


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

MINUTES

**MONDAY, MARCH 22, 2021
4:00 P.M.**

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

If you have a disability and need an accommodation to participate in the meeting, please call the Secretary at (760) 999-2704 for assistance so the necessary arrangements can be made.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President DeMeo called the March Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. President DeMeo deferred to General Counsel de Sousa to make the following statements on the record regarding the proceedings for this meeting:

General Counsel de Sousa announced, for the record, that this meeting was conducted by teleconference using the call-in and web link on the agenda, pursuant to the Brown Act waivers to certain provisions under the Governor's Executive Order in response to the COVID-19 State of Emergency.

General Counsel de Sousa also announced the agenda provided notice that members of the public were encouraged to participate in the Board meeting via teleconference using the call-in and web link information, and that members of the public could have also emailed public comments and comments on agenda items in advance of the meeting by mailing them to the District, dropping them in the District's payment drop box, or emailing them to the Board Secretary. Any such written comments would be read on to the record at the appropriate portion of the meeting – up to a limit of three (3) minutes per comment.

General Counsel de Sousa noted, for the record, there were no written public comments for any agenda items submitted prior to the submission deadline.

A quorum was established, and attendance was as follows:

Board of Directors

Present: Jennifer DeMeo, Member/President
Dave Baxter, Member/Vice President

Ken Endter, Member
Don McDougal, Member
Charley Wolk, Member
Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager
Paul de Sousa, General Counsel
Dave Shank, Assistant General Manager/CFO
Jason Cavender, Operations Manager
Aaron Cook, Engineering Manager
Noelle Denke, Public Affairs Specialist
Steve Stone, Field Services Manager
Owni Toma, Chief Plant Operator
Jodi Brown, Management Analyst
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Craig Balben

PLEDGE OF ALLEGIANCE

Vice President Baxter led the Pledge of Allegiance.

General Counsel de Sousa announced that President DeMeo 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 through Zoom webinar or Zoom teleconference. After public comments, President DeMeo 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 DeMeo would then call on each Director to see if there were questions for staff regarding their presentation. After the round of questions, President DeMeo would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President DeMeo would call on each Director to see if there were any comments. General Counsel de Sousa announced all votes would be done by roll call.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

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

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

ABSENT: None

PUBLIC COMMENT

Members of the public are invited to address the Board of Directors on any item that is within the subject matter jurisdiction of the legislative body. The Board President may limit comments to three (3) minutes.

President DeMeo stated, as permitted under the Brown Act, the Board would hear public comments on items within the subject matter jurisdiction of the District that were not on the agenda.

President DeMeo requested that members of the public, who wished to speak on non-agenda items, raise their hand via Zoom Webinar by clicking on the 'Raise Hand' button and via phone by pressing star nine. President DeMeo then asked the Board Secretary if there were any members of the public who would have liked to be heard, or if any written public comments for non-agenda items had been received via mail, email, or deposit.

There were no public comments on non-agenda items or agenda items A through C.

A. YEARS OF SERVICE

1. Jeff Evans – 20 years
2. Nick Iliev – 5 years

The Board recognized Jeff Evans for his 20 years of service to the District and Nick Iliev for his five years of service to the District.

B. EMPLOYEE ANNOUNCEMENTS

1. Matt Lian
2. Alex Galloway

The Board recognized Matt Lian for his transfer to Utility Worker II and Alex Galloway for his transfer to System Operator I.

C. NEW EMPLOYEE ANNOUNCEMENTS

1. Eddie Rodriguez, Meter Services/Construction Supervisor

The Board welcomed Eddie Rodriguez as the new Meter Services/Construction Supervisor.

II. **CONSENT CALENDAR**----- (ITEMS D–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.

There were no public comments on Consent Calendar agenda items.

D. CONSIDER APPROVAL OF MINUTES

1. February 22, 2021 Regular Board Meeting

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

E. CONSIDER CLAIM FOR INUNDATION OF WATER ONTO REAL PROPERTY

Recommendation: The aggregate cost of the claims related to the incident will exceed the District retrospective allocation point of \$25,000. Staff recommends rejection of this claim, and any and all claims resulting from this incident, and to forward all claims for this incident to ACWA/JPIA for resolution.

F. CONSIDER ADOPTING RESOLUTION NO. 5007 CONCURRING IN NOMINATION OF JO MACKENZIE TO THE CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS

Recommendation: That the Board adopt Resolution No. 5007 concurring in nomination of Jo MacKenzie to represent the Southern Network, Seat A, on the California Special Districts Association Board of Directors.

G. CONSIDER APPROVAL OF THE SINGLE AUDIT CONDUCTED ON THE SANTA MARGARITA CONJUNCTIVE USE PROJECT TREATMENT PLANT

Recommendation: Approve the Single Audit and Resolution 5008 making the recommended changes to the District's Administrative Code.

