



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

**AGENDA**

**MONDAY, APRIL 24, 2023  
4:00 P.M.**

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

**THIS MEETING WILL BE HELD AT THE ABOVE DATE, TIME, AND LOCATION AND MEMBERS OF THE PUBLIC MAY ATTEND IN PERSON AT THE DISTRICT OFFICE LOCATED AT 990 E. MISSION RD., FALLBROOK, CA 92028. FOR THE CONVENIENCE OF MEMBERS OF THE PUBLIC WHO DO NOT WISH TO ATTEND IN PERSON, FALLBROOK PUBLIC UTILITY DISTRICT PROVIDES A MEANS TO OBSERVE AND PROVIDE PUBLIC COMMENTS AT THE MEETING VIA WEB CONFERENCE USING THE BELOW CALL-IN AND WEBLINK INFORMATION. PLEASE NOTE THAT IN THE EVENT OF TECHNICAL ISSUES THAT DISRUPT THE ABILITY OF MEMBERS OF THE PUBLIC TO VIEW THE MEETING OR PROVIDE PUBLIC COMMENTS THROUGH THE WEB CONFERENCE OPTION, THE MEETING WILL CONTINUE.**

**Join Zoom Meeting**

<https://us06web.zoom.us/j/82003172211?pwd=UU10YWltMkVwWGVAUFNkQnA2bHA4Zz09>

**MEETING ID: 820 0317 2211**

**AUDIO PASSCODE: 363170**

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**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.

*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

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.*

- A. NEW EMPLOYEE ANNOUNCEMENTS
  - 1. Edward Benitez, Utility Worker I
  - 2. Jose Lucca, Department 4 Temp
- B. EMPLOYEE PROMOTION
  - 1. Tyrese Powell-Slotterbeck, Lead Plant Operator
- C. YEARS OF SERVICE
  - 1. Kevin Collins – 5 years
- D. NEW CERTIFICATIONS
  - 1. Rene Ramos – NASSCO
  - 2. Jorge Ibarra – NASSCO

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

- E. CONSIDER APPROVAL OF MINUTES
  - 1. March 27, 2023 Regular Board Meeting

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

- F. CONSIDER RECOGNITION OF VISTA IRRIGATION DISTRICT CENTENNIAL ANNIVERSARY

Recommendation: The Board adopt Resolution 5044, congratulating Vista Irrigation District on its 100<sup>th</sup> anniversary.

G. CONSIDER ADVANCE APPROVAL TO ATTEND MEETINGS

Recommendation: That the Board authorize and approve, in advance, Directors' attendance to the 2023 APWA Awards Event scheduled for May 11, 2023 in San Diego.

III. **INFORMATION**----- (ITEMS H–J)

H. REVIEW STRATEGIC PLAN FOR FISCAL YEAR 2023/2024

Presented by: Jack Bebee, General Manager

I. PIPELINE AND VALVE REPLACEMENT PROGRAM UPDATE

Presented by: Aaron Cook, Engineering Manager

J. REVIEW PRELIMINARY DRAFT FISCAL YEAR 2023-24 OPERATING AND CAPITAL BUDGET EXPENDITURES

Presented by: Dave Shank, Assistant General Manager/CFO

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

K. CONSIDER AMENDMENT OF PROFESSIONAL SERVICE CONTRACT FOR INDEPENDENT FINANCIAL AUDITORS

Recommendation: That the Board authorize staff to amend its professional services agreement with CLA for a three-year term at a not-to-exceed cost of \$142,515. The three-year contract term begins with fiscal year 2022-23. While the contract is for three years, it can be terminated at any time.

L. CONSIDER RESCINDING “WATER SHORTAGE RESPONSE LEVEL 2 – WATER SHORTAGE WATCH”, MOVE TO “NORMAL CONDITIONS”

Recommendation: That the Board rescind the “Water Shortage Response Level 2 – Water Shortage Watch” and declare “Normal Conditions” per the District’s Water Shortage Response Program. Upon declaration, public announcement would be made on the District website and social media outlets. Continued efforts will be made by District staff to promote public education and outreach efforts to encourage water conservation and wise water use.

M. CONSIDER NOTIFICATION OF EMERGENCY DECLARATION FOR PIPE REPAIR ON NORTH MAIN AVE AND ACACIA LANE

*Recommendation: The Committee recommends to the Board that there is a need to continue the emergency action to replace failed pipelines and restore essential service to customers.*

N. CONSIDER ADJUSTING ADMINISTRATIVE CODE TO REFLECT  
MAXIMUM SEWER FLOW AMOUNT

*Recommendation: That the Board adopt Resolution 5045 amending the District's Administrative Code to reflect a maximum winter flow to 20.*

V. **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

ADJOURN TO CLOSED SESSION

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

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PER  
GOVERNMENT CODE SECTION 54957:

*Discuss Performance Evaluation of General Manager*

2. PUBLIC EMPLOYEE PERFORMANCE EVALUATION PER  
GOVERNMENT CODE SECTION 54957:

*Discuss Performance Evaluation of General Counsel*

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

*One (1) Potential Case.*



RECONVENE TO OPEN SESSION

REPORT FROM CLOSED SESSION (*As Necessary*)

**VII. ADJOURNMENT OF MEETING**

\* \* \* \* \*

**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.

April 19, 2023  
Dated / Fallbrook, CA

/s/ Lauren Eckert  
Executive Assistant/Board Secretary

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**M E M O**

**TO:** Board of Directors  
**FROM:** Lauren Eckert, Executive Assistant/Board Secretary  
**DATE:** April 24, 2023  
**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. March 27, 2023 Regular Meeting



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

**MINUTES**

**MONDAY, MARCH 27, 2023  
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 Wolk called the March Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. President Wolk deferred to Assistant General Counsel Norvell to make the following statements on the record regarding the proceedings for this meeting:

Assistant General Counsel Norvell announced, for the record that, this meeting was being conducted by web and teleconference. The agenda provided notice to members of the public on how they may participate in this meeting – either in person, or by using the call-in and weblink information included on the agenda. 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).

Assistant General Counsel Norvell announced that President Wolk would ask the Board Secretary if there were any members of the public who wished to make comments on the agenda item under consideration in person, or through Zoom webinar or Zoom teleconference. He announced in-person comments would be heard first, and virtual comments would be heard immediately thereafter. After public comments, President Wolk would then call on staff to make a presentation for the next item on the agenda. Thereafter, deliberations would proceed in the regular course of District Board discussion and possible action.

A quorum was established, and attendance was as follows:

**Board of Directors**

**Present:** Charley Wolk, Member/President  
Jennifer DeMeo, Member/Vice President  
Dave Baxter, Member

Ken Endter, Member  
Don McDougal, Member

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager  
Nick Norvell, Assistant General Counsel  
Dave Shank, Assistant General Manager/CFO  
Jacob Hyink, Equipment Mechanic  
Jodi Brown, Management Analyst  
Peter Marshall, Crew Leader  
Donald Parker, Construction Supervisor  
Steve Stone, Field Services Manager  
Veronica Tamzil, Accounting Supervisor  
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Lila Hargrove, Ross Pike, Luisa Cano, Stephani Baxter, Jacqueline Howells, and Eileen Delaney.

**I. PRELIMINARY FUNCTIONS**

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

PLEDGE OF ALLEGIANCE

President Wolk led the Pledge of Allegiance.

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 carried; 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.*



Assistant General Counsel Norvell read a written public comment, received from Mr. Lou Ballou, onto the record. Mr. Ballou requested the Board address various concerns he had with the Community Benefit Program as well as concerns as to how the Santa Margarita Conjunctive Use Project has benefited ratepayers.

