

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

MINUTES

MONDAY, JANUARY 28, 2019
4:00 P.M.

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

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President McDougal called the Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. A quorum was established, and attendance was as follows:

Board of Directors

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

Absent: None

District Staff

Present: Paula de Sousa Mills, General Counsel
Jack Bebee, General Manager
David Shank, Assistant General Manager/Chief Financial Officer
Mavis Canpinar, Customer Service Specialist
Devin Casteel, System Operations Supervisor
Aaron Cook, Senior Engineer
Mick Cothran, Engineering Technician
Todd Lange, System Service/Shop Supervisor
Jake Robinson, System Operator
Owni Toma, Chief Plant Operator
Mary Lou West, Secretary

Also present were others, including, but not limited to: David Forman of White Nelson Diehl Evans LLP.

PLEDGE OF ALLEGIANCE

President McDougal led the Pledge of Allegiance.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

There were no additions to the agenda.

APPROVAL OF AGENDA

Director Gebhart stated he would like to remove Item K from the agenda. Discussion ensued, and it was decided that Item K would be discussed since David Forman of White Nelson Evans LLP was at the meeting to present on this item.

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

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

PUBLIC COMMENT

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

There were no public comments.

A. 2018 EMPLOYEE OF THE YEAR; RESOLUTION NO. 4951 1. Mavis Canpinar

Mavis Canpinar was commended by the Board of Directors for being selected as the 2018 Employee of the Year by her peers.

MOTION: Director Wolk moved to adopt Resolution No. 4951; Vice-President DeMeo seconded. Motion passed; VOTE:

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

II. CONSENT CALENDAR------(ITEM B)

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.

B. APPROVAL OF MINUTES

1. December 10, 2018 Combined November/December Regular Board Meeting
2. January 9, 2019 Special Board Meeting

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

Director Wolk requested that the minutes of the December 10, 2018 Combined November/December Regular Board Meeting be pulled from the Consent Calendar for correction.

MOTION: Director Endter moved to approve the Consent Calendar, with the exclusion of Item B (1), the December 10, 2018 Combined November/December Regular Board Meeting minutes; Director Wolk seconded. Motion passed;
VOTE:

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

Director Wolk requested that the minutes of the December 10, 2018 Combined November/December Regular Board Meeting be revised to add the name of the Claimant and the amount of the Claim in Item K.

MOTION: Director Wolk moved to approve the minutes of the December 10, 2018 Combined November/December Regular Board Meeting to include a revision to Item K to add the name of the Claimant and the amount of the Claim; Director DeMeo seconded. Motion passed; **VOTE:**

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

President McDougal announced that Item K be considered next.

K. CONSIDER APPROVING THE DRAFT COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR FISCAL YEAR ENDING JUNE 30, 2018

Recommendation: The Board approve the Draft CAFR for fiscal year ending June 30, 2018.

David Forman of White Nelson Diehl Evans LLP stepped to the podium and provided an overview of the audit process and the Draft Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2018.

Directors Gebhart and Wolk requested that a Fiscal Policy & Insurance Committee be scheduled to review the corrections made by the auditor.

MOTION: Director Gebhart moved to approve the Draft Comprehensive Annual Financial Report for fiscal year ending June 30, 2018, as corrected by the auditor; Director Wolk seconded. Motion passed; VOTE:

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

General Manager Bebee stated the CAFR would be reviewed at the next Fiscal Policy & Insurance Committee meeting to discuss Director Gebhart's and Director Wolk's concerns.

III. INFORMATION----- (ITEMS C – D)

- C. EMPLOYEE ANNOUNCEMENTS
1. Owni Toma, Chief Plant Operator
 2. Jake Robinson, System Operator I

Presented by: Jack Bebee, General Manager

General Manager Bebee announced that Owni Toma was promoted to Chief Plant Operator and Jake Robinson was transferred to the System Operations Department as a Systems Operator.

D. BUDGET STATUS REPORT OVERVIEW AND MID-YEAR UPDATE

Presented by: David Shank, Assistant General Manager/Chief Financial Officer

Assistant General Manager/Chief Financial Officer Shank presented a slide show with an overview of the 2018-19 budget with in-depth discussion of revenues, expenses, and debt service. Mr. Shank also discussed new features of the accounting system and the Treasurer's Report.

IV. ACTION / DISCUSSION CALENDAR -----(ITEMS E – M)

E. CONSIDER REVISING THE 2019 BOARD OF DIRECTORS REGULAR MEETING SCHEDULE

Recommendation: That the Board revise the 2019 Board of Directors Regular Meeting Schedule to change the May Regular Board Meeting date from Wednesday, May 29, 2019, to Monday, May 20, 2019.

MOTION: Director Wolk moved to revise the 2019 Board of Directors Regular Meeting Schedule to change the May Regular Board Meeting date from Wednesday, May 29, 2019, to Monday, May 20, 2019; Director Endter seconded. Motion passed; VOTE:

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

F. CONSIDER REPLACEMENT OF WATER RESOURCES COMMITTEE WITH ENGINEERING AND OPERATIONS COMMITTEE AND UPDATE TO LIST OF MEETINGS NOT REQUIRING ADVANCE APPROVAL; RESOLUTION NO. 4952

Recommendation: That the Board adopt Resolution No. 4952 revising the Administrative Code, more specifically to Section 2.14 replacing the Water Resources Committee with the Engineering and Operations Committee, per the request of the Board President, and to Section 2.12 adding New Board Member Orientation and Training to the list of meetings that do not require advance approval.

President McDougal reiterated that in December he reported that he would bring a proposal to the Board to change the Water Resources Committee to Engineering & Operations Committee.

MOTION: Director Gebhart moved to adopt Resolution No. 4952 revising Administrative Code Section 2.14 replacing the Water Resources Committee with the Engineering and Operations Committee and adding New Board Member Orientation and Training to the list of meetings that do not require advance approval in Section 2.12; Director DeMeo seconded. Motion passed; VOTE:

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

G. CONSIDER APPOINTING A BOARD MEMBER AS THE DISTRICT'S REPRESENTATIVE TO THE ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA JPIA) BOARD OF DIRECTORS; RESOLUTION NO. 4953

Recommendation: That the Board adopt Resolution No. 4953 appointing a Governing Board Member as the District's representative on the ACWA JPIA Board of Directors and affirm that the General Manager shall continue serving as alternate director.

MOTION: Director Gebhart moved to adopt Resolution No. 4953 appointing Vice-President DeMeo as the District's representative on the ACWA JPIA Board of Directors and Director Endter as the alternate; Vice-President DeMeo seconded. Motion passed; VOTE:

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

H. CONSIDER ANNUAL REVIEW OF DIRECTORS' PER DIEM COMPENSATION

Recommendation: Staff supports Board direction.

General Manager Bebee reported the Board is tasked with reviewing Directors' per diem compensation annually, and this item begins the process.

General Counsel de Sousa Mills provided an explanation of the process to increase per diem compensation that includes scheduling a noticed public hearing prior to the adoption of an ordinance. Once the ordinance is adopted, the increase to per diem compensation would not take effect for 60 days.

MOTION: Director Gebhart moved to schedule a public hearing and move forward with the process to increase Directors' per diem compensation; Vice-President DeMeo seconded. Motion passed; VOTE:

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

I. CONSIDER PROPOSED FIELD SERVICES MANAGER POSITION; RESOLUTION NO. 4954

Recommendation: That the Board adopt Resolution No. 4954 approving the Field Services Manager job description and salary range and the related changes to the organizational chart and salary table.

Director Gebhart requested that the requirement for a bachelor's degree be clarified in the job description to emphasize that the academic major must be in a field related to the position.

MOTION: Director Endter moved to adopt Resolution No. 4954 approving the Field Services Manager job description and salary range and the related changes to the organizational chart and salary table, with corrections to the job description under Education, Training, and Experience to include "or a field related to this position" relative to a bachelor's degree; Director DeMeo seconded. Motion passed; VOTE:

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

J. CONSIDER COMPLIANCE TECHNICIAN JOB DESCRIPTION REVISIONS;
RESOLUTION NO. 4955

Recommendation: That the Board adopt Resolution No. 4955 approving the proposed changes to the Compliance Technician job description.

General Manager Bebee reported the Personnel Committee met to review the proposal to revise the Compliance Technician job description. Mr. Bebee noted the proposal does not include a change in pay.

MOTION: Director Gebhart moved to adopt Resolution No. 4955 approving the proposed changes to the Compliance Technician job description; Director Endter seconded. Motion passed; VOTE:

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

L. CONSIDER AWARD OF SANDIA & BUCKNELL PAINTING AND COATING
PROJECT

Recommendation: That the board authorize award of the Sandia & Bucknell Painting and Coating Project to the lowest responsible bidder, AMP United, at an amount of \$700,848.

General Manager Bebee reported that staff is recommending the Board authorize award of the project to AMP United that was the lowest responsible bidder out of six bids in the amount of \$700,848.

MOTION: Vice-President DeMeo moved to authorize award of the Sandia & Bucknell Painting and Coating Project to the lowest responsible bidder, AMP United; Director Wolk seconded. Motion passed; VOTE:

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

M. CONSIDER REPLACEMENT OF TWO CREW SUPPORT UTILITY TRUCKS

Recommendation: That the Board approve the purchase of two (2) F550 pickup trucks with Scelzie Utility Bed/Flat Bed for \$173,809.80 from Fritts Ford and one (1) Wachs Valve/Vacuum from Wachs for \$63,635.00 for a total cost of \$237,444.80 in order to maintain a reliable District fleet to complete necessary infrastructure repairs and replacement. \$260,000 was budgeted for these items in the approved FY 2018/19 budget.

System Service/Shop Supervisor Lange provided an overview of the proposal for the purchase of two trucks. Discussion ensued concerning the Vehicle Replacement Program. The Engineering & Operations Committee will review the Vehicle Replacement Program timeline, and staff will provide an update on the Program to the Board in April.

MOTION: Director Gebhart moved to approve the purchase of two F550 pickup trucks with Scelzie Utility Bed/Flat Bed for \$173,809.80 from Fritts Ford and one Wachs Valve/Vacuum from Wachs for \$63,635 for a total cost of \$237,444.80; Director Wolk seconded. Motion passed; VOTE:

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

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

1. General Counsel
 - General Counsel de Sousa Mills provided the Board with an update of legislation affecting special districts.
2. SDCWA Representative Report
3. General Manager
 - a. Engineering and Operations Report
4. Assistant General Manager/Chief Financial Officer

- a. Treasurer's Report
- b. 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

VI. ADJOURNMENT OF MEETING

There being no further business to discuss, President McDougal adjourned the Regular Meeting of the Board of Directors of the Fallbrook Public Utility District at 6:15 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors