



FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING

MINUTES

WEDNESDAY, MAY 27, 2020  
4:00 P.M.

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

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

**I. PRELIMINARY FUNCTIONS**

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Endter called the May Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:03 p.m.

President Endter 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.

President Endter 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. These instructions supersede the District's normal public comment procedures.

A quorum was established, and attendance was as follows:

Board of Directors

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

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager  
Paul de Sousa, General Counsel  
Dave Shank, Assistant General Manager/CFO  
Lauren Eckert, Executive Assistant/Board Secretary

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

PLEDGE OF ALLEGIANCE

President Endter led the Pledge of Allegiance.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

President Endter announced that he would call on staff to make a presentation of each agenda item. After the presentation was made, to avoid everyone speaking at once, President Endter reported he would then call on each Director to see if there were questions for staff regarding their presentation. President Endter stated after the round of questions, he would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President Endter would call on each Director to see if there were any comments. He announced all votes would be done by roll call.

PUBLIC COMMENT

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

There were no public comments.

A. EMPLOYEE OF THE QUARTER  
1. Nick Iliev

General Manager Bebee recognized Nick Iliev as the Employee of the Quarter for May 2020.

B. YEARS OF SERVICE  
1. Kyle Drake – 35 years

2. Eddie Taylor – 33 years

General Manager Bebee recognized Kyle Drake for his 35 years of service to the District and Eddie Taylor for his 33 years of service to the District.

**II. CONSENT CALENDAR----- (ITEMS C – E)**

*All items appearing on the Consent Calendar may be disposed of by a single motion. Items shall be removed from the Consent Calendar if any member of the Board of Directors or the public requests removal prior to a vote on a motion to approve the items. Such items shall be considered separately for action by the Board.*

**C. CONSIDER APPROVAL OF MINUTES**

1. April 27, 2020 Regular Board Meeting

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

**D. CONSIDER ADOPTION OF 2020-21 APPROPRIATION GROWTH RATE;  
RESOLUTION NO. 4996**

*Recommendation: That the Board adopt attached Resolution No. 4996 setting the tax appropriation limit for 2020-21 at \$3,320,644, which includes the Fallbrook and DeLuz service areas and Improvement District "S."*

**E. CONSIDER NOTICE OF COMPLETION – MAIN PARKING AREA &  
EQUIPMENT YARD REHABILITATION**

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

**MOTION:** Director McDougal moved to approve the Consent Calendar as presented;  
Director Baxter seconded. Motion passed; VOTE:

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

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

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

**F. PIPELINE AND VALVE REPLACEMENT PROGRAM**

Presented by: Aaron Cook, Senior Engineer

General Manager Bebee provided the Board an update to the Pipeline and Valve

Replacement Program. He explained this update went through the Engineering & Operations Committee. General Manager Bebee reported there is a target of 100 valve replacements per year, but because of the COVID-19 shutdown, we have fallen a little behind this year. He explained once the meter replacement project is finished, additional staff can be migrated to work on valve replacements to make more progress.

General Manager Bebee explained the District needed to look at getting on a more reasonable replacement cycle for mains, which may involve increasing the capital improvement charge, as right now, there is \$2M per year budgeted, but it should be around \$4.5M. General Manager Bebee reported the takeaway was that both pipeline and valve replacement work would need to be escalated for the District to reach its target. This would require a discussion regarding the capital improvement charge in the future.

President Endter asked if there is an estimated completion date to have the meters done. General Manager Bebee stated they should be complete by the end of this year or beginning of next year.

Director Baxter reiterated that this was discussed in detail with the Engineering & Operations Committee, and the pipelines can be a complex problem. Director Baxter reported the District should expand its reach to other Districts to see if there are best practices that can be leveraged when it comes to certain areas of the distribution system that has pipeline that is thicker and has a much longer lifespan. He noted, by determining where this thicker pipe is, it can be taken out of the equation for the time being, which would lessen the overall capital improvement cost.

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

**G. CONSIDER REGIONAL CONVEYANCE SYSTEM STUDY LETTER FROM BOARD PRESIDENT**

*Recommendation: That the Board approve the attached letter, drafted by the FP&I Committee, be sent from the District Board President to the Water Authority Chairman and to copy other District Board Presidents or SDCWA representatives.*

**MOTION:** Director McDougal moved to approve the letter, drafted by the FP&I Committee, be sent from the District Board President to the Water Authority Chairman and to copy other District Board Presidents or SDCWA representatives; Vice-President DeMeo seconded. Motion passed; **VOTE:**

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

H. CONSIDER MORRO ROAD SEWER EXTENSION REPAYMENT AGREEMENT

*Recommendation: That the Board of Directors approve the final Repayment Agreement for GRK Developers and the Payment Plan for the customers at Parcel 106-152-41.*

MOTION: Director McDougal moved to approve the final Repayment Agreement for GRK Developers and the Payment Plan for the customers at Parcel 106-152-41; Director Wolk 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
2. SDCWA Representative Report
  - General Manager Bebee reported that the Water Authority is reviewing rates at their Board Meeting the following day. He summarized that the aggregate rate increase is 6%. For the time being, General Manager Bebee was not sure what that meant for the District, but recognized that since our demands have been dropping, typically that will yield a higher percentage of the increase to the District.
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
    - Assistant General Manager/Chief Financial Officer Shank provided an overview of the written reports included in the board packet.
5. Public Affairs Specialist
  - Public Affairs Specialist Denke reported she is working on a District newsletter and the annual water quality report. She also noted she is working on monthly videos in regards to the detachment and proposed Board members could be involved in the videos.
6. Notice of Approval of Per Diem for Meetings Attended
  - Notification of Approval for Director's attendance for a telephone conference between Supervisor Jim Desmond and Policy Advisor, Ben Mills, on Friday, May 1, 2020.

- President Endter provided notice to the Board that he approved Director McDougal's attendance at a telephone conference with Supervisor Jim Desmond, Supervisor Desmond's Policy Advisor, Ben Mills, and General Manager Bebee on Friday, May 1, 2020.

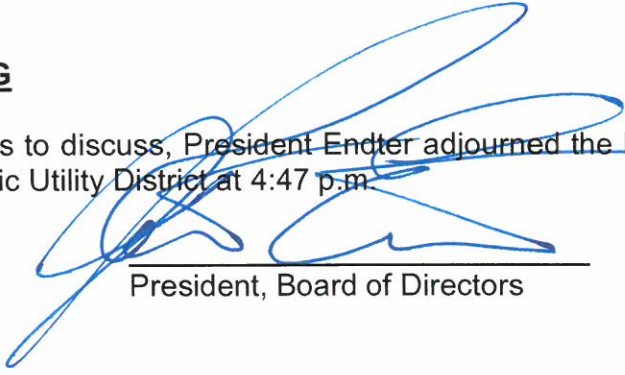
7. Director Comments/Reports on Meetings Attended

- Director McDougal provided an oral report on his teleconference meeting with Supervisor Jim Desmond, Supervisor Desmond's Policy Advisor, Ben Mills, and General Manager Bebee on Friday, May 1, 2020. Director McDougal explained Supervisor Desmond continues to be a good resource for the District, and the meeting went well.
- President Endter announced he and General Manager Bebee had a teleconference with Senator Jones's office regarding the funds were available for the SMRCUP Project. The last payment was received in 60 days, and President Endter reiterated that he and General Manager Bebee were told that the extended timing of payment should not happen in the future, and notification should be provided to Senator Jones's office if payment is not received by the District within 45 days.
- Director Baxter reported he had the opportunity to join General Manager Bebee and Director Wolk on May 4<sup>th</sup> for the LAFCO meeting. Director Baxter also noted, on May 11<sup>th</sup>, he had the opportunity to join the Wildlands Conservancy and Fallbrook Trails Counsel, as they were doing some clearing of the trails, and District Staff were able to show where the pipeline ran through the area.

8. Miscellaneous

**VI. ADJOURNMENT OF MEETING**

There being no further business to discuss, President Endter adjourned the May Regular Meeting of the Fallbrook Public Utility District at 4:47 p.m.



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President, Board of Directors

ATTEST:



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Secretary, Board of Directors