General Manager Bebee commented the Single Audit had been completed, and there was one item that adjusted language to make sure we check federal fund limits.

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

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

NOES: None

ABSTAIN: None

ABSENT: None

III. INFORMATION------(ITEM H)

H. EMPLOYEE SATISFACTION SURVEY RESULTS

Presented by: Lisa Chaffin, Human Resources Manager

The Board reviewed the results from the Employee Satisfaction Survey. General Manager Bebee reported the results were presented to the Personnel Committee. He noted the results were again positive and even showed a slight improvement compared to last year.

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

I. CONSIDER REQUEST FROM CUSTOMER TO ADDRESS BOARD ON ACCOUNT #016742-000

Recommendation: That the Board support the approach provided by staff to the customer and provide a one-time credit to the account of \$1,086.72, based on the lowest amount that could have been incurred if the account was placed on standby 6-months prior.

There were no public comments on agenda item I.

AGM/CFO Shank provided a summary of the agenda item I, reporting staff conducted quite a fair amount of due diligence in identifying this owner of this account and alerting them their account was accruing fees, to the amount of around \$3,800 to date. The account has been locked and put on standby, per the request of the owner. Staff was working with the owner to try to resolve the issue, and the District had offered to give them a six month credit. The customer requested to address the Board to see if they would offer him a larger credit.

Director Wolk asked if the customer changed his mind about addressing the Board. AGM/CFO Shank noted staff reached out to the customer, and he was unsure if he would be able to participate in the meeting.

Director Wolk complimented staff on their generosity in providing a credit to this account.

Vice President Baxter also complimented staff on the process in which they document a credit. He also reported he thought the customer would have prioritized addressing the Board if requesting a larger credit.

MOTION: Director Endter moved to approve a one-time credit to account #016742-000 in the amount of \$1,086.72, based on the lowest amount that could have been incurred if the account was placed on

standby six months prior; Director McDougal seconded. Motion passed; VOTE:

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

J. CONSIDER AWARD OF GUM TREE PIPELINE REPLACEMENT PROJECT (JOB 3141)

Recommendation: The Board authorize award of the Gum Tree Pipeline Replacement Project to the lowest responsible bidder, SRK Engineering for \$428,500.

There were no public comments on agenda item J.

Engineering Manager Cook reported this was part of the pipeline replacement project. This pipeline is old and has had multiple leaks. He also noted this pipeline was through a right of way area and not through streets. There are sections that are above grade, which are in poor condition. Engineering Manager Cook reported there were 14 bids, and the SRK Engineering came in as the lowest bidder. They have done work for the District in the past.

Engineering Manager Cook reported the District is slightly behind schedule for planned pipeline replacement, and there is a very likely chance this project will be incurred during the next fiscal year.

General Manager Bebee announced to make sure we stay on target for our pipeline replacement goal, if we underperform one year, we will roll that into the next year's PAYGO pipeline budget to stay on target.

Vice President Baxter reported that the Engineering & Operations Committee reviewed the range of bids received and felt confident in SRK's bid.

MOTION: Vice President Baxter moved to authorize award of the Gum Tree Pipeline Replacement Project to the lowest responsible bidder, SRK Engineering for \$428,500; Director McDougal seconded. Motion passed; VOTE:

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

K. CONSIDER REQUEST FOR APPROVAL TO PROCEED WITH SCADA INTEGRATIONS RFP FOR CONVEYER PROJECT

Recommendation: *The Board authorize a services agreement with SCADA Integrations for the Conveyer Upgrade Project at a total value of \$128,470, to be completed in two phases.*

There were no public comments on agenda item K.

General Manager Bebee reported the Engineering & Operations Committee reviewed this item and provided the Board with a summary, including that this project would be completed in two phases.

MOTION: Director Wolk moved to authorize a services agreement with SCADA Integrations for the Conveyer Upgrade Project at a total value of \$128,470, to be completed in two phases; Vice President Baxter seconded. Motion passed; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

L. CONSIDER PROFESSIONAL SERVICES CONTRACT FOR SANTA MARGARITA GROUNDWATER TREATMENT PLANT OPERATIONS PLAN

Recommendation: *The Board authorize a Professional Services Agreement with Arcadis U.S. Inc. for an amount not to exceed \$72,320.*

There were no public comments on agenda item L.

General Manager Bebee reported this operations plan was a requirement of the Department of Drinking Water. This was also an opportunity for the Operators to have a clear document that describes exactly how to operate the facility and understand what specific steps should be taken happen if something went wrong.

