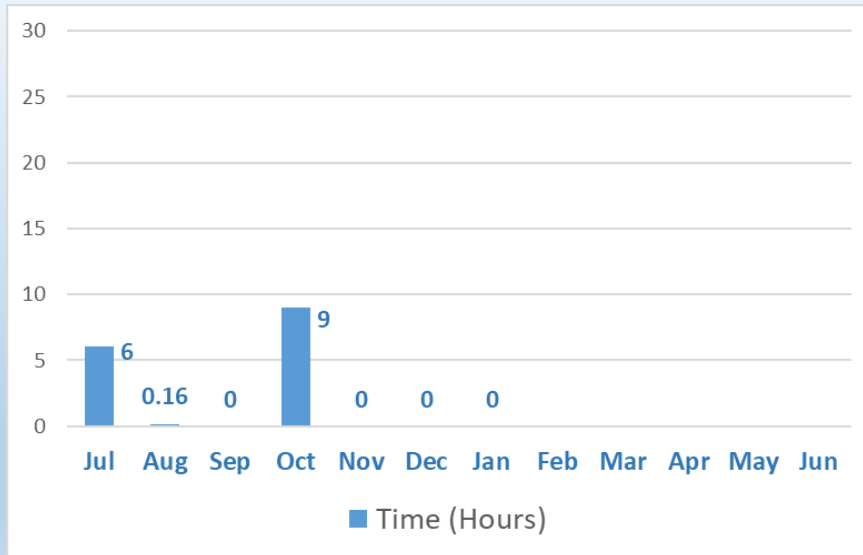
Formula =  
 $\frac{\text{Total Plant Energy Demand}}{\text{MG Treated Flow}}$

## Reclamation Plant – Energy Usage (KWh/MG Treated)



10

## Recycled Water – Time out of Service (Hours)



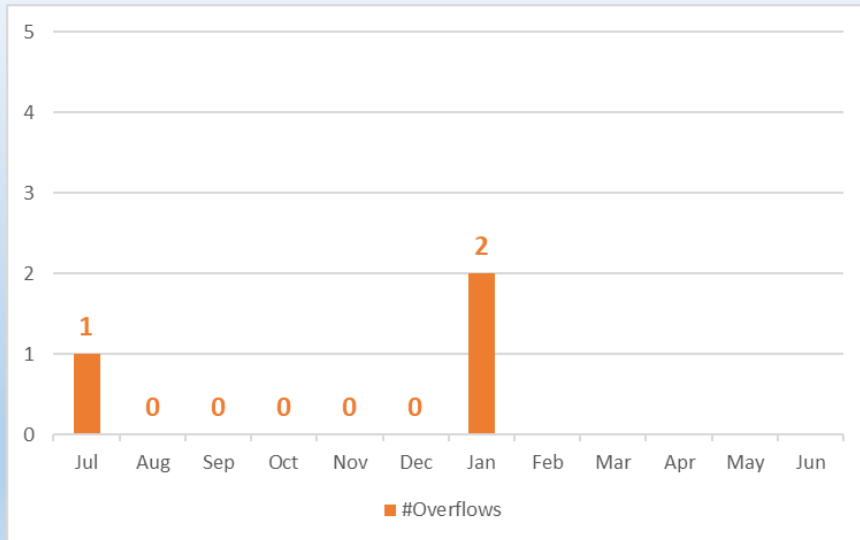
11

## Wastewater Collections

**Total Wastewater Spilled**  
**Non-Recovered Wastewater Spilled**  
**Odor Complaints**

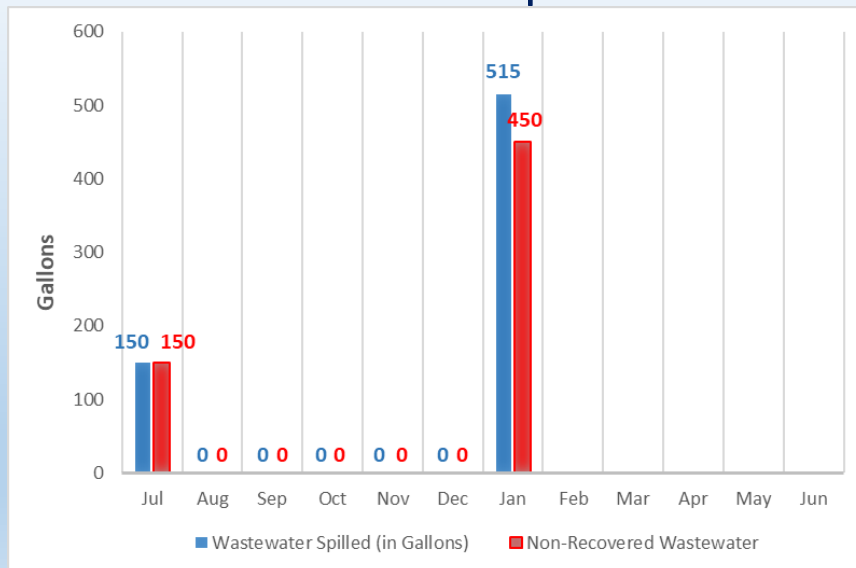
12

## Wastewater Collections Sewer Overflows



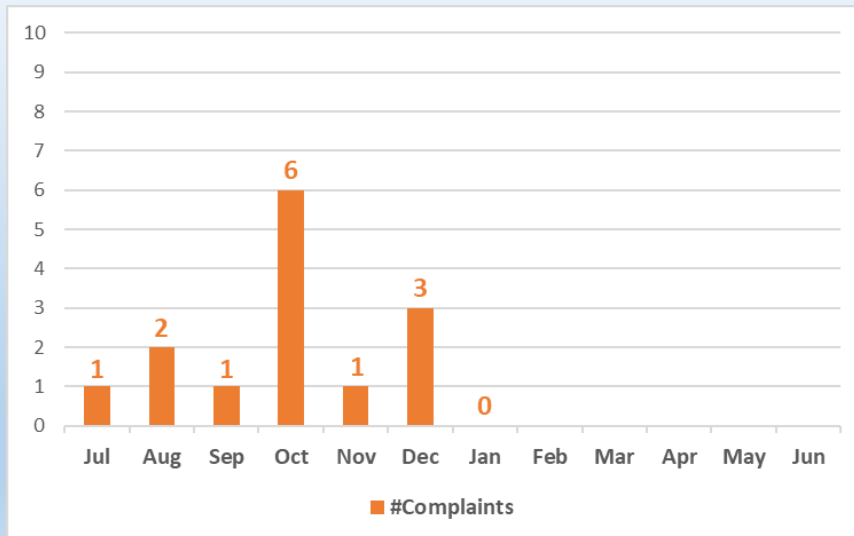
13

## Wastewater Collections Wastewater Spilled



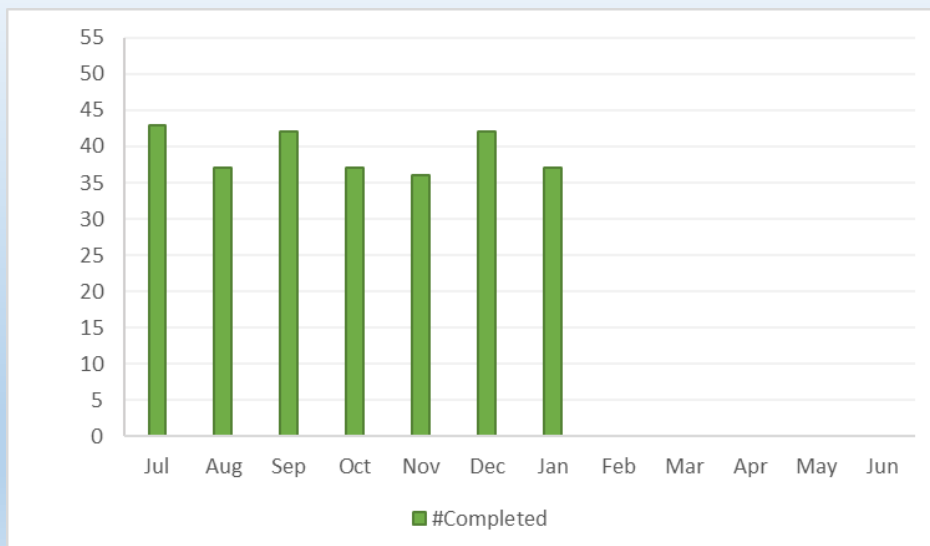
14

## Reclamation Plant & Wastewater Collections Odor Complaints



15

## Wastewater Collections – Preventative Maintenance Work Orders



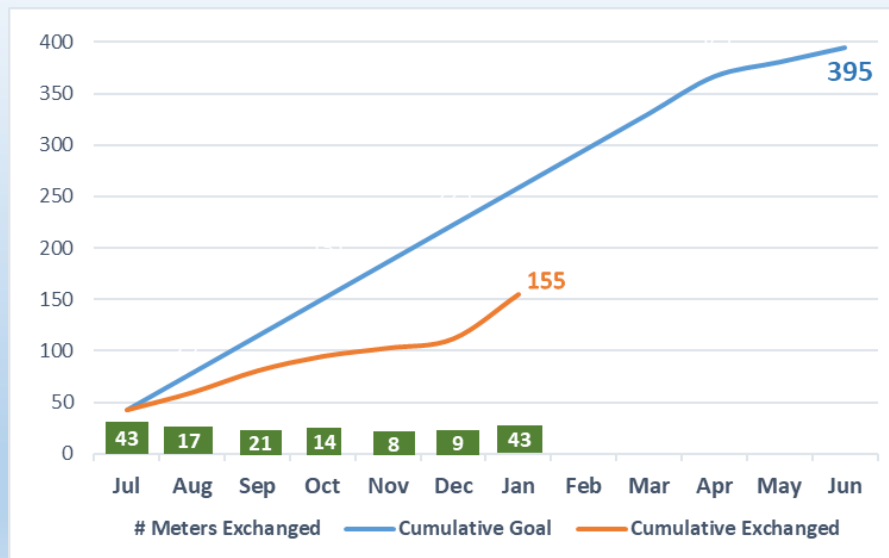
16

# Meter Services

## Meter Exchange Program

17

### Meter Exchange



18



# Water Operations

Regulatory Compliance

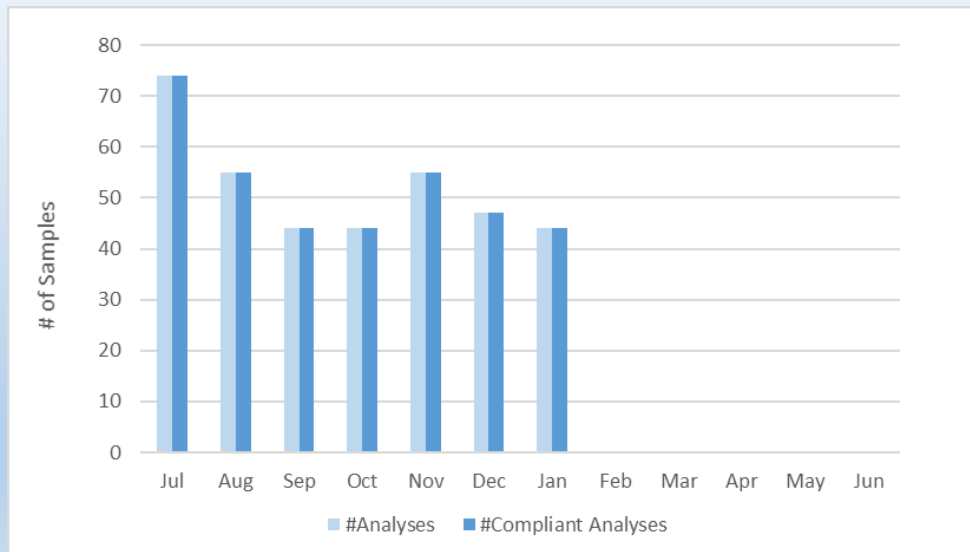
Preventative Maintenance Work Orders

CUP Deliveries

19

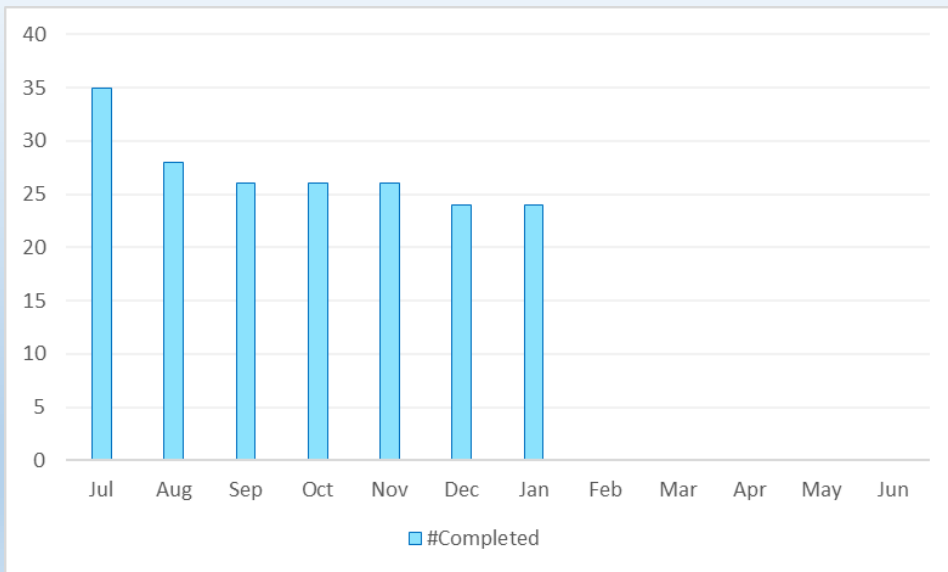
## Water System Regulatory Compliance

- UV Plant Operation
- Routine Sampling



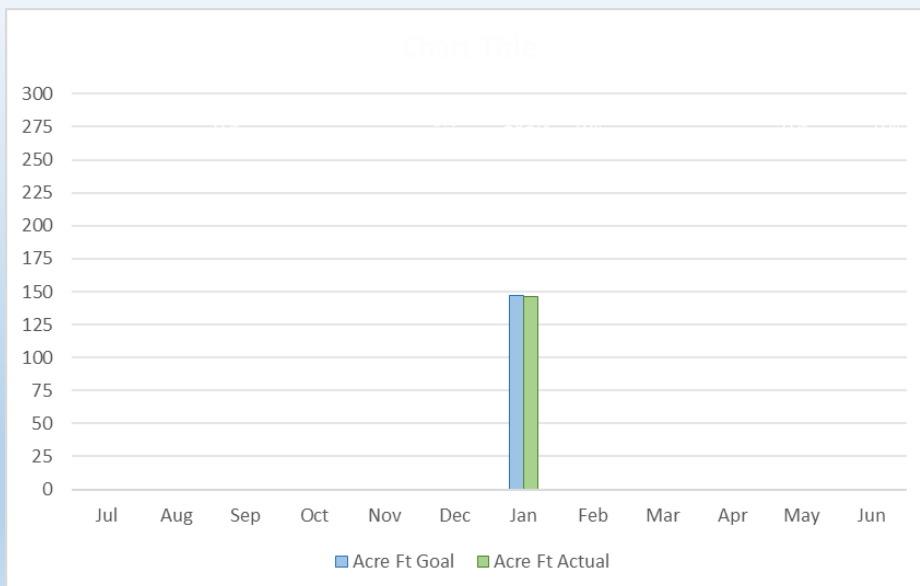
20

## Water Preventative Maintenance Work Orders



21

## CUP Deliveries



22

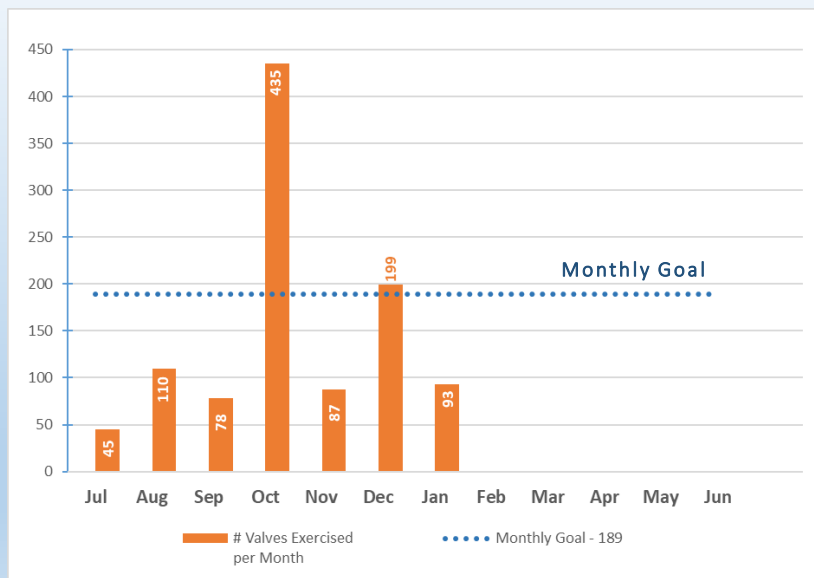
# Construction/Maintenance

- Efforts continue in replacing valves with the greatest impact on water loss and customer outages during large main breaks.
- With new valves, crews will be capable of shutting down smaller controlled areas faster, impacting fewer customers while losing less water and completing repairs sooner.
- Our goal is to replace 100 valves per year. FY22, 50 valves have been replaced through January 2022. We currently have 6821 valves in the system with 313 known to be broken.

23

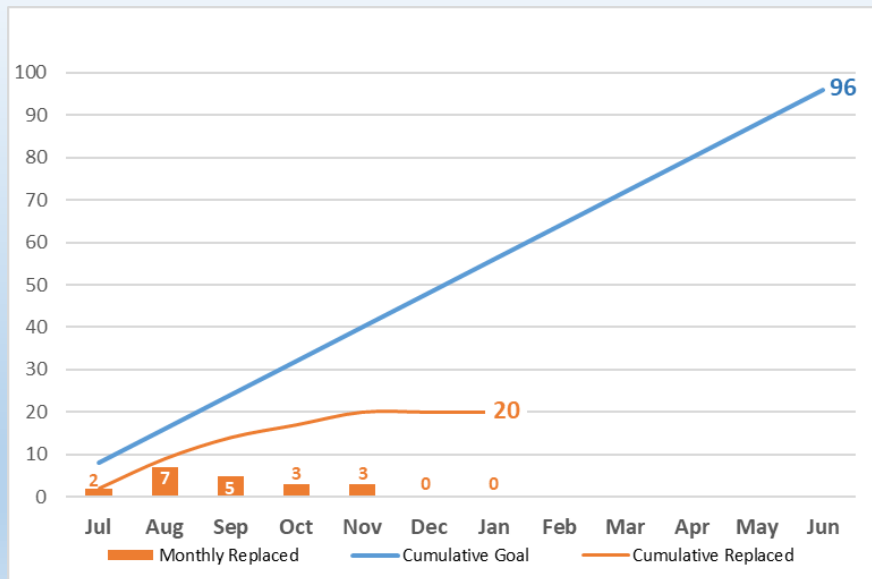
## Main Line Valve Exercise Program

- Improve reliability
- Reduce impact of planned and emergency shutdowns



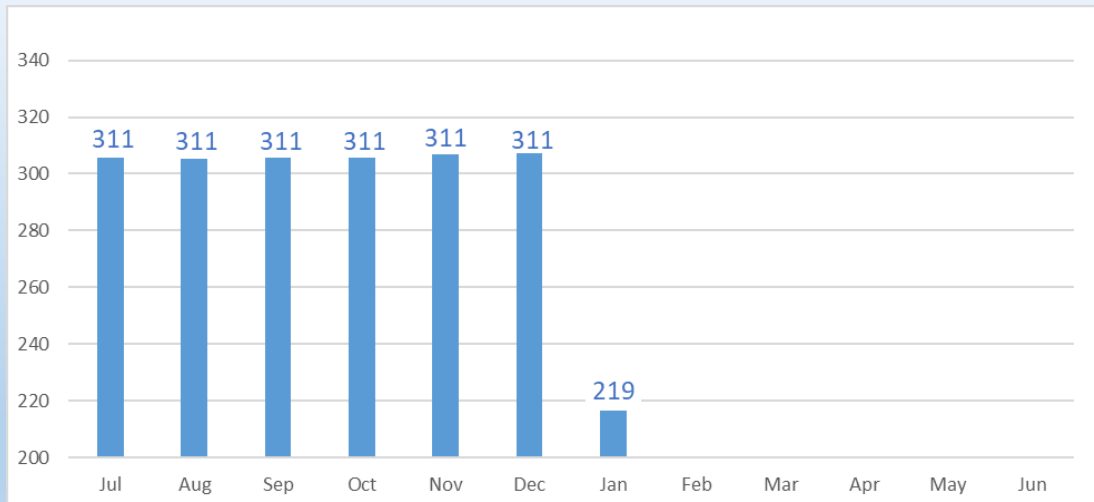
24

## Main Line Valves Replaced



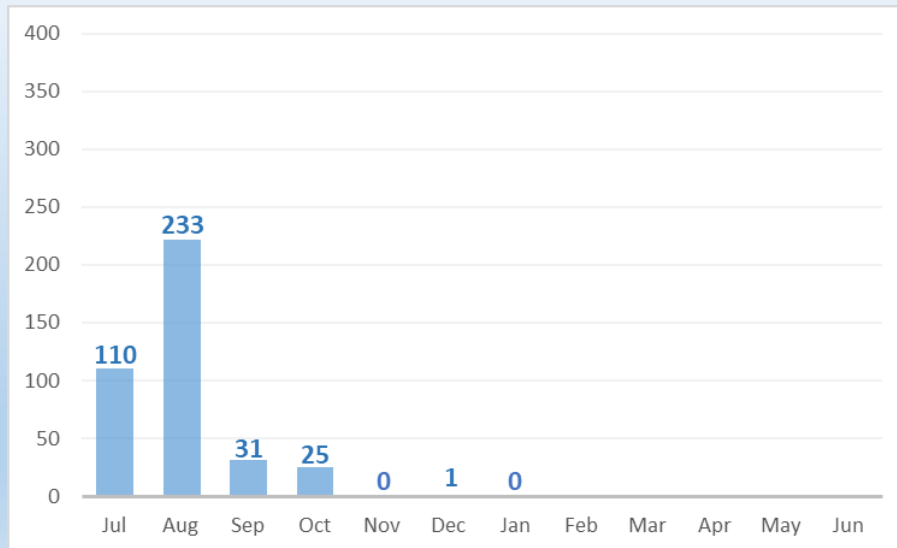
25

## Rolling Total Broken Valves (4" and above)



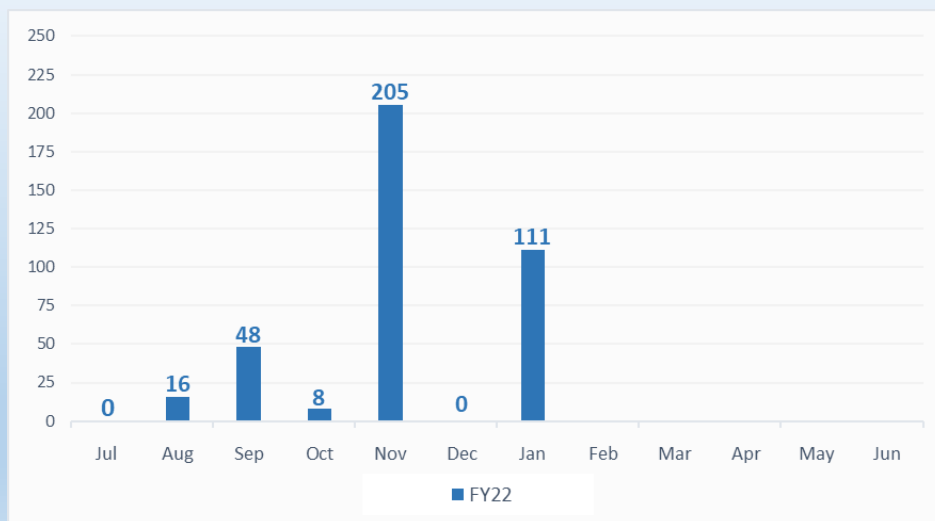
26

## Planned Water Outages > 4 Hours # of Customers Affected



27

## Unplanned Water Outages > 4 Hours # of Customers Affected



28

## M E M O

**TO:** Board of Directors  
**FROM:** David Shank, Assistant General Manager/CFO  
**DATE:** February 28, 2022  
**SUBJECT:** Financial Summary Report – January

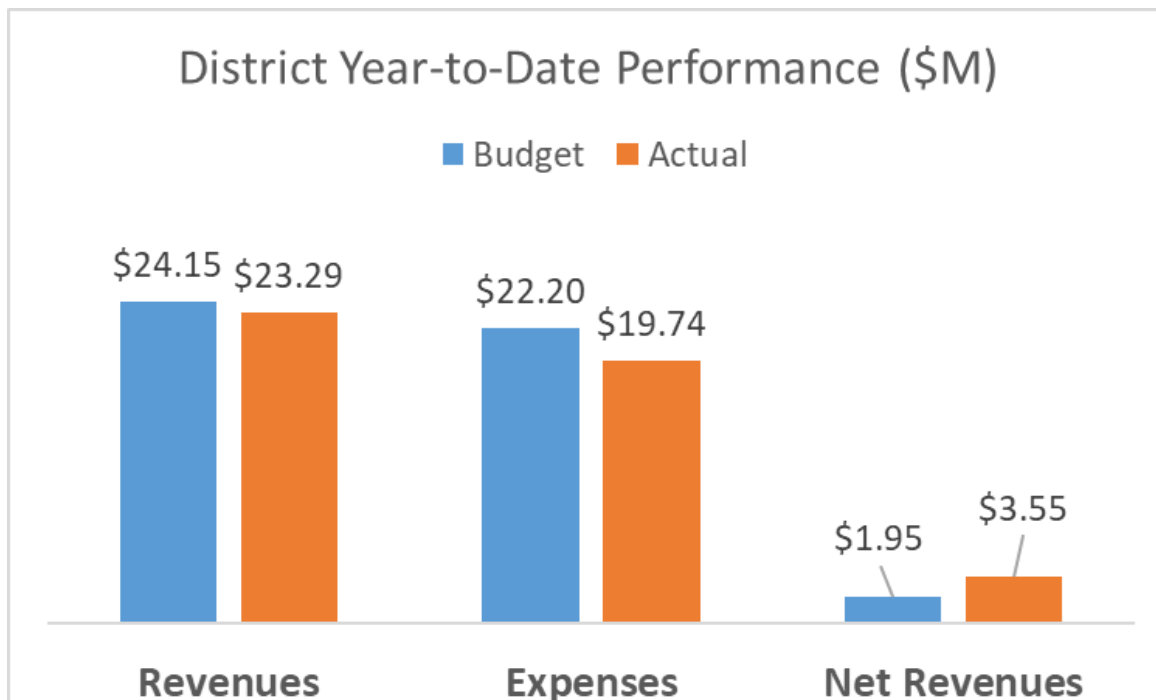
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### Purpose

Provide an overview of changes in the District's financial position.

### Summary

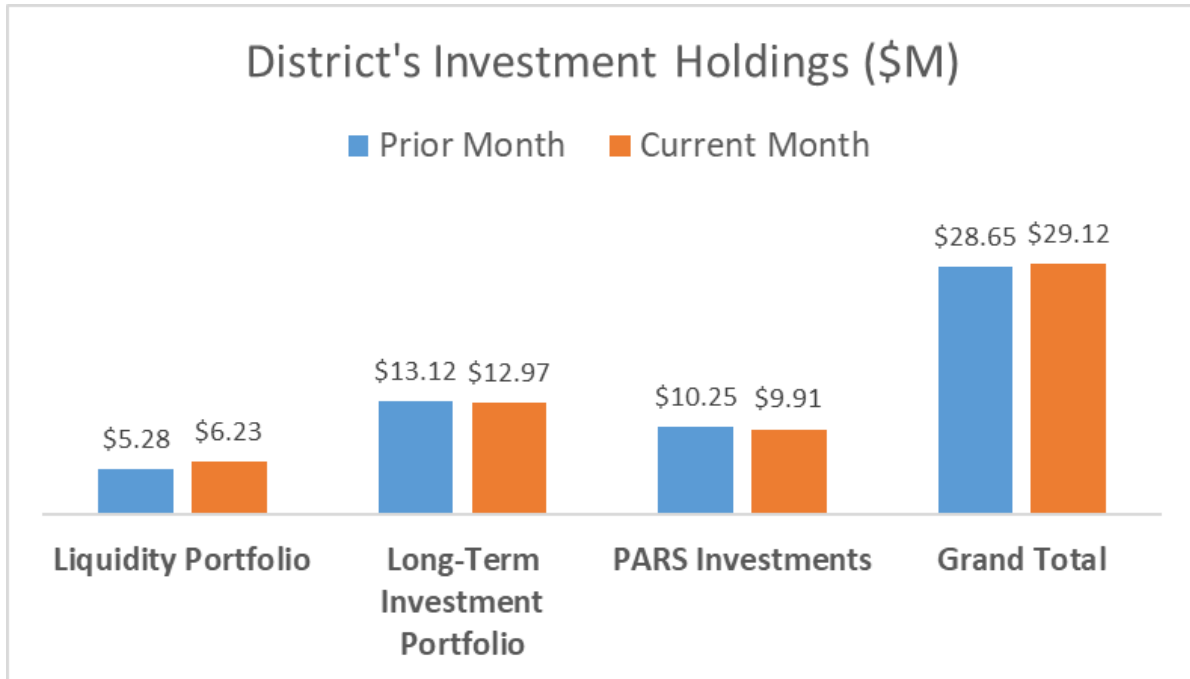
The graph below shows the District's year-to-date Revenues, Expenditures and Net revenues.



Revenues are on budget while expenditures continue to diverge from the Budget levels. These trends are driving net revenues to be better than budgeted. Non-operating revenues are higher than budget driven by the receipt of the second refund check issued by the San Diego County Water Authority (SDCWA). The refund check is a result of a lawsuit won by SDCWA that against the Metropolitan Water District. With PayGo CIP expected to ramp up this spring, net revenues are expected to trend towards budget levels. Water sales are expected to continue to trend under budgeted levels. Given the water supply outlook, it seems sales will either be constrained by a wet weather (hopefully) or demand restrictions due to a worsening water supply outlook. Staff are

carefully tracking the District's financial position. After adjusting for expected State reimbursement, Net Revenue is trending better than Budget largely due to CIP underspending.

The graph below shows the District's bank holdings reported in the Treasurer's Report at the end of the current and prior month.



Overall the District's financial holdings increased slightly this month. The increase is driven by an increase in the liquidity portfolio. The District's PARS investments reflect recent market declines. Overall these investments continue to perform in line with the capital markets.

Recommended Action

This item is for discussion only. No action is required.

**M E M O**

**TO:** Board of Directors  
**FROM:** David Shank, Assistant General Manager/CFO  
**DATE:** February 28, 2022  
**SUBJECT:** Treasurer's Report

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Purpose

Provide the January 2022 Treasurer's Report. Confirm that the District's investment portfolio is in compliance with the Investment Policy and that the District is able to meet the expenditure requirements for the next 6-months.

Notes

The outstanding reimbursements from the State remained relatively constant this month. With the SMCUP project nearing completion, the monthly expenditures have dropped to a more manageable level. The District continues to carefully manage its working capital to ensure its ability to meet its financial commitments.

Summary

**Treasurer's Report January 31, 2022**

<b>Account</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>
Operating Fund	\$ 5,000	\$ 4,799
Money Market	\$ 3,461,194	\$ 4,407,177
CAMP Account	\$ 1,815,831	\$ 1,815,910
<b><i>District's Liquidity Portfolio</i></b>	<b>\$ 5,282,025</b>	<b>\$ 6,227,886</b>
PFM Managed Long-term Investment Portfolio*	\$ 11,216,085	\$ 11,114,477
LAIF (Long-term Reserves)	\$ 1,900,606	\$ 1,859,809
PARS (OPEB & Pension Trust)**	\$ 10,252,644	\$ 9,912,935
<b><i>District Accounts Total</i></b>	<b>\$ 28,651,360</b>	<b>\$ 29,115,107</b>

\*\$6.21M of funds are from the sale of the Santa Margarita properties.

\*\*\$3.78M of funds are from the sale of the Santa Margarita Properties.



Dave Shank  
February 28, 2022





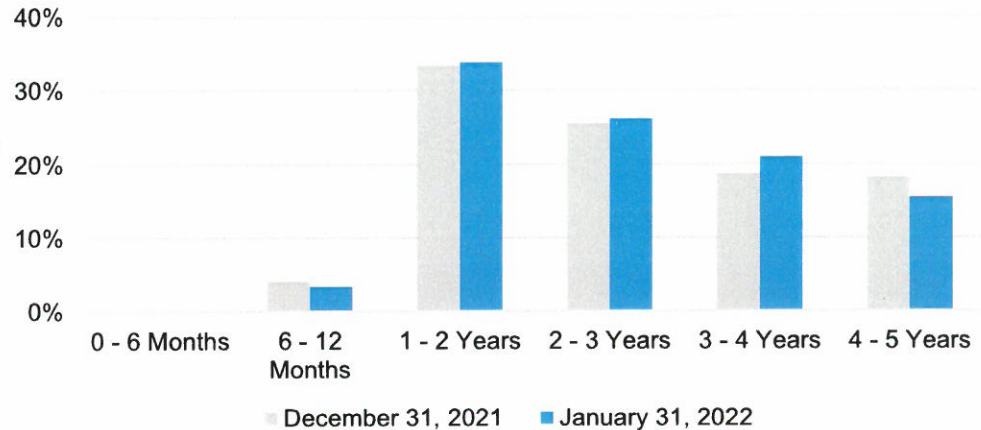
### Fallbrook Public Utilities District - Holdings Summary

Security Type	December 31, 2021	January 31, 2022	Change (\$)	Change (%)
U.S. Treasury	\$8,486,370.25	\$8,223,846.93	(\$262,523.32)	-3.1%
Municipal	\$114,887.30	\$112,570.05	(\$2,317.25)	100.0%
Federal Agency CMO	\$94,877.45	\$89,172.29	(\$5,705.16)	-6.0%
Corporate Note	\$2,052,760.91	\$2,212,468.99	\$159,708.08	7.8%
Asset-Backed Security	\$416,215.89	\$458,109.52	\$41,893.63	10.1%
<b>Securities Total</b>	<b>\$11,165,111.80</b>	<b>\$11,096,167.78</b>	<b>(\$68,944.02)</b>	<b>&lt; 0.1%</b>
Money Market Fund	\$50,973.26	\$18,309.47	(\$32,663.79)	-64.1%
<b>Total Investments</b>	<b>\$11,216,085.06</b>	<b>\$11,114,477.25</b>	<b>(\$101,607.81)</b>	<b>-0.9%</b>

#### Summary

FY 21-22 Accrual Earnings	\$127,912.78
Yield to Maturity at Cost	1.30%
Weighted Average Maturity (Years)	2.70

Maturity Distribution



Security market values, excluding accrued interest, as on last day of month.



### Account Statement - Transaction Summary

For the Month Ending **January 31, 2022**

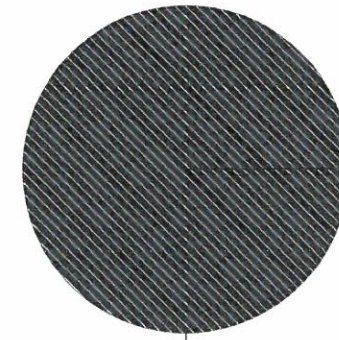
#### Fallbrook Public Utility District - Liquidity - 6050-004

CAMP Pool	
Opening Market Value	1,815,831.35
Purchases	78.84
Redemptions	0.00
Unsettled Trades	0.00
Change in Value	0.00
<b>Closing Market Value</b>	<b>\$1,815,910.19</b>
Cash Dividends and Income	78.84

Asset Summary		
	January 31, 2022	December 31, 2021
<b>CAMP Pool</b>	1,815,910.19	1,815,831.35
<b>Total</b>	<b>\$1,815,910.19</b>	<b>\$1,815,831.35</b>

Asset Allocation	
CAMP Pool	100.00%



CAMP Pool  
100.00%



**Account Statement**

For the Month Ending **January 31, 2022**

Fallbrook Public Utility District - Liquidity - 6050-004

Trade Date	Settlement Date	Transaction Description	Share or Unit Price	Dollar Amount of Transaction	Total Shares Owned
<b>CAMP Pool</b>					
<b>Opening Balance</b>					<b>1,815,831.35</b>
01/31/22	02/01/22	Accrual Income Div Reinvestment - Distributions	1.00	78.84	1,815,910.19
<b>Closing Balance</b>					<b>1,815,910.19</b>

	Month of January	Fiscal YTD July-January		
<b>Opening Balance</b>	1,815,831.35	1,815,365.76	<b>Closing Balance</b>	1,815,910.19
<b>Purchases</b>	78.84	544.43	<b>Average Monthly Balance</b>	1,815,833.89
<b>Redemptions (Excl. Checks)</b>	0.00	0.00	<b>Monthly Distribution Yield</b>	0.05%
<b>Check Disbursements</b>	0.00	0.00		
<b>Closing Balance</b>	<b>1,815,910.19</b>	<b>1,815,910.19</b>		
<b>Cash Dividends and Income</b>	78.84	544.43		

Managed Account Summary Statement

For the Month Ending January 31, 2022

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Summary - Managed Account

<b>Opening Market Value</b>	<b>\$11,165,111.80</b>
Maturities/Calls	(20,661.99)
Principal Dispositions	(566,503.81)
Principal Acquisitions	630,223.48
Unsettled Trades	0.00
Change in Current Value	(112,001.70)
<b>Closing Market Value</b>	<b>\$11,096,167.78</b>

Cash Transactions Summary - Managed Account

Maturities/Calls	0.00
Sale Proceeds	569,590.38
Coupon/Interest/Dividend Income	8,080.63
Principal Payments	20,661.99
Security Purchases	(630,996.79)
Net Cash Contribution	0.00
Reconciling Transactions	0.00

Earnings Reconciliation (Cash Basis) - Managed Account

Interest/Dividends/Coupons Received	11,167.20
Less Purchased Interest Related to Interest/Coupons	(773.31)
Plus Net Realized Gains/Losses	10,305.85
<b>Total Cash Basis Earnings</b>	<b>\$20,699.74</b>

Cash Balance

<b>Closing Cash Balance</b>	<b>\$18,309.47</b>
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Earnings Reconciliation (Accrual Basis)

	Total
Ending Amortized Value of Securities	11,182,149.43
Ending Accrued Interest	32,058.25
Plus Proceeds from Sales	569,590.38
Plus Proceeds of Maturities/Calls/Principal Payments	20,661.99
Plus Coupons/Dividends Received	8,080.63
Less Cost of New Purchases	(630,996.79)
Less Beginning Amortized Value of Securities	(11,133,585.88)
Less Beginning Accrued Interest	(30,709.25)

<b>Total Accrual Basis Earnings</b>	<b>\$17,248.76</b>
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Managed Account Security Transactions & Interest

For the Month Ending January 31, 2022

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
<b>BUY</b>											
	01/03/22	01/05/22	US TREASURY N/B NOTES DTD 12/31/2021 1.250% 12/31/2026	91282CDO1	100,000.00	(99,531.25)	(17.27)	(99,548.52)			
	01/03/22	01/05/22	US TREASURY NOTES DTD 04/30/2019 2.250% 04/30/2024	9128286R6	180,000.00	(185,674.22)	(738.40)	(186,412.62)			
	01/11/22	01/13/22	AMERICAN HONDA FINANCE CORPORATE NOTES DTD 01/13/2022 1.500% 01/13/2025	02665WEA5	50,000.00	(49,960.50)	0.00	(49,960.50)			
	01/11/22	01/13/22	JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 01/10/2022 1.700% 01/11/2027	24422EWA3	25,000.00	(24,859.00)	(3.54)	(24,862.54)			
	01/11/22	01/19/22	GMCAR 2022-1 A3 DTD 01/19/2022 1.260% 11/16/2026	380146AC4	20,000.00	(19,998.26)	0.00	(19,998.26)			
	01/19/22	01/24/22	GOLDMAN SACHS GROUP INC CORPORATE NOTES DTD 01/24/2022 1.757% 01/24/2025	38141GZH0	45,000.00	(45,000.00)	0.00	(45,000.00)			
	01/19/22	01/24/22	TARGET CORP CORPORATE NOTES DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	15,000.00	(14,974.50)	0.00	(14,974.50)			
	01/19/22	01/24/22	FORDO 2022-A A3 DTD 01/24/2022 1.290% 06/15/2026	345286AC2	40,000.00	(39,995.25)	0.00	(39,995.25)			
	01/21/22	01/25/22	TARGET CORP CORPORATE NOTES DTD 01/24/2022 1.950% 01/15/2027	87612EBM7	50,000.00	(50,109.50)	(2.71)	(50,112.21)			
	01/26/22	01/28/22	BANK OF NY MELLON CORP (CALLABLE) CORPOR DTD 01/26/2022 2.050% 01/26/2027	06406RBA4	100,000.00	(100,121.00)	(11.39)	(100,132.39)			
<b>Transaction Type Sub-Total</b>					<b>625,000.00</b>	<b>(630,223.48)</b>	<b>(773.31)</b>	<b>(630,996.79)</b>			
<b>INTEREST</b>											
	01/01/22	01/25/22	FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	94,061.72	0.00	242.21	242.21			
	01/03/22	01/03/22	MONEY MARKET FUND	MONEY0002	0.00	0.00	0.27	0.27			
	01/15/22	01/15/22	WOART 2021-D A3 DTD 11/03/2021 0.810% 10/15/2026	98163KAC6	35,000.00	0.00	23.63	23.63			
	01/15/22	01/15/22	MBALT 2019-B A3 DTD 11/20/2019 2.000% 10/17/2022	58769OAC5	14,736.87	0.00	24.56	24.56			

Managed Account Security Transactions & Interest

For the Month Ending January 31, 2022

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
<b>INTEREST</b>											
	01/15/22	01/15/22	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	70,000.00	0.00	33.83	33.83			
	01/15/22	01/15/22	US TREASURY N/B NOTES DTD 07/15/2021 0.375% 07/15/2024	91282CCL3	385,000.00	0.00	721.88	721.88			
	01/15/22	01/15/22	COPAR 2019-1 A3 DTD 05/30/2019 2.510% 11/15/2023	14042WAC4	13,085.82	0.00	27.37	27.37			
	01/15/22	01/15/22	COMET 2021-A3 A3 DTD 11/30/2021 1.040% 11/16/2026	14041NFY2	70,000.00	0.00	91.00	91.00			
	01/15/22	01/15/22	JDOT 2019-B A3 DTD 07/24/2019 2.210% 12/15/2023	477870AC3	13,010.70	0.00	23.96	23.96			
	01/15/22	01/15/22	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	65,000.00	0.00	29.79	29.79			
	01/16/22	01/16/22	GM FINANCIAL SECURITIZED TERM DTD 07/24/2019 2.180% 04/16/2024	36257PAD0	20,627.66	0.00	37.47	37.47			
	01/16/22	01/16/22	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	30,000.00	0.00	17.00	17.00			
	01/20/22	01/20/22	GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	25,000.00	0.00	10.42	10.42			
	01/21/22	01/21/22	HAROT 2019-2 A3 DTD 05/29/2019 2.520% 06/21/2023	43815MAC0	26,939.45	0.00	56.57	56.57			
	01/21/22	01/21/22	HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	35,000.00	0.00	25.67	25.67			
	01/29/22	01/29/22	BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 01/29/2018 2.950% 01/29/2023	06406RAE7	100,000.00	0.00	1,475.00	1,475.00			
	01/30/22	01/30/22	US BANCORP NOTES (CALLABLE) DTD 07/29/2019 2.400% 07/30/2024	91159HHX1	145,000.00	0.00	1,740.00	1,740.00			
	01/31/22	01/31/22	US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	500,000.00	0.00	937.50	937.50			
	01/31/22	01/31/22	US TREASURY NOTES DTD 07/31/2020 0.250% 07/31/2025	91282CAB7	500,000.00	0.00	625.00	625.00			
	01/31/22	01/31/22	US TREASURY NOTES DTD 07/31/2019 1.750% 07/31/2024	912828Y87	200,000.00	0.00	1,750.00	1,750.00			

Managed Account Security Transactions & Interest

For the Month Ending January 31, 2022

FPUD - INVESTMENT PORTFOLIO - 28710100

Transaction Type	Trade	Settle	Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
<b>INTEREST</b>											
01/31/22	01/31/22		US TREASURY N/B NOTES DTD 07/31/2021 0.125% 07/31/2023	91282CCN9	300,000.00	0.00	187.50	187.50			
<b>Transaction Type Sub-Total</b>					<b>2,642,462.22</b>	<b>0.00</b>	<b>8,080.63</b>	<b>8,080.63</b>			
<b>PAYDOWNS</b>											
01/01/22	01/25/22		FHLMC SERIES K721 A2 DTD 12/01/2015 3.090% 08/01/2022	3137BM6P6	5,483.39	5,483.39	0.00	5,483.39	(46.69)	0.00	
01/15/22	01/15/22		MBALT 2019-B A3 DTD 11/20/2019 2.000% 10/17/2022	58769OAC5	5,921.29	5,921.29	0.00	5,921.29	0.94	0.00	
01/15/22	01/15/22		JDOT 2019-B A3 DTD 07/24/2019 2.210% 12/15/2023	477870AC3	1,590.47	1,590.47	0.00	1,590.47	0.34	0.00	
01/15/22	01/15/22		COPAR 2019-1 A3 DTD 05/30/2019 2.510% 11/15/2023	14042WAC4	1,803.50	1,803.50	0.00	1,803.50	0.37	0.00	
01/16/22	01/16/22		GM FINANCIAL SECURITIZED TERM DTD 07/24/2019 2.180% 04/16/2024	36257PAD0	2,202.59	2,202.59	0.00	2,202.59	0.27	0.00	
01/21/22	01/21/22		HAROT 2019-2 A3 DTD 05/29/2019 2.520% 06/21/2023	43815MAC0	3,660.75	3,660.75	0.00	3,660.75	0.14	0.00	
<b>Transaction Type Sub-Total</b>					<b>20,661.99</b>	<b>20,661.99</b>	<b>0.00</b>	<b>20,661.99</b>	<b>(44.63)</b>	<b>0.00</b>	
<b>SELL</b>											
01/03/22	01/05/22		US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	150,000.00	151,611.33	699.52	152,310.85	7,013.67	2,489.33	FIFO
01/03/22	01/05/22		US TREASURY NOTES DTD 01/31/2021 0.375% 01/31/2026	91282CBH3	100,000.00	96,488.28	161.01	96,649.29	(1,355.47)	(1,608.85)	FIFO
01/11/22	01/13/22		US TREASURY NOTES DTD 10/31/2020 0.250% 10/31/2025	91282CAT8	25,000.00	23,924.80	12.78	23,937.58	(501.96)	(572.62)	FIFO
01/12/22	01/13/22		US TREASURY N/B NOTES DTD 07/31/2021 0.125% 07/31/2023	91282CCN9	50,000.00	49,517.58	28.19	49,545.77	(431.64)	(442.97)	FIFO
01/12/22	01/19/22		US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	20,000.00	20,307.03	22.31	20,329.34	814.06	414.07	FIFO
01/20/22	01/24/22		US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	20,000.00	20,285.16	28.18	20,313.34	792.19	390.65	FIFO

**Managed Account Security Transactions & Interest**

For the Month Ending **January 31, 2022**

**FPUD - INVESTMENT PORTFOLIO - 28710100**

Transaction Type		Security Description	CUSIP	Par	Principal Proceeds	Accrued Interest	Total	Realized G/L Cost	Realized G/L Amort Cost	Sale Method
Trade	Settle									
<b>SELL</b>										
01/21/22	01/24/22	BANK OF NY MELLON CORP NOTES (CALLABLE) DTD 01/29/2018 2.950% 01/29/2023	06406RAE7	100,000.00	102,104.00	1,434.03	103,538.03	1,004.00	1,818.03	FIFO
01/26/22	01/28/22	US TREASURY NOTES DTD 03/31/2017 2.125% 03/31/2024	912828W71	100,000.00	102,265.63	700.55	102,966.18	3,015.63	2,597.15	FIFO
<b>Transaction Type Sub-Total</b>				<b>565,000.00</b>	<b>566,503.81</b>	<b>3,086.57</b>	<b>569,590.38</b>	<b>10,350.48</b>	<b>5,084.79</b>	
<b>Managed Account Sub-Total</b>					<b>(43,057.68)</b>	<b>10,393.89</b>	<b>(32,663.79)</b>	<b>10,305.85</b>	<b>5,084.79</b>	
<b>Total Security Transactions</b>					<b>(43,057.68)</b>	<b>\$10,393.89</b>	<b>(32,663.79)</b>	<b>\$10,305.85</b>	<b>\$5,084.79</b>	



California State Treasurer  
**Fiona Ma, CPA**



Local Agency Investment Fund  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001

February 14, 2022

[LAIF Home](#)  
[PMIA Average Monthly Yields](#)

FALLBROOK PUBLIC UTILITY DISTRICT

[Tran Type Definitions](#)

TREASURER  
 P.O. BOX 2290  
 FALLBROOK, CA 92088

**Account Number:** 85-37-001

January 2022 Statement

Effective Date	Transaction Date	Tran Type	Confirm Number	Web Confirm Number	Authorized Caller	Amount
1/12/2022	1/12/2022	RW	1693392	N/A	DAVID SHANK	-965,000.00
1/14/2022	1/13/2022	QRD	1694926	N/A	SYSTEM	1,203.03
1/28/2022	1/27/2022	RD	1696693	N/A	DAVID SHANK	923,000.00

**Account Summary**

Total Deposit:	924,203.03	Beginning Balance:	1,900,606.37
Total Withdrawal:	-965,000.00	Ending Balance:	1,859,809.40

**FALLBROOK PUBLIC UTILITY DISTRICT  
PARS Post-Employment Benefits Trust**

**Account Report for the Period  
1/1/2022 to 1/31/2022**

David Shank  
Assistant General Manager/CFO  
Fallbrook Public Utility District  
990 East Mission Road  
Fallbrook, CA 92028

## Account Summary

Source	Balance as of 1/1/2022	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 1/31/2022
OPEB	\$1,288,386.35	\$0.00	-\$42,108.55	\$580.54	\$0.00	\$0.00	\$1,245,697.26
PENSION	\$8,964,257.71	\$0.00	-\$292,980.39	\$4,039.28	\$0.00	\$0.00	\$8,667,238.04
<b>Totals</b>	<b>\$10,252,644.06</b>	<b>\$0.00</b>	<b>-\$335,088.94</b>	<b>\$4,619.82</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,912,935.30</b>

## Investment Selection

### Source

OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

## Investment Objective

### Source

OPEB	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.
PENSION	The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

## Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	-3.27%	-2.78%	5.96%	9.67%	7.69%	-	2/16/2017
PENSION	-3.27%	-2.78%	5.96%	9.60%	7.43%	-	2/16/2017

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.  
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.  
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

## M E M O

**TO:** Board of Directors  
**FROM:** David Shank, Assistant General Manager/CFO  
**DATE:** February 28, 2022  
**SUBJECT:** Budget Status Report for Fiscal Year 2021-2022

---

### Purpose

Provide a Budget Status Report (BSR) to the Board.

### Summary

The BSR shows the District's financial performance compared to the budget for the month of January, Year-to-Date and the annual budgeted amount.

Total revenues year-to-date are under budget by 3.6%, which is largely due to the lower than projected water and wastewater operating revenues. Water sales remain below budget due to lower than budgeted water demands. This month water sales were again lower than budgeted. Despite an increase in sales in the prior month, year to date water sales are 12.8% below budget. Staff expect that the supply situation and public awareness of the drought will continue to suppress demand. At this point, either wet weather or water restrictions will be driving winter water demands and either way water sales will likely be less than budgeted.

Non-operating revenues are slightly over budget driven by the receipt of the second refund check issued by the San Diego County Water Authority (SDCWA). The refund check is a result of a lawsuit won by SDCWA that against the Metropolitan Water District. These one-time funds are pushing the District's non-operating revenues higher than budget levels. Total non-operating revenues are expected to be higher than budget levels due to the one-time SDCWA refund check.

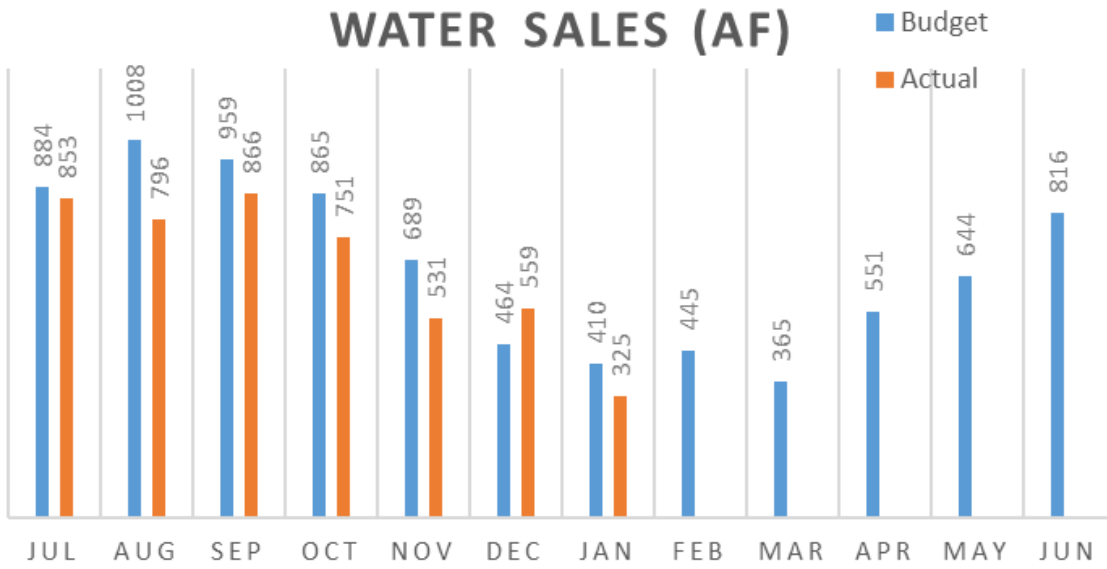
The District's year-to-date total expenditures are under budget due to the lower than budgeted water and operating expenses. Operating expenses are expected to trend towards budget as the year progresses. Purchased water costs will trend with sales levels, which is dependent on weather.

Total revenue is \$23,288,750 or 3.6% under budget and total expenditures are \$17,845,464 or 6.5% under budget. PAYGO CIP expenditures are 39% under budget but are expected to trend towards Budget levels. Adjusting for expected State Loan proceeds, the District's financial results are above Budget levels.

### Recommended Actio

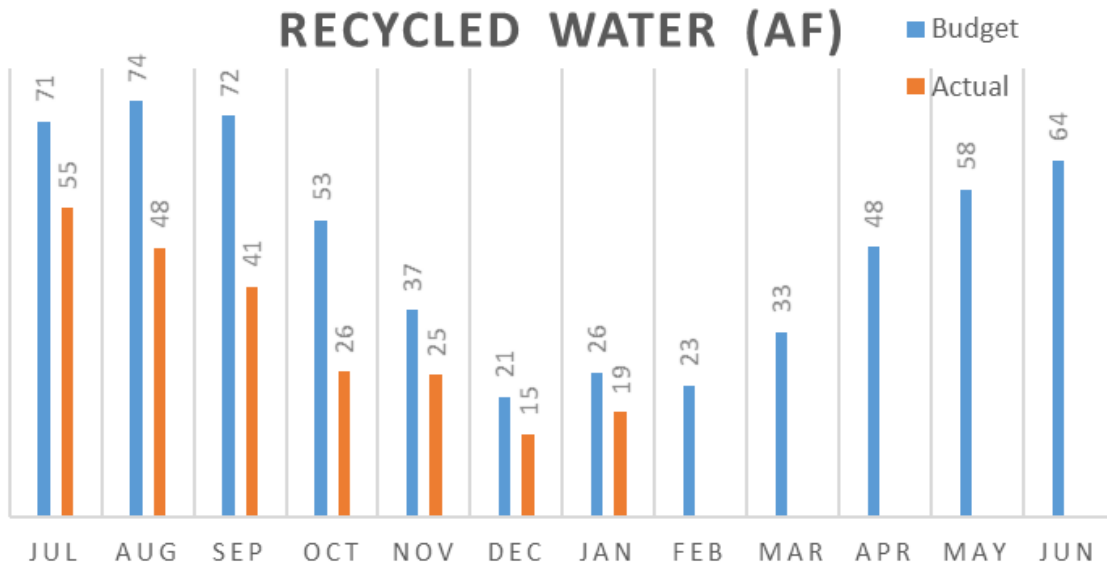
This item is for discussion only. No action is required.

## WATER SALES (AF)



Year-to-Date Actual 4,681 AF Year-to-Date Budget 5,280 AF

## RECYCLED WATER (AF)



Year-to-Date Actual 229 AF Year-to-Date Budget 353 AF

# Monthly Budget Report for January

Favorable Variance Shown as a positive number

	Current Month		Year-To-Date				Annual Budget		
	Actual	Budget	Actual	Budget	Variance	%	Budget	Remaining Balance	%
<b>Operating Revenues:</b>								Year remaining	41.7%
Water Sales	839,537	1,026,542	10,574,619	11,769,794	(1,195,175)	-10.2%	18,695,785	8,121,166	43.4%
Water Meter Service Charges	665,462	692,367	4,521,169	4,538,851	(17,682)	-0.4%	8,000,687	3,479,518	43.5%
Wastewater Service Charges	539,114	508,783	3,553,169	3,925,271	(372,102)	-9.5%	6,469,183	2,916,015	45.1%
Recycled Water Revenues	40,587	57,737	452,498	691,483	(238,985)	-34.6%	1,175,173	722,676	61.5%
Other Operating Revenue	-	917	-	6,417	(6,417)	-100.0%	11,000	11,000	100.0%
<b>Total Operating Revenue</b>	<b>2,084,701</b>	<b>2,286,345</b>	<b>19,101,455</b>	<b>20,931,815</b>	<b>(1,830,361)</b>	<b>-8.7%</b>	<b>34,351,829</b>	<b>15,250,374</b>	<b>44.4%</b>
<b>Non Operating Revenues:</b>									
Water Capital Improvement Charge	123,003	120,280	843,494	841,960	1,535	0.2%	1,443,359	599,865	41.6%
Wastewater Capital Improvement Charge	98,735	98,390	689,406	688,729	678	0.1%	1,180,678	491,271	41.6%
Property Taxes	388,886	47,064	1,315,824	1,233,555	82,268	6.7%	2,122,467	806,643	38.0%
Water Standby/Availability Charge	47,009	4,616	113,748	117,523	(3,775)	-3.2%	204,000	90,252	44.2%
Water/Wastewater Capacity Charges	37,132	7,183	134,121	50,283	83,838	166.7%	86,200	(47,921)	-55.6%
Portfolio Interest	21,987	10,304	149,921	72,130	77,791	107.8%	123,651	(26,270)	-21.2%
Pumping Capital Improvement Charge	284	2,730	8,474	19,108	(10,633)	-55.6%	32,756	24,282	74.1%
Federal Interest Rate Subsidy	-	-	51,292	49,968	1,324	2.6%	97,977	46,685	47.6%
SDCWA Refund	-	-	625,251	-	625,251	NA	-	(625,251)	NA
Facility Rents	30,661	18,750	152,367	131,250	21,117	16.1%	225,000	72,633	32.3%
Fire Hydrant Service Fees	-	-	9,138	-	9,138	NA	-	(9,138)	NA
Other Non-Operating Revenues	12,946	2,500	94,259	17,500	76,759	438.6%	30,000	(64,259)	-214.2%
<b>Total Non Operating Revenues</b>	<b>760,644</b>	<b>311,817</b>	<b>4,187,295</b>	<b>3,222,005</b>	<b>965,290</b>	<b>30.0%</b>	<b>5,546,087</b>	<b>1,358,792</b>	<b>24.5%</b>
<b>Total Revenues</b>	<b>2,845,345</b>	<b>2,598,162</b>	<b>23,288,750</b>	<b>24,153,821</b>	<b>(865,071)</b>	<b>-3.6%</b>	<b>39,897,916</b>	<b>16,609,166</b>	<b>41.6%</b>
<b>Expenditures</b>									
Purchased Water Expense	786,553	628,196	7,511,657	7,970,206	458,549	5.8%	11,547,729	4,036,072	35.0%
Water Services	350,466	473,550	2,288,950	2,751,414	462,465	16.8%	5,355,939	3,066,989	57.3%
Wastewater Services	386,079	267,037	1,971,337	2,002,774	31,437	1.6%	3,471,475	1,500,138	43.2%
Recycled Water Services	40,034	40,554	215,244	304,155	88,911	29.2%	527,202	311,958	59.2%
Administrative Services	486,746	531,066	3,779,230	3,982,996	203,766	5.1%	6,903,859	3,124,629	45.3%
<b>Total Operating Expenses</b>	<b>2,049,878</b>	<b>1,940,403</b>	<b>15,766,418</b>	<b>17,011,545</b>	<b>1,245,127</b>	<b>7.3%</b>	<b>27,806,204</b>	<b>12,039,786</b>	<b>43.3%</b>
<b>Debt Service Expenses</b>									
SMCUP SRF	-	-	-	-	-	NA	1,038,424	1,038,424	100.0%
Red Mountain SRF	197,925	197,925	395,851	395,851	-	0.0%	395,851	-	0.0%
WW Rev Refunding Bonds	-	-	1,420,766	1,420,766	-	0.0%	1,729,884	309,118	17.9%
QECB Solar Debt	-	-	262,429	262,429	-	0.0%	521,312	258,883	49.7%
<b>Total Debt Service</b>	<b>197,925</b>	<b>197,925</b>	<b>2,079,046</b>	<b>2,079,046</b>	<b>-</b>	<b>0.0%</b>	<b>3,685,471</b>	<b>1,606,425</b>	<b>43.6%</b>
<b>Total Expenses</b>	<b>2,247,804</b>	<b>2,138,328</b>	<b>17,845,464</b>	<b>19,090,590</b>	<b>1,245,127</b>	<b>6.5%</b>	<b>31,491,674</b>	<b>13,646,211</b>	<b>43.3%</b>
<b>Net Revenue/(loss) From Operations and Debt Service</b>	<b>597,542</b>	<b>459,834</b>	<b>5,443,286</b>	<b>5,063,230</b>	<b>380,056</b>	<b>7.5%</b>	<b>8,406,242</b>	<b>2,962,956</b>	<b>35.2%</b>
<b>Capital Investment</b>									
<b>Capital Investment</b>									
Construction Expenditures	358,226	413,076	1,896,869	3,112,121	1,215,252	39.0%	7,288,000	5,391,131	74.0%
SMCUP Expenditures*	1,179,534	-	5,494,344	8,450,000	2,955,656	35.0%	8,450,000	2,955,656	35.0%
SRF Loan Proceeds Draw (Capital Project Funds)**	(1,179,534)	-	(5,494,344)	(8,450,000)	(2,955,656)	35.0%	(8,450,000)	(2,955,656)	35.0%
<b>Net Revenue/(Loss)</b>	<b>239,316</b>	<b>46,758</b>	<b>3,546,417</b>	<b>1,951,109</b>	<b>1,595,308</b>	<b>81.8%</b>	<b>1,118,242</b>	<b>(2,428,176)</b>	<b>-217.1%</b>

\*CIP expenditures related to the SMCUP have been updated based upon contractor draw scheduled and are funded by SRF Loan proceeds.

\*\*YTD Actual amount adjusted to reflect expected State Reimbursement for reporting purposes.

01/31/2022

Treasurer's Warrant No. January

TO: Treasurer of the Fallbrook Public Utility District

The bills and claims listed below are approved as authorized by resolution no. 3538 of the Board of Directors dated July 8, 1985. You are hereby authorized and directed to pay said prospective claims for the amounts stated (less discounts in instances where discounts are allowed).

## Payroll - 01/2022

### Computer Check Register

Payroll #1	\$152,932.26
Payroll #2	<u>\$149,945.60</u>
	<u>\$302,877.86</u>

# Accounts Payable

## Checks by Date - Summary by Check Date

User: annaleceb  
Printed: 2/4/2022 9:25 AM



**Fallbrook Public Utility District**  
**990 E Mission Rd Fallbrook CA 92028**  
**(760) 728-1125**

Check No	Vendor No	Vendor Name	Check Date	Check Amount
ACH	00152	FPUD EMPL ASSOCIATION	01/13/2022	423.00
ACH	00718	NATIONWIDE RETIREMENT SOLUTIO	01/13/2022	3,027.06
ACH	06758	US TREASURY - PAYROLL TAXES	01/13/2022	60,319.31
ACH	06759	STATE OF CA - PR TAXES	01/13/2022	8,798.79
ACH	06760	STATE OF CA - SDI	01/13/2022	2,597.44
ACH	06761	LINCOLN FINANCIAL GROUP	01/13/2022	7,275.76
ACH	06763	PERS - PAYROLL	01/13/2022	39,290.88
ACH	91508	CALIFORNIA STATE DISBURSEMENT	01/13/2022	346.15
ACH	06758	US TREASURY - PAYROLL TAXES	01/13/2022	69.66
ACH	06760	STATE OF CA - SDI	01/13/2022	5.01
87585	91499	FILANC ALBERICI A JOINT VENTURE	01/13/2022	847,447.39
87586	91312	TERRAPIN GROUP	01/13/2022	73,539.00
87587	91500	US BANK NATIONAL ASSOCIATION	01/13/2022	44,602.49
87588	00231	SAN DIEGO COUNTY WATER AUTH	01/13/2022	1,040,336.38
87589	01460	AFLAC	01/13/2022	723.36
87590	06597	AIRGAS USA, LLC	01/13/2022	37.29
87591	91513	ALCHEMY CONSULTING GROUP	01/13/2022	7,500.00
87592	91286	AMAZON CAPITAL SERVICES, INC.	01/13/2022	444.32
87593	91490	AMAZON WEB SERVICES, INC.	01/13/2022	1,115.03
87594	02805	ASBURY ENVIRONMENTAL SERVICES	01/13/2022	163.00
87595	05088	AT&T	01/13/2022	479.98
87596	91608	AT&T MOBILITY LLC	01/13/2022	3,516.29
87597	06020	BABCOCK LABORATORIES, INC	01/13/2022	1,287.30
87598	91503	BACKGROUNDS ONLINE	01/13/2022	39.80
87599	91680	BIWATER INC	01/13/2022	4,223.14
87600	06374	BOOT BARN INC.	01/13/2022	360.16
87601	91440	BP BATTERY INC	01/13/2022	130.94
87602	91069	BRENNTAG PACIFIC INC.	01/13/2022	3,047.79
87603	03134	CALIFORNIA WATER ENVIRONMENT	01/13/2022	283.00
87604	03978	CAMERON WELDING SUPPLY	01/13/2022	653.73
87605	91241	LISA CHAFFIN	01/13/2022	69.99
87606	03205	CITY OF OCEANSIDE	01/13/2022	277.66
87607	91595	CLIFTONLARSONALLEN LLP	01/13/2022	3,661.00
87608	91330	AARON COOK	01/13/2022	180.00
87609	02176	CORELOGIC SOLUTIONS, LLC	01/13/2022	225.00
87610	05953	CORODATA RECORDS MANAGEMENT	01/13/2022	763.04
87611	06675	CORODATA SHREDDING, INC	01/13/2022	64.37
87612	02925	DATA NET SOLUTIONS	01/13/2022	360.75
87613	05985	SOLEIL DEVELLE	01/13/2022	360.00
87614	05192	DIAMOND ENVIRONMENTAL SERVIC	01/13/2022	365.56
87615	04122	EVOQUA WATER TECHNOLOGIES LLC	01/13/2022	7,082.41
87616	09523	FALLBROOK EQUIP RENTALS	01/13/2022	10,489.60
87617	00169	FALLBROOK OIL COMPANY	01/13/2022	4,727.90
87618	00170	FALLBROOK WASTE & RECYCLING	01/13/2022	859.78
87619	91108	FLEETCREW	01/13/2022	559.95
87620	05560	FRANCHISE TAX BOARD	01/13/2022	50.00
87621	02170	GRAINGER, INC.	01/13/2022	970.25



Check No	Vendor No	Vendor Name	Check Date	Check Amount
87622	05380	HACH CO	01/13/2022	1,399.36
87623	91544	HAZEN AND SAWYER, D.P.C.	01/13/2022	21,585.00
87624	91536	ICONIX WATERWORKS (US) INC.	01/13/2022	760.98
87625	06577	INFOSEND INC	01/13/2022	3,702.16
87626	00190	JCI JONES CHEMICALS INC.	01/13/2022	12,958.15
87627	UB*00417	BRANDON JONES	01/13/2022	2.46
87628	06700	KOFF & ASSOCIATES, INC.	01/13/2022	10,080.00
87629	03179	LAWSON PRODUCTS INC	01/13/2022	29.18
87630	06156	LOMACK SERVICE CORPORATION	01/13/2022	1,687.00
87631	91029	MALLORY SAFETY AND SUPPLY CO	01/13/2022	4,513.09
87632	91192	MISSION LINEN SUPPLY	01/13/2022	1,650.74
87633	00370	NUTRIEN AG SOLUTIONS, INC.	01/13/2022	192.66
87634	06298	ONESOURCE DISTRIBUTORS, LLC	01/13/2022	1,038.26
87635	91591	OPERATIONAL TECHNICAL SERVICES	01/13/2022	6,269.76
87636	91674	O'REILLY AUTO ENTERPRISES, LLC	01/13/2022	1,012.47
87637	04489	PARKHOUSE TIRE INC	01/13/2022	104.50
87638	91007	PFM ASSET MANGEMENT LLC	01/13/2022	919.97
87639	00216	PINE TREE LUMBER	01/13/2022	274.95
87640	06608	ROTARY CLUB OF FALLBROOK	01/13/2022	40.00
87641	00232	SAN DIEGO GAS & ELECTRIC	01/13/2022	81,708.27
87642	90929	SOUTHWEST ANSWERING SERVICE, I	01/13/2022	706.48
87643	05415	STATE WATER RESOURCE CONTROL I	01/13/2022	80.00
87644	91223	STERLING ADMINISTRATION	01/13/2022	125.00
87645	91530	TRANSENE COMPANY, INC.	01/13/2022	868.92
87646	00724	UNDERGROUND SERVICE ALERT	01/13/2022	259.03
87647	04290	VILLAGE NEWS, INC.	01/13/2022	495.00
87648	06543	WATER RESEARCH FOUNDATION	01/13/2022	5,000.00
87649	91659	WEST COAST SAFETY SUPPLY INC.	01/13/2022	9,778.04
87650	05560	FRANCHISE TAX BOARD	01/13/2022	50.00
87651	UB*00418	CHRISTINE SHUROW	01/13/2022	6.15
Total for 1/13/2022:				2,350,448.29
87665	91282	WREGIS	01/20/2022	136.12
87666	91254	WESTERN PUMP, INC.	01/20/2022	705.85
87667	91082	TELETRAC, INC	01/20/2022	2,703.10
87668	02815	SWRCB ACCOUNTING OFFICE	01/20/2022	39,306.96
87669	91123	STREAMLINE	01/20/2022	550.00
87670	02927	TIM STERGER	01/20/2022	60.00
87671	91607	ALEXANDER STANKO	01/20/2022	2,011.00
87672	91107	SPECTRUM BUSINESS	01/20/2022	127.15
87673	91636	SOLV - BUSINESS SOLUTIONS, CONNI	01/20/2022	172.39
87674	91486	SATELLITE PHONE STORE	01/20/2022	66.82
87675	03231	SAN DIEGO COUNTY WATER AUTH	01/20/2022	16,380.00
87676	91077	RED WING BUSINESS ADVANTAGE AC	01/20/2022	328.14
87677	04075	RAYNE WATER SYSTEMS	01/20/2022	170.00
87678	91155	QUALITY GATE COMPANY, INC	01/20/2022	425.00
87679	91601	QUADIENT LEASING USA, INC	01/20/2022	3,322.86
87680	00216	PINE TREE LUMBER	01/20/2022	54.09
87681	91535	PAYMENTUS GROUP, INC	01/20/2022	3,598.05
87682	01267	PACIFIC PIPELINE	01/20/2022	2,846.36
87683	91591	OPERATIONAL TECHNICAL SERVICES	01/20/2022	3,023.16
87684	06298	ONESOURCE DISTRIBUTORS, LLC	01/20/2022	683.97
87685	91461	OCEANSIDE SECURITY AGENCY	01/20/2022	2,600.00
87686	00370	NUTRIEN AG SOLUTIONS, INC.	01/20/2022	48.08
87687	06338	MYTHOS TECHNOLOGY INC	01/20/2022	1,809.63
87688	06024	MATTHEW MORGAN	01/20/2022	146.53