A. NEW EMPLOYEE ANNOUNCEMENT  
1. Peter Marshall, Crew Leader

There were no public comments for agenda item A.

The Board welcomed Peter Marshall as the new Crew Leader in Department 3 – Collections.

B. YEARS OF SERVICE  
1. Donald Parker – 15 years  
2. Jacob Hyink – 5 years

There were no public comments for agenda item B.

The Board recognized Donald Parker for his 15 years of service to the District and Jacob Hyink for his five years of service to the District.

II. **CONSENT CALENDAR**-----**(ITEM C)**

*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. February 27, 2023 Regular Board Meeting/Public Hearing

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

There were no public comment on Consent Calendar items.

President Wolk requested the reason employees received a Manager's Award be added to the minutes.

MOTION: Director McDougal moved to approve the Consent Calendar, with an amendment to the February 27, 2023 minutes to include the reason employees received a Manager's Award; Director DeMeo seconded. Motion carried; VOTE:

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

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

**D. EMPLOYEE SATISFACTION SURVEY RESULTS**

Presented by: Lisa Chaffin, HR Manager

There were no public comments for agenda item D.

General Manager Bebee reviewed a summary of the employee satisfaction survey results.

**IV. ACTION / DISCUSSION -----(ITEMS E-K)**

**E. CONSIDER ADOPTING RESOLUTION NO. 5042 CONCURRING IN NOMINATION OF OLIVER SMITH TO THE ACWA-JPIA EXECUTIVE COMMITTEE**

Recommendation: That the Board adopt Resolution No. 5042 concurring in nomination of Oliver Smith for election to the ACWA-JPIA Executive Committee.

There were no public comments for agenda item E.

General Manager Bebee announced two Districts were seeking concurring nominations for one of their Directors to the ACWA-JPIA Executive Committee. He explained there was no downside to adopting resolutions for this.

**MOTION:** Director Baxter moved to adopt Resolution No. 5042 concurring in nomination of Oliver Smith for election to the ACWA-JPIA Executive Committee; Director McDougal seconded. Motion carried; VOTE:

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

**F. CONSIDER ADOPTING RESOLUTION NO. 5043 CONCURRING IN NOMINATION OF JAMES PENNOCK TO THE ACWA-JPIA EXECUTIVE COMMITTEE**

Recommendation: That the Board adopt Resolution No. 5043 concurring in nomination of James Pennock for election to the ACWA-JPIA Executive Committee.

There were no public comments for agenda item F.

MOTION: Director Baxter moved to adopt Resolution No. 5043 concurring in nomination of James Pennock for election to the ACWA-JPIA Executive Committee; Director Endter seconded. Motion carried; VOTE:

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

G. CONSIDER ELECTION TO REGULAR AND ALTERNATE SPECIAL DISTRICT MEMBER ON LAFCO COMMISSION

Recommendation: The Board consider the nominations for the Regular and the Alternate Special District Member on LAFCO Commission and authorize the President to cast its vote on the ballot provided.

Ross Pike distributed copies of his resume to the Board and then stepped to the podium seeking the Board's vote for the Regular Special District Member on LAFCO Commission.

Director Baxter acknowledged Mr. Pike's talent and then explained his reasoning for voting for Mr. Willis. This included that Mr. Willis was the current incumbent, and there was no current compelling event that would warrant a change. Director McDougal agreed.

MOTION: Director Baxter moved authorize President Wolk to cast the Board's vote for Barry Willis as the Regular Special District Member on LAFCO Commission and David Drake as the Alternate Special District Member on LAFCO Commission; Director McDougal seconded. Motion carried; VOTE:

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

H. CONSIDER CALL FOR BALLOTS FOR THE SAN DIEGO COUNTY CONSOLIDATED REDEVELOPMENT OVERSIGHT BOARD

*Recommendation: The Board consider the nominations for the San Diego County Consolidated Redevelopment Oversight Board and authorize the President to cast its vote on the ballot provided.*

There were no public comments for agenda item H.

General Manager Bebee provided a brief summary of this item and added that he had no opinion of either nominee.

Director McDougal explained his choice would be Patrick Sanchez, as Vista Irrigation District is much closer to Fallbrook than Lakeside. It would be advantageous to have representative closer to North County.

MOTION: Director McDougal moved to authorize President Wolk to cast the Board's vote for Patrick Sanchez for the San Diego County Consolidated Redevelopment Oversight Board; Director Baxter seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

#### I. CONSIDER ON-CALL EMERGENCY PIPELINE REPAIR SERVICES

*Recommendation: The Board approve three prequalified contractors for on-call emergency pipeline repair services: J.R. Filanc Construction Company, Inc., SCW Contracting Corp., and TC Construction Company, Inc.*

There were no public comments for agenda item I.

General Manager Bebee explained this item went through the E&O Committee. He also noted this is to just to keep a pre-qualified list of contractors for emergency pipeline repair services, but that he would still need to come back to the Board and declare an emergency each time.

Director McDougal reported these are three companies we have already worked with in the past and know the job they do. By having these contractors already approved, it would help speed things up for short-term emergency repair work.

Director Endter noted there was no preferential treatment for any of these three contractors and that we would use them in a cycle. When one was utilized, they would then go to the end of the list.

Director Baxter asked if we were stuck warehousing a lot of the materials for this pipeline replacement. General Manager Bebee explained we have the pipe, but not the labor. This is more for labor and equipment.

MOTION: Director Endter moved to approve three prequalified contractors for on-call emergency pipeline repair services: J.R. Filanc Construction Company, Inc., SCW Contracting Corp., and TC Construction Company, Inc.; Director McDougal seconded. Motion carried;  
VOTE:

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

J. CONSIDER MODIFICATIONS TO THE DISTRICT'S SUPPORT FOR FALLBROOK AS AN INTERNATIONAL DARK SKY COMMUNITY

Recommendation: *Staff supports Board direction.*

Janet Kitzner stepped to the podium to ask the Board to rescind its support of the Fallbrook as an International Dark Sky Community, pointing out the lighting requirements that would become mandatory, along with her security concerns.

Luisa Cano stepped presented a slideshow of light pollution maps in California and the San Diego area specifically. She also asked the Board for a continuance on any action until next month.

Director Baxter agreed that the District should not be taking a position on a matter like this.

Director McDougal expressed his concerns with the mandatory requirements and the unintended future consequences. He also noted that Fallbrook is not the same as Julian or Borrego Springs, as there are many cities very close by, unlike the other dark sky communities. Director McDougal also expressed his concerns about safety.

General Manager Bebee announced the District will write a brief letter to the County rescinding its support.

Director Endter agreed that the District should remain neutral and represent everyone as a whole, instead of supporting an initiative that may only benefit a few.

MOTION: Director McDougal moved to rescind the Board's endorsement of Fallbrook as an International Dark Sky Community, as this does not meet the District's Mission Statement; Director Endter seconded. Motion carried; VOTE:

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

K. CONSIDER A REQUEST BY THE BOARD PRESIDENT OF THE HELIX MUNICIPAL WATER DISTRICT REGARDING EFFORTS TO REDUCE THE PROPOSED RATE INCREASES FROM THE SAN DIEGO COUNTY WATER AUTHORITY

*Recommendation: Staff supports Board direction.*

There were no public comments on agenda item K.

President Wolk explained the Board President of the Helix Municipal Water District requested signatories on a letter sent to the San Diego County Water Authority in regards to the proposed rate increases. President Wolk went on to explain, due to timing, and the fact that he did not see anything concerning, he had already signed the letter.

General Manager Bebee presented a slideshow summarizing the proposed rates and budget for the San Diego County Water Authority.

Director McDougal found it hard to believe that the Water Authority, with two of the member agencies pushing for detachment due to high costs, still came up with a 14% increase.

MOTION: Director McDougal moved to support the letter sent by the Helix Municipal Water District regarding efforts to reduce the proposed rate increase from the San Diego County Water Authority; Director DeMeo seconded. Motion carried; 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

- Assistant General Counsel Norvell provided an update on the Brown Act teleconferencing requirements.
- 2. SDCWA Representative Report
  - General Manager Bebee reported LAFCO had released their draft report. He also provided an update on detachment efforts.
- 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
    - AGM/CFO Shank reported the District had no exposure to the recent SVB collapse and that he had been in contact with both PFM and PARS regarding this issue.
    - AGM/CFO Shank provided an overview of the written reports included in the packet.
- 5. Public Affairs Specialist
- 6. Notice of Approval of Per Diem for Meetings Attended
- 7. Director Comments/Reports on Meetings Attended
- 8. Miscellaneous
  - Jacqueline Howells provided a brief update on the lobbying efforts for federal funding.

#### ADJOURN TO CLOSED SESSION

Assistant General Counsel Norvell announced the Board would be going into Closed Session to discussion items VI.1 and 2. He announced members of the public participating via web conference were welcome to continue to stay on the line while the Board is in closed session, however, they will only hear silence. Following closed session, and prior to adjournment of the meeting, an oral announcement of reportable action by the Board in closed session would be made, if any. The oral announcement of any reportable action would be heard on the teleconference line. Thereafter this meeting would adjourn.

The Board of Directors adjourned to Closed Session at 5:45 p.m.

#### VI. **CLOSED SESSION**-----**(ITEMS 1-2)**

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

*One (1) Potential Case*

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

The Board came out of Closed Session and reconvened to Open Session at 6:05 p.m.

REPORT FROM CLOSED SESSION (*As necessary*)

There was no reportable action taken during Closed Session.

**VII. ADJOURNMENT OF MEETING**

There being no further business to discuss, the March Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 6:06 p.m.

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

ATTEST:

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



**M E M O**

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
**DATE:** April 24, 2023  
**SUBJECT:** Recognition of Vista Irrigation District Centennial Anniversary

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Purpose

To consider recognizing and congratulating Vista Irrigation District on 100 years of service and stewardship.

Summary

As one of the oldest water districts in south California, September 11, 2023, marks 100 years of Vista Irrigation District providing a reliable, high-quality water supply to the communities they serve. They will be hosting an open house event on September 9, 2023 at their District's office in Vista, with additional event information sent this summer.

On April 3, 2023, the Board President of Vista Irrigation District requested the District make a presentation at an upcoming Board meeting and adopt the attached sample resolution.

Recommendation

The Board adopt Resolution 504I , congratulating Vista Irrigation District on its 100<sup>th</sup> anniversary.

Board of Directors

Jo MacKenzie, *President*  
*Division 5*

Marty Miller  
*Division 1*

Richard L. Vásquez  
*Division 2*

Peter Kuchinsky II  
*Division 3*

Patrick H. Sanchez  
*Division 4*



Administrative Staff

Brett L. Hodgkiss  
*General Manager*

Lisa R. Soto  
*Board Secretary*

Elizabeth A. Mitchell  
*General Counsel*

April 3, 2023

Charlie Wolk  
President, Board of Directors  
Fallbrook Public Utility District  
990 E. Mission Road  
Fallbrook, CA 92028

***Re: Vista Irrigation District celebrates 100 years of Service and Stewardship***

Dear President Wolk:

This year will mark Vista Irrigation District's 100th year of serving the community, and we are proud to be one of the oldest water districts in southern California. We were formed in 1923 to provide water to the farms and orchards of the community of Vista, serving a population of roughly 300. Today, we serve a population of over 134,000, providing water service to residents and businesses in the City of Vista and portions of the cities of Escondido, Oceanside and San Marcos and unincorporated areas of the County of San Diego.

We will be celebrating 100 years of providing a reliable, high quality water supply to the communities that we serve in 2023; none of this would be possible without the efforts of our dedicated employees and Board members, past and present. We invite you to celebrate "A Century of Service and Stewardship" with us at an open house event on September 9, 2023 at the District's office in Vista; additional information about the event will be sent to you this summer.

The District's Board of Directors recently adopted a resolution to kick-off the celebration of its 100<sup>th</sup> anniversary. If you wish to recognize the District's centennial anniversary, we would be honored if you would make a presentation at an upcoming Board of Director's meeting. I am attaching a sample resolution that contains information that you might find helpful.

Sincerely,

A handwritten signature in blue ink that reads "Jo MacKenzie".

Jo MacKenzie  
President, Board of Directors

Enclosure

**RESOLUTION NO. 504(**

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE FALLBROOK PUBLIC UTILITY DISTRICT  
CONGRATULATING VISTA IRRIGATION DISTRICT  
OF ITS 100<sup>TH</sup> ANNIVERSARY**

\* \* \* \* \*

**WHEREAS**, on September 11, 2023, the Vista Irrigation District will celebrate 100 years of providing a reliable supply of high quality water

**WHEREAS**, an election was held on August 28, 1923, and 100% of the eligible voters participated with the outcome of the election being 104 votes for and 4 votes against the formation of Vista Irrigation District; and

**WHEREAS**, on September 11, 1923, Vista Irrigation District was created to provide water to the farms and orchards of the growing community of Vista; and

**WHEREAS**, following the arrival of the first water from Lake Henshaw on February 27, 1926, crops of all kinds were planted, and the Vista area became known as the "Avocado Capital of the World;" and

**WHEREAS**, in June 1946, the Vista Irrigation District purchased San Diego Water Company, which included the 43,000-acre Warner Ranch, a former Spanish Land Grant, and encompassed Henshaw Dam and Lake Henshaw, securing a less expensive water supply for its customers; and

**WHEREAS**, in the midst of a drought, Vista Irrigation District sought to secure other sources of water and became a member of the San Diego County Water Authority in February 1954, providing access to water from Colorado River and northern California; and

**WHEREAS**, the Vista Irrigation District had the foresight to secure a local water supply and an imported water supply to draw upon during drought, ensuring that its water supply would never run dry; and

**WHEREAS**, the dedicated efforts of the Board of Directors of the Vista Irrigation District and staff have played a major role in maintaining the City of Vista, portions of the cities of Escondido, Oceanside, and San Marcos and unincorporated areas of the County of San Diego.

**NOW, THEREFORE, BE IT RESOLVED** that the Fallbrook Public Utility District Board of Directors recognizes and congratulates Vista Irrigation district on its 100 years of service and stewardship.

**PASSED AND ADOPTED** by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 24<sup>th</sup> day of April, 2023, by the following roll call vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

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President, Board of Directors

ATTEST:

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Secretary, Board of Directors

**M E M O**

**TO:** Board of Directors  
**FROM:** Lauren Eckert, Executive Assistant/Board Secretary  
**DATE:** April 24, 2023  
**SUBJECT:** Consider Advance Approval to Attend Meetings

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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 District has been selected for the 2023 American Public Works Association (APWA) Project of the Year award for the Santa Margarita Conjunctive Use Facilities. APWA has extended an invitation to attend the awards event on May 11, 2023, held at the Hilton Mission Valley.

The request is for advance approval to the APWA Awards Event on May 11, 2023 at the Hilton Mission Valley in San Diego, CA.

Recommended Action

That the Board authorize and approve, in advance, Directors' attendance to the 2023 APWA Awards Event scheduled for May 11, 2023 in San Diego.

**M E M O**

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
**DATE:** April 24, 2023  
**SUBJECT:** Review Strategic Plan for Fiscal Year 2023/2024

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**Purpose**

To review and provide input on the draft Strategic Plan for Fiscal Year 2023/24.

**Summary**

Each year prior to development of the Fiscal Year budget the General Manager updates the District's adopted strategic plan. This plan is used to help set budget priorities as well as General Manager and senior staff objectives for the upcoming Fiscal Year.

A copy of the draft Strategic Plan for Fiscal Year 2023/24 is attached for discussion and input from the Board.

**Budgetary Impact**

Board directed changes to the priorities and objectives could result in increases or decreases to the proposed budget for Fiscal Year 2023/24.

**Recommended Action**

There is no action required at this time.

# District's Strategic Plan for FY 2023/2024

**Mission Statement:** To benefit the community of Fallbrook by providing efficient and reliable services.

## #1 Strategic Focus Area | Water Supply

**District Goal:** Provide a reliable, cost-effective water supply through optimizing operation of local water supply projects and securing the most cost effective source of imported water.

### **Fiscal Year 2023-24 District Objectives:**

1. Maximize deliveries of local water by coordinating closely with Camp Pendleton on Santa Margarita water supply operations.
2. Take all necessary steps to ensure the District's LAFCO application to switch water wholesalers and reduce water costs continues to move towards LAFCO approval and a vote of District ratepayers.
3. Support federal funding to help support additional dry year supplies for the SMRCUP in coordination with Camp Pendleton through implementation of an Indirect Potable Reuse (IDP) project.
4. Utilize an updated recycled water master plan expand recycled water service to increase utilization of existing supplies with the District service area.

## #2 Strategic Focus Area | Infrastructure

**District Goal:** Maintain reliable infrastructure to our customers in the most cost-effective manner.

### **Fiscal Year 2023-24 District Objectives:**

1. Complete capital projects in accordance with approved budget and asset-management plan. Maintain utilization of District construction crews with proactive replacements versus reactive repairs. Make any necessary adjustments to meet pipeline and valve replacement targets to ensure long-term reliability of our water infrastructure.
2. Implement the asset-management plan to track project costs and help prioritize projects. Leverage this data to make continued improvements in determining the most effective project approaches.

## #3 Strategic Focus Area | Efficiency

**District Goal:** Create a District culture of continuous improvement through the implementation of systems, processes and goals for all aspects of the organization.

### **Fiscal Year 2023-24 District Objectives:**

1. Continue implementation and reporting of Key Performance Indicators (KPIs) for engineering, operations, finance, customer service and public outreach. Tie KPIs to nationally recognized Effective Utility Management (EUM) goals and measure against applicable national bench-marks.
2. Improve the efficiency of operations by developing additional metrics and reporting using the recently implemented Enterprise Asset Management (EAM) System.
3. Build on recently implemented regional collaboration programs and new contract service opportunities with Camp Pendleton to evaluate new ways to reduce operating costs through shared resources without reducing the level of service.

## #4 Strategic Focus Area | Community

**District Goal:** Improve experience for our customers to help provide a positive impact on the community we serve.

### **Fiscal Year 2023-24 District Objectives:**

1. Provide administrative support for the implementation of the community benefit program to ensure that funds are being used efficiently to provide value to the community through the enhancement of public spaces in the District.
2. Continue to improve customer engagement and promote District benefits to the Community through social media and quarterly newsletters.
4. Further improve the District budget to identify clearly to the public how costs are allocated and how resources are being managed. Continue to produce an ACFR and achieve a GFOA and California Society of Municipal Finance Officers (CSMFO) budget awards. Achieve District of Distinction from the California Special District's Association.

## #5 Strategic Focus Area | Workforce

**District Goal:** Develop a resilient organization so that key positions can be



filled internally with capable staff with proper training and education.

**Fiscal Year 2023-24 District Objectives:**

1. Expand implementation of the career development program that identifies future leaders in the organization and provides them training and a clear sense of future opportunities. Continue to leverage capabilities of existing staff and expand their responsibility when they show potential to develop a long-term pipeline for advancement of internal qualified candidates.
2. Continue to expand cross-training and external training program for staff, and provide new opportunities and challenges for motivated employees. Reconstitute programs and events to recognize employees and improve employee recognition program.
3. Continue to participate in the regional internship program and expand the District's internship program.
4. Participate in regional efforts to improve local education, training and internship programs to bring more qualified applications into the industry. Lead efforts to help address existing regulatory bottlenecks in advancing the Water/Wastewater workforce.
5. Participate in key local and national organizations in the water/wastewater industry, including participating in presentations on District and trainings to improve recognition of the District as an effectively managed and forward-looking utility.

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**M E M O**

**TO:** Board of Directors  
**FROM:** Engineering and Operations Committee  
**DATE:** April 24, 2023  
**SUBJECT:** Pipeline and Valve Replacement Program Update

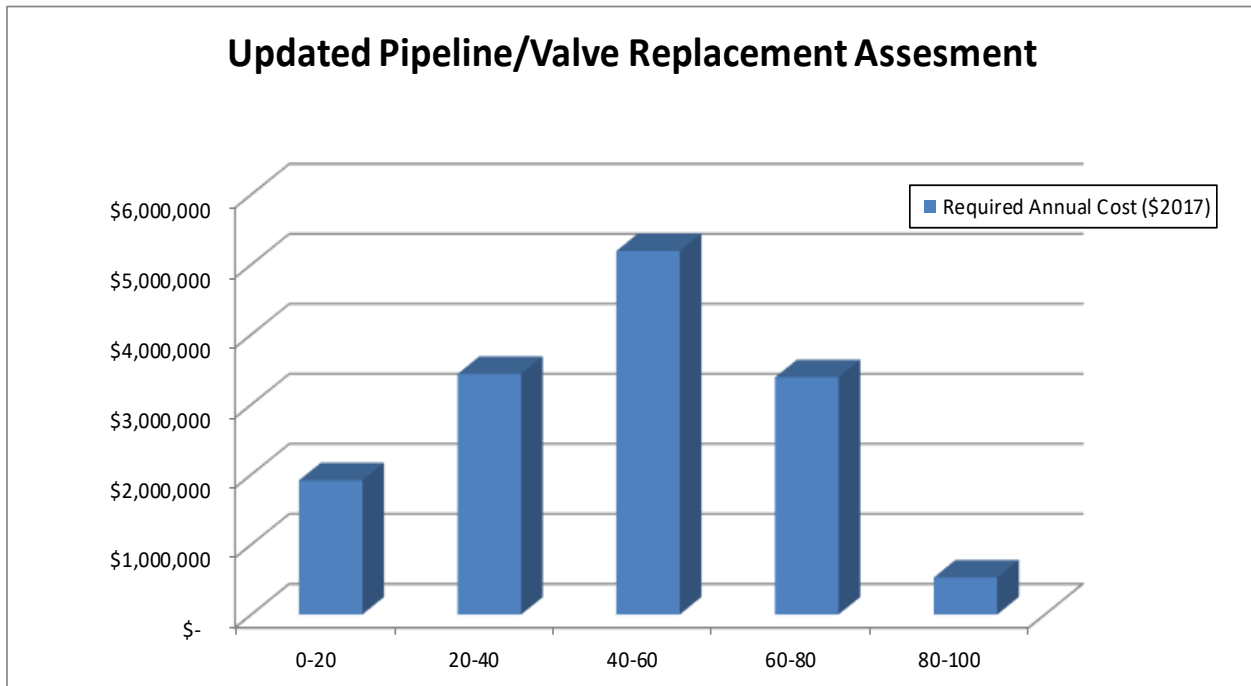
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Description

Update on the status of the District's pipeline and valve replacement program.

Purpose

A comprehensive asset management plan for the District's pipelines and valves was developed in 2017 and is updated on an annual basis with the ultimate goal to achieve a 100-year pipeline replacement and 30-year valve replacement cycle. The developed program included escalating replacements in 20-year increments to stay on target as seen in the figure below:



In 2019, staff began reporting pipe and valve replacements separately and, in addition to asset values, began tracking physical length of pipeline replaced. The goal was set at 5,000 linear feet of pipe and 100 valves replaced each year. The following table shows progress since that time:

Year	Pipelines		Valves		Program Costs	
	Goal	Replaced	Goal	Replaced	Budget	Actual
<b>FY 18/19</b>	5,000	4,885	100	57	\$2,438,888	\$2,078,948
<b>FY 19/20</b>	5,000	4,950	100	89	\$2,023,933	\$2,053,042
<b>FY 20/21</b>	8,150	6,620	100	85	\$1,968,000	\$541,592
<b>FY 21/22</b>	7,680	5,670	100	66	\$4,058,000	\$2,913,363
<b>FY 22/23*</b>	7,500	5,900	100	99	\$5,113,350	\$3,306,592

\*Projected year end numbers

### *Pipelines*

The majority of pipeline replacement work is performed by contractors, with District staff performing the design and construction management. Note that in FY20/21, the goal was increased to 8,150 because 3,150 linear feet of pipeline replacement work was included as part of the SMRCUP facilities installation and was funded outside the District's PAYGO CIP funds. While that work was completed, other planned replacements fell behind due to increasing material procurement times that began occurring during the COVID-19 pandemic. In the following years, higher replacement goals were established in an attempt to get back on track with the long-term goal. Again, planned pipeline replacement projects have continued to take longer due to material procurement challenges. In spite of these challenges, over the last five years, more than 28,000 linear feet of water main will have been replaced by the end of the current fiscal year, which is very close to the current goal.

### *Valves*

About two thirds of the valve replacement program is performed by District staff, with the remaining one third of valves replaced as part of contractor pipeline replacement jobs. Staff are working diligently to meet the goal in the current year, but an increase in emergency responses to mainline leaks and a period of backflow thefts over the past two years has made achieving the replacement goal difficult. In an attempt to stay on target, the valve crew, which plays an important role in valve replacement planning and assisting during construction was increased from 2 to 3 staff. The long material lead time has impacted the valve replacement plans as well, with some suppliers unable to deliver valves in less than a full year. In response procurement staff have worked to identify additional suppliers to ensure we have the valves needed to complete planned jobs.

### *Going Forward*

In the March 2023 meeting of the board, an emergency on-call pipeline repair plan was approved with three prequalified contractors available to perform emergency work. With this in place, the District can utilize contractor assistance on more emergency responses, freeing up District crews to stay focused on planned valve replacements.

For pipeline replacements, the District awarded a contract for 9,500 linear feet of water main and 60 valves in August of 2022. That work is just beginning now so will not be

fully completed until well into the coming fiscal year (approximately 1,500 linear feet of this planned work is expected to be installed by the end of the current fiscal year). Simultaneously, staff are working on bid packages for approximately 5,500 linear feet of water main replacement in the area of Winterwarm Drive and Via Arroyo, and 9,000 linear feet in the downtown area. These two projects will be bid and awarded in the coming year, with the expectation that they all be completed by the end of FY25 even if the long material procurement times continue. This will put the pipeline and valve replacement program on track to be well ahead of goal within the next two years.

Other ideas to help keep the program on track include hiring design consultants to prepare project plans and construction documents, hiring additional engineering and field staff, or contracting more valve replacement work. However, these measures don't appear necessary at this time. If the planned work outlined above continues to progress slower than anticipated, these additional measures can be considered at that time.

#### Budgetary Impact

No budgetary impact; the pipeline and valve replacement program is currently tracking below the planned budget. Any changes to the program carried forward would be part of the overall capital program process and budget.

#### Recommended Action

For discussion only; no recommended action.

## M E M O

**TO:** Board of Directors  
**FROM:** Fiscal Policy & Insurance  
**DATE:** April 24, 2023  
**SUBJECT:** Review Preliminary Draft Fiscal Year 2023-24 Operating and Capital Budget Expenditures

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Purpose

As laid out in the District's budget development process, the initial steps in developing an annual budget include staff and management developing and reviewing the preliminary operating and capital budgets. This is followed by the Fiscal Policy and Insurance Committee's (the Committee) review and consideration. The review is intended to provide detailed cost data and solicit the Committee's feedback and comments. In addition, this year the Adopted Fiscal Year 2022-23 annual budget is also being amended. The budget amendments are related to the atypical emergency repair activities for both the pipeline and system service crews, the additional flows treated at the Santa Margarita Groundwater Treatment Plant (SMGTP) and the final construction period debt service payment for the SMGTP State loan.

Summary

Staff have developed the preliminary Fiscal Year 2023-24 Annual Budget (the Budget) and reviewed it with the Committee. The preliminary draft is broken down into six sections. The sections are as follows:

**Draft Total Operating Budget**

1. **Cost of Water** – The cost of water includes the cost of water purchased from San Diego County Water Authority (SDCWA) and what the District pays to Camp Pendleton to wheel the District's Santa Margarita River Water (Local Supply) to the SMGTP. These are preliminary numbers since SDCWA has not yet published its CY 2024 rates and charges.
2. **Labor** – The labor budget includes staff non-capital salary expenditures for the fiscal year
3. **Non-labor** – This includes any expenditures for the year that are not labor related and includes services, equipment, materials and training.
4. **Benefits** – The District's expected expenditures for health care, pension and other District provided benefits
5. **Debt Service** – The District's debt payment schedule

**Draft Capital Budget**

6. **Capital Improvement Program Budget** – This is the updated capital expenditure projection for the next 10-years.

**DRAFT OPERATING BUDGET:**

The table below provides a summary of the Preliminary Draft Fiscal Year 2023-24 Operating Budget compared to both Fiscal Years 2020-21 and 2022-2023. The breakdown shows Water Supply Costs, Debt Service, Labor and Non-Labor expenses and Benefit expenditures for the District's operations. In addition, the expenditures related to the Community Benefit Program are also included in both the FY 2022-23 and FY 2023-24 Operating Budgets. The 6% overall budget increase is being driven multiple factors. These factors include a 14% increase in the cost of SDCWA water, Cost of Living Adjustment (COLA) to salaries, scheduled debt service payments and a higher level of production at SMGWTP due to increased local supplies.

Summary of Preliminary Draft Fiscal Year 2023-24 Operating Budget

	FY 2021-22	FY 2022-23			FY 2023-24	Amnd. Bgt to
	Actual	Orig Budget	Amended Budget	Projected	Recommended	Bgt %Change
Water Supply Costs	\$ 13,245,830	\$13,617,771	\$ 11,780,714	\$ 11,780,714	\$ 9,656,861	-18.0%
Debt Service	3,621,118	3,730,508	3,822,936	3,822,936	5,463,081	42.9%
Total Labor	5,847,082	6,064,174	6,400,447	6,400,447	6,813,579	6.5%
Total Non-Labor*	5,725,303	6,309,478	5,973,205	5,973,205	7,625,467	27.7%
<b>Operating Expense Total</b>	<b>\$28,439,333</b>	<b>\$29,721,931</b>	<b>\$ 27,977,302</b>	<b>\$ 27,977,302</b>	<b>\$ 29,558,988</b>	<b>5.7%</b>
Benefits Expenditures (Ops)	3,940,375	4,057,087	4,057,087	4,057,087	4,400,781	8.5%
<b>Total</b>	<b>\$32,379,708</b>	<b>\$33,779,018</b>	<b>\$ 32,034,389</b>	<b>\$ 32,034,389</b>	<b>\$ 33,959,769</b>	<b>6.0%</b>

\*Total Non-Labor Includes \$544,536 for Community Benefit Program

Looking at Fiscal Year 2022-23 Projected Expenditures, staff are currently projecting costs at or under the line item appropriations, with the expectation of the Debt Service appropriations. Staff are recommending the Revenue Bonds, State Revolving Fund, and interest and principal appropriations be amended to match the amended budget amount at the May Board meeting.