MOTION: Director McDougal moved to authorize a Professional Services Agreement with Arcadis U.S. Inc. for an amount not to exceed \$72,320 for the Santa Margarita Groundwater Treatment Plant operations plan; Director Endter seconded. Motion passed; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

- M. CONSIDER CALL FOR NOMINATIONS, ALTERNATE SPECIAL DISTRICT MEMBER TO SERVE ON THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION (LAFCO)

Recommendation: If any member of the Board of Directors expresses a desire for nomination to the vacant position, upon a motion made and passed by the Board, staff will assist the nominee in completing the necessary paperwork for submittal to LAFCO by the deadline for nominations, which is Friday, April 23, 2021.

There were no public comments on agenda item M.

General Manager Bebee reported this was a good position if anyone was interested in being involved in more regional LAFCO activities.

There was no action taken by the Board.

- N. CONSIDER REQUEST FOR APPROVAL TO AWARD ONE-TIME PAVING PROJECT TO ONYX PAVING COMPANY, INC.

Recommendation: The Board approve the award of a one-time paving project to Onyx Paving Company, Inc. in the amount of \$77,120.00.

There were no public comments on agenda item N.

General Manager Bebee reported this was for the projects that have been accruing over the months. He reported Field Services Manager Stone will be outlining the District's paving strategy in the coming months. General Manager Bebee announced the District was staying under the paving budget.

Director Wolk stated he was excited to see this approach and would be interested to compare how this project stacked up to projects the District has completed in the past.

Vice President Baxter asked if the District had used Onyx Paving Company, Inc. in the past. Field Services Manager Stone responded that we have not. Vice President Baxter asked if the District did their due diligence. General Manager Bebee reported that Warehouse/Purchasing Supervisor Collins does conduct reference checks.

President DeMeo asked if Onyx Paving Company, Inc. was local. General Manager Bebee did not think they were local.

MOTION: Director Endter moved to approve the award of a one-time paving project to Onyx Paving Company, Inc. in the amount of \$77,120.00; Director McDougal 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)

1. General Counsel

- General Counsel de Sousa provided an overview of SB 361, AB 703, and AB 339. She also reported the FPPC issued a couple of advice letters for projects within 500-1000 feet of a Board member's home.

2. SDCWA Representative Report

- General Manager Bebee reported there was an SDCWA Board meeting on Thursday, which will include the UWMP agenda item.
 - Director Wolk asked about the SDCWA's reorganization of their committees. General Manager Bebee was unsure what the reasoning was for this.

3. General Manager

a. Engineering and Operations Report

- General Manager Bebee provided an overview of the written report included in the packet.

4. Assistant General Manager/Chief Financial Officer

a. Financial Summary Report

b. Treasurer's Report

c. Budget Status Report

d. Warrant List

- AGM/CFO Shank provided an overview of the written reports included in the packet.
- General Counsel de Sousa announced this would be the time to speak about the SDCWA rebate and how that would potentially be used. General Manager Bebee reported this would end up on the April agenda to discuss the approach appropriately.

5. Public Affairs Specialist

- Public Affairs Specialist Denke reported she had given virtual classroom presentations. She also announced there was an Ad-Hoc Committee meeting for the 100-year anniversary scheduled for Wednesday. Public Affairs Specialist Denke also noted she was working on an ad for the Village News.

6. Notice of Approval of Per Diem for Meetings Attended

- a. Notification of Approval for Directors' Attendance for Virtual Cybersecurity Training.

- President DeMeo provided notice to the Board that she approved Director McDougal's attendance to a virtual cybersecurity training.
7. Director Comments/Reports on Meetings Attended
 8. Miscellaneous

ADJOURN TO CLOSED SESSION

General Counsel de Sousa announced that members of the public were welcome to continue to stay on the teleconference 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.

President DeMeo requested that members of the public, who wished to speak on any Closed Session agenda items, raise their hand via Zoom Webinar by clicking on the "Raise Hand" button and via phone by pressing star nine.

There were no public comments on any Closed Session agenda items.

The Board of Directors adjourned to Closed Session at 5:11 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Items VI.1 through VI.3.

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

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

One (1) Potential Case (Claim filed by Michael Rude and Terri Rude)

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

One (1) Potential Case

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

One (1) Potential Case

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 5:40 p.m.

REPORT FROM CLOSED SESSION (*As Necessary*)

General Counsel de Sousa made the following announcement:

The Board met in Closed Session on the items listed on the agenda. With regard to Closed Session Agenda Item 1 (Claim filed by Michael Rude and Terri Rude), on motion of Director McDougal, seconded by Director Endter, the Board unanimously voted to deny the claim filed by Michael Rude and Terri Rude dated March 4, 2021, for lack of merit.

VII. ADJOURNMENT OF MEETING

There being no further business to discuss, President DeMeo adjourned the March Regular Meeting of the Fallbrook Public Utility District at 5:41 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors