

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

**MINUTES**

**MONDAY, APRIL 30, 2018  
4:00 P.M.**

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

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**I. PRELIMINARY FUNCTIONS**

**CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM**

President Gebhart called the special meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:03 p.m. A quorum was established, and attendance was as follows:

**Board of Directors**

**Present:** Milt Davies, Member  
Jennifer DeMeo, Member  
Al Gebhart, Member/President  
Don McDougal, Member/Vice-President  
Charley Wolk, Member

**District Staff**

**Present:** Arlene Prater, Special Counsel  
Bruce Beach, Special Counsel  
Jack Bebee, Acting General Manager  
Lisa Chaffin, Human Resources Manager  
Mary Lou West, Secretary

**PLEDGE OF ALLEGIANCE**

President Gebhart led the Pledge of Allegiance.

**APPROVAL OF AGENDA**

**MOTION:** Vice-President McDougal moved to approve the agenda as presented; Director DeMeo seconded. Motion passed; **VOTE:**

**AYES:** Directors Davies, DeMeo, Gebhart, McDougal, and Wolk  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

## PUBLIC COMMENT

No members of the public who were present requested to speak during Public Comment.

## II. ACTION / DISCUSSION CALENDAR

### A. CONSIDER A PURCHASE AND SALE AGREEMENT AND ESCROW INSTRUCTIONS FOR THE SANTA MARGARITA RIVER PROPERTY

*Recommendation:* Staff supports Board direction. If Board elects to move forward with Option 1, the potential Board Action would be to direct staff to continue to evaluate and develop a plan for long-term operation of the property by the District. If the Board elects Option 2, the potential Board action would be to vote to approve the Agreement for Purchase and Sale Escrow Instruction for the Santa Margarita River Property with the Wildlands Conservancy.

Mr. Bebee reported in September 2017, the District issued a Request for Proposals (RFP) for the Santa Margarita River Property (Property) and in January 2018, the District received one response to the RFP from The Wildlands Conservancy (Wildlands). Mr. Bebee presented two options for the Property: (1) the District continue ownership, management, and maintenance of the Property or (2) the District move forward with the purchase and sales agreement with Wildlands. Mr. Bebee noted that continued ownership would result in increased costs to the District for management and maintenance of the Property. Alternatively, Wildlands has proposed to purchase the Property for \$10 million. The terms of the sale require a \$50,000 deposit and a one-year escrow to secure funding, which may come from Proposition 68 funds if passed in June 2018. Additionally, the sale would include a trail easement to Live Oak Park Coalition (Coalition) or the Fallbrook Trails Council (FTC) that would manage the trail system.

President Gebhart stated the parties have worked with legal counsel who are in agreement with the terms of the sale. President Gebhart further stated that as a member of the Coalition board, he has an administrative interest but does not have a financial interest in the sale. Furthermore, his relationship with the Coalition does not preclude him for voting or making comments on this matter.

Lita Tabish stepped to the podium and expressed support in favor of continued access by the public to the Santa Margarita River trails. She stated there is an online petition, "Save the Trails," with 1,915 signatures of support that includes 850 written comments. Additionally, the FTC has gathered 1,000 signatures on cards in support of Proposition 68 on the June 2018 ballot. Mrs. Tabish mentioned that the FTC has installed counters at the trailheads that have tallied more than 14,500 visitors to the trails since March 23, 2018. Mrs. Tabish requested the Board vote in support of the agreement with Wildlands.

Zach Kantor-Anaya of Wildlands stepped to the podium and stated he has hosted docent led tours of Live Oak Park and noticed a desire in the community for an expansion of those types of experiences. Mr. Kantor-Anaya further stated that Wildlands is looking forward to becoming stewards of the Property and providing recreational and educational opportunities to the public.

David Myers of Wildlands stepped to the podium and praised the Board for keeping the trails open to the public through the years. Mr. Myers talked about the agreement and stated Wildlands is prepared to secure funding for purchase of the Property. Mr. Myers claimed that Wildlands is the best land steward in the state of California, as reflected in their preserves, and is looking forward to working with the local community.

Donna Gebhart stepped to the podium and introduced herself as chair of the Fallbrook Trails Council (FTC) for the past 19 years. Mrs. Gebhart expressed her support of Wildlands purchasing the Property and for its partnership with the FTC. Mrs. Gebhart noted that there are trail counters at Willow Glen and Sandia Creek and FTC plans to install counters at three additional locations. The counters have tallied 9,631 visitors to the trails in April, which would total over 115,000 visitors annually. Mrs. Gebhart reiterated that although Wildlands will own and maintain the Property, the FTC would have a trail easement and continue responsibility for the trails.