Check No	Vendor No	Vendor Name	Check Date	Check Amount
87689	91427	MITEL CLOUD SERVICES, INC	01/20/2022	1,484.86
87690	03179	LAWSON PRODUCTS INC	01/20/2022	30.98
87691	04926	KONICA MINOLTA PREMIER FINANCE	01/20/2022	2,082.86
87692	06380	JANI-KING OF CALIFORNIA, INC - SA	01/20/2022	3,004.00
87693	06577	INFOSEND INC	01/20/2022	1,287.29
87694	91536	ICONIX WATERWORKS (US) INC.	01/20/2022	6,983.11
87695	03276	HOME DEPOT CREDIT SERVICES	01/20/2022	626.50
87696	90897	JOSHUA HARGROVE	01/20/2022	195.00
87697	02170	GRAINGER, INC.	01/20/2022	1,957.96
87698	01432	FERGUSON WATERWORKS #1083	01/20/2022	276.57
87699	06346	FALLBROOK FERTILIZER FEED AND F	01/20/2022	29.07
87700	91611	FALLBROOK ACE HARDWARE	01/20/2022	504.34
87701	06303	EXECUTIVE LANDSCAPE INC.	01/20/2022	1,020.00
87702	04122	EVOQUA WATER TECHNOLOGIES LLC	01/20/2022	377.13
87703	05192	DIAMOND ENVIRONMENTAL SERVIC	01/20/2022	643.61
87704	02925	DATA NET SOLUTIONS	01/20/2022	2,623.00
87705	91593	D LOWEN ELECTRIC	01/20/2022	1,061.00
87706	01719	MICKEY M. CASE	01/20/2022	60.00
87707	06375	CALGON CARBON CORPORATION	01/20/2022	325.00
87708	91069	BRENNTAG PACIFIC INC.	01/20/2022	1,207.93
87709	91440	BP BATTERY INC	01/20/2022	112.51
87710	91662	BAKER ELECTRIC INC.	01/20/2022	6,885.52
87711	02805	ASBURY ENVIRONMENTAL SERVICES	01/20/2022	975.24
87712	04995	AMERICAN MESSAGING	01/20/2022	84.27
87713	91286	AMAZON CAPITAL SERVICES, INC.	01/20/2022	1,017.56
87714	91256	AFP	01/20/2022	200.00
87715	00805	ACWA/JOINT POWERS INS.	01/20/2022	29,717.52
87716	91590	1ST CHOICE BACKFLOW	01/20/2022	3,380.00

Total for 1/20/2022:

149,428.09

ACH	00152	FPUD EMPL ASSOCIATION	01/27/2022	419.00
ACH	00718	NATIONWIDE RETIREMENT SOLUTIO	01/27/2022	2,962.06
ACH	06758	US TREASURY - PAYROLL TAXES	01/27/2022	58,151.08
ACH	06759	STATE OF CA - PR TAXES	01/27/2022	8,288.38
ACH	06760	STATE OF CA - SDI	01/27/2022	2,527.32
ACH	06761	LINCOLN FINANCIAL GROUP	01/27/2022	7,265.10
ACH	06763	PERS - PAYROLL	01/27/2022	39,450.89
87656	06359	INFRASTRUCTURE ENGINEERING CO	01/27/2022	53,497.58
87657	91312	TERRAPIN GROUP	01/27/2022	55,712.00
87658	00101	ACWA JPIA	01/27/2022	103,012.60
87659	91286	AMAZON CAPITAL SERVICES, INC.	01/27/2022	1,589.01
87660	05778	AQUATIC BIOASSAY AND CONSULTIN	01/27/2022	1,080.00
87661	02743	BEST BEST & KRIEGER	01/27/2022	10,274.68
87662	91440	BP BATTERY INC	01/27/2022	156.11
87663	06413	CALIFORNIA FARM BUREAU FEDERA	01/27/2022	330.00
87664	91690	ALEX DAGONDON	01/27/2022	138.00
87717	06762	DENALI WATER SOLUTIONS LLC	01/27/2022	12,418.82
87718	06711	ECS IMAGING, INC	01/27/2022	3,850.00
87719	05987	FALLBROOK GARAGE & QWIK LUBE	01/27/2022	1,671.66
87720	01099	FALLBROOK IRRIGATION INC	01/27/2022	281.88
87721	00169	FALLBROOK OIL COMPANY	01/27/2022	1,812.48
87722	01155	FALLBROOK WASTE/RECYCLING	01/27/2022	61.88
87723	04494	FEDERAL EXPRESS CORPORATION	01/27/2022	169.76
87724	91200	FIRST BANKCARD	01/27/2022	948.63
87725	91202	FIRST BANKCARD	01/27/2022	433.19
87726	91225	FIRST BANKCARD	01/27/2022	559.00

Check No	Vendor No	Vendor Name	Check Date	Check Amount
87727	91323	FIRST BANKCARD	01/27/2022	299.99
87728	91540	FIRST BANKCARD	01/27/2022	3,335.92
87729	91678	FIRST BANKCARD	01/27/2022	539.43
87730	02972	FISHER SCIENTIFIC COMPANY LLC	01/27/2022	1,830.79
87731	05560	FRANCHISE TAX BOARD	01/27/2022	50.00
87732	91110	GOVERNMENTJOBS.COM, INC.	01/27/2022	5,264.30
87733	02170	GRAINGER, INC.	01/27/2022	1,838.18
87734	UB*00419	DIANE HICKS	01/27/2022	497.04
87735	90913	INNOVYZE, INC	01/27/2022	5,016.00
87736	91648	KING LEE CHEMICAL COMPANY	01/27/2022	1,237.40
87737	03179	LAWSON PRODUCTS INC	01/27/2022	89.47
87738	91130	LINCOLN NATIONAL LIFE INSURANC	01/27/2022	6,955.44
87739	00370	NUTRIEN AG SOLUTIONS, INC.	01/27/2022	41.70
87740	91591	OPERATIONAL TECHNICAL SERVICES	01/27/2022	5,374.32
87741	01267	PACIFIC PIPELINE	01/27/2022	131.24
87742	02206	STATE WATER RESOURCES CONTROL	01/27/2022	756.00
87743	02797	STEVE STONE	01/27/2022	141.00
87744	00159	SUPERIOR READY MIX	01/27/2022	1,495.62
87745	91385	VERONICA TAMZIL	01/27/2022	60.00
87746	91656	VAUGHAN'S INDUSTRIAL REPAIR	01/27/2022	1,370.00
87747	05247	WATEREUSE ASSN-SD REG CHAPTER	01/27/2022	225.00
87748	91284	WM CORPORATE SERVICES, INC	01/27/2022	1,661.27
Total for 1/27/2022:				405,271.22
Report Total (177 checks):				2,905,147.60

A handwritten signature in blue ink, appearing to read 'Jack Bebee', is written over a solid black horizontal line. The signature is fluid and cursive.

Jack Bebee

General Manager

FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS

DIRECTOR'S REPORT OF CONFERENCE / MEETING ATTENDANCE

Director Name: Jennifer DeMeo

Name & Location of Function: SOCSDA Quarterly Dinner  
9400 Aero Squadron Restaurant  
San Diego CA

Date(s) of Attendance: Nov 18th, 2021

Purpose of Function: Education

Sponsoring Organization: S F I D water

Summary of Conference or Meeting:

Dined outside at 9400 Aero Squadron  
Jack B moderated discussion on  
Workplace Sustainability with 4 industry professionals  
Questions + Answer was robust  
Identified need to attract younger  
employees + inform of opportunity  
in high school and elementary school  
to increase candidate pool in future

Director Signature: Jen DeMeo

Date: 1/30/2022

*The Administrative Code requires reports of conferences or meetings for which a director requests per diem or expense reimbursement. Reports must be submitted to the secretary no later than one (1) week prior to the board meeting.*

*Reports must be submitted before the District will pay per diem or reimbursement for the conference or meeting. Reports are not required for board or committee meetings or meetings with board or committee officers, the general manager, or the general counsel.*

FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS

DIRECTOR'S REPORT OF CONFERENCE / MEETING ATTENDANCE

Director Name: Jennifer DeMeo

Name & Location of Function: ACWA Fall Conference  
Pasadena Convention Center  
Pasadena CA

Date(s) of Attendance: Nov 30 - December 2nd, 2021

Purpose of Function: Education

Sponsoring Organization: Association of California Water Agencies

Summary of Conference or Meeting:

Tues Nov 30am - Attended Membership Committee Meeting 3pm-4:45  
+ Welcome Reception in Exhibit Hall

Wednesday December 1st - Registration

8am - Opening Breakfast

10AM Region Forum

12AM Luncheon — General Session / Election

Election was uncontested Pam Johnson at Large Green VP

1:15 - Region Forum 3:30 Roundtable Talks

7PM BBK Reception was well attended + very good

Thursday ~~Nov~~ Dec 2 Networking Breakfast / Closing Reception

Director Signature: Jenny DeMeo

Date: 1/30/2022

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FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS

DIRECTOR'S REPORT OF CONFERENCE / MEETING ATTENDANCE

Director Name: Kenneth Endter

Name & Location of Function: CSDA Virtual Conference  
Quarterly Meeting

Date(s) of Attendance: 2-17-22

Purpose of Function: Monthly Meeting & state Budget Plan

Sponsoring Organization: CSDA

Summary of Conference or Meeting:

opened by President Al Lau. CSDA event information  
by Chris Palmer and State Law events.  
Speakers from Governor's office: Maurice Lyles, & Zach  
Bunshaft. Gov. Planned Budget proposal presented.  
ie: 2.7 Billion for 3 yr. plan to support critical wildfire  
resilience, 5.2B over 3 yrs. to ensure water security,  
800 million to help with "Climate" cooling projects, Cutting greenhouse  
gas by 2030 of 30%, Grants to Healthcare Scholarships, \$'s for undocumented  
864K Californian \$,  
A Covid Package of 1.9B

Director Signature: 

Date: 2-17-22

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