Dave Baxter, a member of the FTC, stepped to the podium and stated the U.S. Travel and Tourism Advisory Board equates \$10.43 per person in revenue for each person that visits a park or a hiking, biking, or equestrian area. Based on the expected number of visitors to the Santa Margarita River trails, Mr. Baxter suggested there would be approximately \$1.1 million in additional revenue annually to the local community.

Director Davies asked about the estimated cost per meter to the District for management of the Santa Margarita River Property. Mr. Bebee remarked that based on cost from Olivenhain MWD for operating the Elfin Forest Recreational Reserve (Reserve), the cost would be \$70 annually per account for similar staffing as the Reserve, which includes three personnel. Reducing personnel in half would bring down the cost to approximately \$25 annually per account.

Director Wolk talked about Sections 1(a), 1(b), 2(b), and 2(c) of the Agreement for Purchase and Sale and Escrow Instructions relative to specificity of dates and potentially adding a requirement for board-approval to extend escrow. Mr. Beach responded to Director Wolk's concerns and stated an amendment to the agreement to require board-approval to extend escrow would constitute a fundamental change requiring re-review by legal counsel.

Vice-President McDougal remarked that in the past he was not in favor of selling the Property due to concerns the buyer would eliminate public access to the trails. After touring the Whitewater River Preserve owned by Wildlands and experiencing its

amenities, he believes that ownership of the Property by Wildlands would benefit the local community and enhance the public's recreational and educational opportunities.

MOTION: Vice-President McDougal moved to approve the Agreement for Purchase and Sale and Escrow Instruction for the Santa Margarita River Property with the Wildlands Conservancy; Director Davies seconded. Motion passed;  
VOTE:

AYES: Directors Davies, DeMeo, Gebhart, and McDougal  
NOES: Director Wolk  
ABSTAIN: None  
ABSENT: None

At 4:39 p.m., President Gebhart announced the Board would take a brief recess.

At 4: 44 p.m., the Board reconvened to Open Session.

#### B. CONSIDER RECRUITMENT OF SENIOR ENGINEER TECHNICIAN

*Recommendation: Personnel Committee recommends authorizing staff to finalize a new Senior Engineer job description, establish a salary range for the position, and initiate recruitment with the approval of the Personnel Committee.*

Mr. Bebee reported the Engineering Supervisor will likely be retiring within the next year. Rather than filling the Engineering Supervisor position upon the incumbent's retirement, it would be advantageous to create a Senior Engineer position to provide professional engineering design and project management services to the District. The recommendation is to work with the Personnel Committee to move forward with finalization of a job description, salary range, and recruitment of a new Senior Engineer position.

MOTION: Vice-President McDougal moved to authorize staff to finalize a new Senior Engineer job description, establish a salary range for the position, and initiate recruitment with the approval of the Personnel Committee; Director Davies seconded. Motion passed; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk  
NOES: None  
ABSTAIN: None  
ABSENT: None

#### ADJOURN TO CLOSED SESSION

The Board of Directors adjourned to Closed Session at 4:51 p.m. following an announcement by President Gebhart of Closed Session Item III., 1.

**III. CLOSED SESSION**

1. CONFERENCE WITH LEGAL COUNSEL: SIGNIFICANT EXPOSURE TO LITIGATION, PURSUANT TO GOVERNMENT CODE SECTION 54956.9(D)(2)

ONE POTENTIAL CASE (CLAIM FILED MARCH 23, 2018)

RECONVENE TO OPEN SESSION

The Board returned from Closed Session and reconvened to Open Session at 5:25 p.m.

REPORT FROM CLOSED SESSION (*As Necessary*)

MOTION: Vice-President McDougal moved that the Board reject the Claim filed March 23, 2018; Director DeMeo seconded. Motion passed; VOTE:

AYES: Directors Davies, DeMeo, Gebhart, McDougal, and Wolk  
NOES: None  
ABSTAIN: None  
ABSENT: None

**IV. ADJOURNMENT OF MEETING**

There being no further business to discuss, President Gebhart adjourned the special meeting of the Board of Directors of the Fallbrook Public Utility District at 5:28 p.m.

  
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President, Board of Directors

ATTEST:

  
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Secretary, Board of Directors