The Attachment A includes a detailed line item budget for all of the District's administration, operations and maintenance activities, which includes Administrative (two pages), Water (two pages), Recycled Water and Wastewater Services and the Community Benefit Program. The tables show the actual expenditures for Fiscal Year 2020-21, the Original Budget, Amended Budget and Projected expenditures for Fiscal Year 2022-23. The table also shows the Fiscal Year 2023-24 preliminary draft budget. Attachment B is a summary of significant (greater than 5%) change budget to budget in any line item. The code in red to the right in Attachment A corresponds to the description of the change provided in Attachment B. **Use the Reference Codes in Attachment A (on right in red) to find the explanation in Attachment B.**

Water Supply Costs

Attachment C shows a breakdown of the Water Supply Costs for the Budget. The Amended Budget for Fiscal Year 2022-23 shows a slight decrease in the cost of water. The decrease is due to a lower than Budgeted Water Sales forecast and an increase in Local Supply deliveries to the District's SMGTP. The increased Local Supply delivers is increasing Water Services utility costs and decreasing the Water Supply Cost, which is the amount paid to San Diego County Water Authority (SDCWA), the District's wholesale water provider.

The Cost of Water decrease is being driven by a decrease in the reliance on SDCWA and an increased Local Supply projections. In spite of SDCWA's reported 14% increase in water rates, the increase in local supplies provides a lower cost water source. While the Water Supply Costs cannot be finalized until SDCWA has set CY 2024 Rates and Charges, the Budget reflects the latest estimates provided by SDCWA.

#### Labor

Labor is showing an increase in line with the COLA increase and other changes in the most recent Memorandums of Understanding (MOUs). As shown in Attachment A, the increase varies depending on the impact of the MOUs on the Division staffing. In some cases, as noted, cost allocations were shifted due to the cost of service analysis included in the 2022 Water, Wastewater and Recycled Water Rate Study. Use the Reference Codes in Attachment A (on right in red) to find the explanation in Attachment B. An additional FTE has also been added to Water Service bringing the FTE count to 70 from 69. Overall, the increase in labor costs are in line with inflation.

#### Non-labor

The non-labor expenses are broken into eight main categories to make the budget more reader friendly. The expense categories include Director Expenses, Contractor Services, Equipment (Non Capital), Materials/Services/Supplies, Professional Services, Membership/Training/Permit, Santa Margarita Water master and Utilities. Attachment B provides detail on the drivers behind the changes. Use the Reference Codes in Attachment A (on right in red) to find the explanation in Attachment B. Overall Non-labor is up due to inflationary pressures on goods and services and the increased production at SMGTP, which requires additional utility and chemical supplies to operate. After the Committee meeting on April 18, a small modification was made to the Engineering Service Non-labor budget. The budget was increased to provide funding for the development of an energy management master plan. The overall increase of 27.7% is being mostly offset by decreased in the Water Supply costs.

#### Benefits

The increase in benefits is primarily due to the scheduled increase in pension payments. The District's total benefit budget, which includes both operating (87%) and capital (13%) portions and is shown in Attachment C, is increasing 7.3%. The increase is being driven by increases in the District's healthcare costs. New hires are predominantly opting into the family coverage which is a higher cost option for the District. The Board could elect to offset the increases by decreasing its voluntary contribution to the District's Pension/OPEB Liability Trust, which is currently budgeted at \$500,000.

#### Debt Service

The District's debt service schedule and payments for Fiscal Year 2023-24 are provided in Attachment D. The debt service payment for Fiscal Year 2023-24 is shown below the debt service schedules and is increased as the District begins paying full debt service on debt related to the Santa Margarita Conjunctive Use Project.

### **DRAFT CAPITAL BUDGET:**

Utility districts require long-term investments in extensive capital facilities. The District maintains over 370 miles of buried water and sewer pipe that must be maintained and replaced. The District also has pump stations, lift stations and treatment facilities that require significant expenses to replace and maintain. It is critical to develop plans to reduce the overall cost of operating these facilities by completing pro-active capital projects to replace and rehabilitate these assets versus waiting for system failures. A well-planned Capital Program is critical to the long-term stability of the District.

The annual Capital Improvement Budget is used to implement the District's long-range capital goals. These goals are developed using the District's Strategic Plan, Urban Water Management Plan, Asset Management Plan and Master Plans. These plans are utilized to develop the lowest lifecycle cost to meet water and wastewater needs and maintain system reliability for the District's customers. Projects are selected based on prioritized needs versus available capital funds. Individual project costs are estimated based on current construction cost information. While some projects are well into the design phase and costs can be fairly accurately estimated, others are based on early stage planning estimates. Additionally, unforeseen changes to priorities can result from changing materials and construction costs, pipeline failures, extreme weather, etc. Changing conditions resulting from these complexities can alter the individual project priorities. Continuous capital project updates are provided throughout the year to provide key performance metrics and to inform the board and the public of any changes to priorities.

A summary of the CIP is provided below.

#### *Water Capital Projects:*

The most crucial component of the water capital plan is the pipeline and valve replacement program. The portion of the annual budget for these efforts is based on asset analysis performed in 2017, and routinely updated, with the intent to increase the annual budget in 20-year increments in order to achieve a 100-year replacement cycle. The Board also adopted a capital improvement charge and an escalation value to the charge to help make incremental progress towards reaching the 100 year replacement target. There are 6,872 total valves and 268 miles (1,415,040 feet) of water main in the existing distribution system. Currently the goal is to replace 100 valves and 5,000 linear feet of water main per year. Since the drastic changes to supply chain that occurred during the pandemic, procurement times have increased significantly, causing challenges achieving the pipeline replacement goals. Materials that previously required 6 to 8 weeks lead time are now taking as long as a full year to procure. In the previous fiscal year, a larger pipeline replacement project consisting of 9,500 linear feet and 60 valve replacements was bid as a single contract with the hope of streamlining procurement and exceeding replacement goals. The project was awarded in August of 2022, but field work has not started as of March 2023. Completed pipeline replacement in linear feet since FY 19/20 is shown in the following table:



Year	Goal	Replaced
<b>FY 18/19</b>	5,000	5,386
<b>FY 19/20</b>	5,000	4,950
<b>FY 20/21</b>	8,150	6,620
<b>FY 21/22</b>	7,680	5,670
<b>FY 22/23</b>	7,500	5,900*

\*Projected

In FY20/21, the replacement goal was higher because an additional 3,150 linear feet was planned to be replaced as part of the SMRCUP. Because the goal was not met that year, higher goals were set with the intention of catching up in subsequent years. While the challenging procurement issues encountered since FY20/21 have continued to slow down planned replacements, the original goal of 5,000 linear feet per year has been met, with more than 28,500 linear feet of water main replaced over the past 5 years.

Regardless, the goal for FY23/24 will again be 7,500 linear feet of pipe replaced. This is a realistic goal that can be achieved simply by completing the project already awarded. Simultaneously, staff are working on bid packages for approximately 5,500 linear feet of water main replacement in the area of Winterwarm Drive and Via Arroyo, and 9,000 linear feet in the downtown area. These two projects will be bid and awarded in the coming year, with the expectation that they all be completed by the end of 2025 even if the long material procurement times continue.

The table below shows Budget vs Projected Actuals for FY 2022-23 and the proposed budget for FY 2023-24.

<b>Water Capital Projects</b>	<b>Budget FY 2023</b>	<b>Projected FY 2023</b>	<b>Proposed FY 2024</b>
Pipelines and Valve Replacement Projects by District	\$570,000	\$644,574	\$680,000
Pipeline Replacement Projects by Contractors	\$4,543,350	\$2,662,018	\$5,760,000
Deluz ID Projects	\$100,000	\$261,950	\$100,000
Pump Stations	\$300,000	\$56,562	\$100,000
Meter Replacement	\$25,000	\$38,957	\$20,000
Pressure Reducing Stations	\$65,000	\$37,144	\$40,000
Red Mountain Reservoir Improvements	\$175,000	\$11,155	\$24,000
Steel Reservoir Improvements	\$60,000	\$20,826	\$162,000
SMGTP Improvements	\$200,000	\$202,175	\$200,000
SCADA Upgrades/ Security/Telemetry	\$90,000	\$67,121	\$150,000
Vehicles and Heavy Equipment	-	-	\$143,500
<b>Total PAYGO Water Capital Projects</b>	<b>\$6,128,350</b>	<b>\$4,002,482</b>	<b>\$7,379,500</b>

*Wastewater/Recycled Water Capital Projects:*

As part of the long-term sewer system replacement plan, the focus will be on relining manholes and mainlines, electrical and controls improvements to Shady Lane Lift Station, and replaced creek crossings.

At the Water Reclamation Plant (WRP), planned work includes the replacement of the scrubber and other aging mechanical equipment and pumps, security fence improvements, and continuing storm water basin improvements.

For the recycled water system, the primary focus will be on rebuilding the distributions system pumps, as well as strategic planning to procure outside funding for future service area expansions.

The table below shows Budget vs Projected Actuals for FY 2022-23 and the proposed budget for FY 2023-24.

<b>Recycled Water Capital Projects</b>	<b>Budget FY 2023</b>	<b>Projected FY 2023</b>	<b>Proposed FY 2024</b>
Recycled Water Improvements	\$465,000	\$539,678	\$119,000
<b>Total Recycled Water Capital Projects</b>	\$465,000	\$539,678	\$119,000
<b>Waste Water Capital Projects</b>	<b>Budget FY 2023</b>	<b>Projected FY 2023</b>	<b>Proposed FY 2024</b>
WRP Improvements	\$281,000	\$211,833	\$855,000
Collection System Improvements	\$400,000	\$422,190	\$390,000
Outfall Improvements	\$50,000	\$19,991	\$25,000
Vehicles and Heavy Equipment	-	-	\$495,000
<b>Total Waste Water Capital Projects</b>	\$731,000	\$654,014	\$1,765,000

*Administrative Capital Projects:*

Administrative capital projects in the coming year will be focused on replacement of the main office roof, installation of electric vehicle charging facilities, and the heavy equipment and fleet replacement plan. Eighty percent of the vehicle charging facilities cost will be reimbursed by and SDG&E grant program. The table below shows Budget vs Projected Actuals for FY 2022-23 and the proposed budget for FY 2023-24.

<b>Administrative Capital Projects</b>	<b>Budget FY 2023</b>	<b>Projected FY 2023</b>	<b>Proposed FY 2024</b>
Administrative Upgrades	\$105,000	\$85,131	\$50,000
Engineering and Operations Information Systems	\$30,000	\$31,786	\$0
Facility Improvements/Upgrades/Security	\$410,000	\$421,849	\$496,000
District Yard Improvements	\$0	\$0	\$420,000
Vehicles and Heavy Equipment*	\$255,000	\$308,039	-
<b>Total Administrative Capital Projects</b>	\$800,000	\$846,805	\$966,000

\*Beginning in FY24, Vehicles and Equipment are shown in the corresponding Water/Wastewater category.

*Total Capital Budget Summary:*

	<b>Budget FY 2023</b>	<b>Projected FY 2023</b>	<b>Proposed FY 2024</b>
<b>Total all Capital Budget Projects</b>	\$8,124,350	\$6,042,979	\$10,229,500

**Next steps:**

Any comments or changes requested by the Committee or Board will be incorporated and a more complete draft document provided for a mid-May Committee meeting. It should be noted that the revenues and financial projections can only be developed once the SDCWA’s rates and the District’s fixed charge allocations are available. Staff anticipate having a Final Draft Fiscal Year 2023-24 Budget for the Committee to review in early June.

The following Attachments have been included to provide time to review in advance of the meeting:

- Attachment A – Draft Fiscal Year 2023-24 Operating Budget for labor and non-labor expenses and benefit allocations for the District’s Services
- Attachment B – Summary of Significant Percent Changes by Budget Category
- Attachment C – Draft Fiscal Year 2023-24 Cost of Water
- Attachment D – Draft Fiscal Year 2023-24 benefit expenditures.
- Attachment E – Fiscal Year 2023-24 debt service schedule.

Recommended Action

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

# **Attachment A**

**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22	FY 2022-23		FY 2023-24	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code
<b>Administrative Services</b>							
<b>Office of the General Manager</b>	50						
<b>Labor Expenses:</b>							
Salaries		\$ 464,134	\$ 471,492	\$ 462,735	\$ 506,019	7.3%	1-1
<b>Non-Labor Expenses:</b>							
Director Expenses		37,965	40,000	40,000	40,000	0.0%	
Contractor Services	C	12,587	14,500	14,500	14,500	0.0%	
Materials/Services/Supplies	M	96,312	84,800	85,022	83,800	-1.2%	
Equipment (Non Capital)	E	-	-	-	-	NA	
Professional Services	P	583,898	410,000	416,031	410,000	0.0%	
Memberships/Training/Permits	T	75,996	88,000	88,115	91,000	3.4%	
Santa Margarita Watermaster		124,730	135,073	125,188	131,447	-2.7%	
<b>Total Non-Labor</b>		<u>\$ 931,488</u>	<u>\$ 772,373</u>	<u>\$ 768,856</u>	<u>\$ 770,747</u>	-0.2%	
<b>Division Operating Total</b>		<u>\$ 1,395,622</u>	<u>\$ 1,243,865</u>	<u>\$ 1,231,591</u>	<u>\$ 1,276,766</u>	2.6%	
<b>Finance &amp; Customer Service</b>	53						
<b>Labor Expenses:</b>	54						
Salaries		\$ 752,123	\$ 856,036	\$ 824,929	\$ 920,737	7.6%	1-1
<b>Non-Labor Expenses:</b>							
Contractor Services	C	33,939	24,000	28,703	24,000	0.0%	
Equipment (Non Capital)	E	1,287	4,500	1,500	4,500	0.0%	
Materials/Services/Supplies	M	149,692	145,200	141,993	147,700	1.7%	
Professional Services	P	184,165	181,500	176,940	123,500	-32.0%	1-2
Memberships/Training/Permits	T	1,830	2,700	2,700	2,700	0.0%	
Utilities	U	-	-	-	-	NA	
<b>Total Non-Labor</b>		<u>\$ 370,913</u>	<u>\$ 357,900</u>	<u>\$ 351,836</u>	<u>\$ 302,400</u>	-15.5%	
<b>Division Operating Total</b>		<u>\$ 1,123,035</u>	<u>\$ 1,213,936</u>	<u>\$ 1,176,765</u>	<u>\$ 1,223,137</u>	0.8%	
<b>Warehouse &amp; Purchasing</b>	60						
<b>Labor Expenses:</b>							
Salaries		\$ 177,031	\$ 174,529	\$ 192,708	\$ 213,567	22.4%	1-3
<b>Non-Labor Expenses:</b>							
Contractor Services	C	171,762	135,000	135,000	150,000	11.1%	1-4
Equipment (Non Capital)	E	189	500	1,000	1,000	100.0%	1-5
Materials/Services/Supplies	M	121,728	119,500	148,500	124,500	4.2%	
Professional Services	P	-	-	-	-	NA	
Memberships/Training/Permits	T	709	1,000	1,000	1,000	0.0%	
Utilities	U	41,925	45,000	52,000	45,000	0.0%	
<b>Total Non-Labor</b>		<u>\$ 336,313</u>	<u>\$ 301,000</u>	<u>\$ 337,500</u>	<u>\$ 321,500</u>	6.8%	
<b>Division Operating Total</b>		<u>\$ 513,344</u>	<u>\$ 475,529</u>	<u>\$ 530,208</u>	<u>\$ 535,067</u>	12.5%	
<b>Human Resources</b>	70						
<b>Labor Expenses:</b>							
Salaries		\$ 233,498	\$ 249,371	\$ 247,964	\$ 270,962	8.7%	1-1
<b>Non-Labor Expenses:</b>							
Contractor Services	C	55,302	20,000	13,000	13,000	-35.0%	1-6
Equipment (Non Capital)	E	-	-	72	-	NA	
Materials/Services/Supplies	M	17,368	27,400	15,500	18,300	-33.2%	1-7
Professional Services	P	6,829	10,000	10,000	10,000	0.0%	
Memberships/Training/Permits	T	67,356	98,050	72,583	102,450	4.5%	
Education Funding	NA	9,092	7,000	7,000	5,000	-28.6%	1-8
Utilities	U	-	-	-	-	NA	
<b>Total Non-Labor</b>		<u>\$ 155,946</u>	<u>\$ 162,450</u>	<u>\$ 118,155</u>	<u>\$ 148,750</u>	-8.4%	
<b>Division Operating Total</b>		<u>\$ 389,444</u>	<u>\$ 411,821</u>	<u>\$ 366,119</u>	<u>\$ 419,712</u>	1.9%	

**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22	FY 2022-23		FY 2023-24	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code
<b>Administrative Services</b>							
<b>Information Management</b>	51						
<b>Labor Expenses:</b>							
Salaries		\$ 98,436	\$ 98,800	\$ 99,389	\$ 107,306	8.6%	1-1
<b>Non-Labor Expenses:</b>							
Contractor Services	C	63,071	65,150	65,000	101,025	55.1%	1-9
Equipment (Non Capital)	E	20,152	25,000	25,824	30,000	20.0%	1-10
Materials/Services/Supplies	M	167,389	193,068	179,580	183,338	-5.0%	1-11
Professional Services	P	-	75,000	-	50,000	-33.3%	1-12
Memberships/Training/Permits	T	-	-	-	-		NA
Utilities	U	-	-	-	-		NA
<b>Total Non-Labor</b>		<u>\$ 250,612</u>	<u>\$ 358,218</u>	<u>\$ 270,404</u>	<u>\$ 364,363</u>	1.7%	
<b>Division Operating Total</b>		<u>\$ 349,048</u>	<u>\$ 457,018</u>	<u>\$ 369,792</u>	<u>\$ 471,669</u>	3.2%	
<b>Engineering Services</b>	52						
<b>Labor Expenses:</b>							
Salaries		\$ 481,245	\$ 530,440	\$ 529,000	\$ 585,757	10.4%	1-1
<b>Non-Labor Expenses:</b>							
Contractor Services	C	-	10,000	13,000	55,000	450.0%	1-13
Equipment (Non Capital)	E	-	-	-	-		NA
Materials/Services/Supplies	M	42,700	42,000	37,705	47,000	11.9%	1-14
Professional Services	P	-	-	-	-		NA
Memberships/Training/Permits	T	64	500	500	500	0.0%	
Utilities	U	-	-	-	-		NA
<b>Total Non-Labor</b>		<u>\$ 42,764</u>	<u>\$ 52,500</u>	<u>\$ 51,205</u>	<u>\$ 102,500</u>	95.2%	
<b>Division Operating Total</b>		<u>\$ 524,009</u>	<u>\$ 582,940</u>	<u>\$ 580,205</u>	<u>\$ 688,257</u>	18.1%	
<b>Safety &amp; Risk</b>	57						
<b>Labor Expenses:</b>							
Salaries		\$ 190,607	\$ 217,428	\$ 185,407	\$ 241,955	11.3%	1-1
<b>Non-Labor Expenses:</b>							
Contractor Services	C	20,953	25,000	29,000	40,000	60.0%	1-15
Equipment (Non Capital)	E	39,719	70,000	70,314	66,550	-4.9%	
Materials/Services/Supplies	M	24,290	30,200	29,743	30,200	0.0%	
Professional Services	P	269,838	350,000	465,690	599,865	71.4%	1-16
Memberships/Training/Permits	T	2,367	3,000	2,800	2,700	-10.0%	1-17
Utilities	U	-	-	-	-		NA
<b>Total Non-Labor</b>		<u>\$ 357,167</u>	<u>\$ 478,200</u>	<u>\$ 597,547</u>	<u>\$ 739,315</u>	54.6%	
<b>Division Operating Total</b>		<u>\$ 547,774</u>	<u>\$ 695,628</u>	<u>\$ 782,954</u>	<u>\$ 981,270</u>	41.1%	
<b>Vehicle Services &amp; Shop</b>	65						
<b>Labor Expenses:</b>							
Salaries		\$ 76,845	\$ 114,913	\$ 88,163	\$ 100,745	-12.3%	1-18
<b>Non-Labor Expenses:</b>							
Contractor Services	C	29,229	27,500	32,273	34,000	23.6%	1-19
Equipment (Non Capital)	E	71	-	-	-		NA
Materials/Services/Supplies	M	296,244	290,000	295,464	300,000	3.4%	
Professional Services	P	-	-	-	-		NA
Memberships/Training/Permits	T	-	-	-	-		NA
Utilities	U	-	-	-	-		NA
<b>Total Non-Labor</b>		<u>\$ 325,545</u>	<u>\$ 317,500</u>	<u>\$ 327,737</u>	<u>\$ 334,000</u>	5.2%	
<b>Division Operating Total</b>		<u>\$ 402,390</u>	<u>\$ 432,413</u>	<u>\$ 415,900</u>	<u>\$ 434,745</u>	0.5%	
<b>Total Labor</b>		\$ 2,473,920	\$ 2,713,010	\$ 2,630,296	\$ 2,947,047	8.6%	
<b>Total Non-Labor Expenses</b>		2,770,747	2,800,141	2,823,239	3,083,575	10.1%	
<b>Operating Total</b>		<u>\$ 5,244,667</u>	<u>\$ 5,513,151</u>	<u>\$ 5,453,535</u>	<u>\$ 6,030,622</u>	9.4%	
<b>Allocated Benefits Expenditures*</b>		1,667,186	1,815,072	1,815,072	1,903,450	4.9%	
<b>Total Budget</b>		<u>\$ 6,911,853</u>	<u>\$ 7,328,223</u>	<u>\$ 7,268,607</u>	<u>\$ 7,934,072</u>	8.3%	

\* Includes transfer to Pension/OPEB Trusts

**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22		FY 2022-23		FY 2023-24	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt		
<b>Water Services</b>	30							
<b>Treatment</b>	30							
<b>Labor Expenses:</b>								
Salaries		\$ 149,204	\$ 266,697 <sup>(1)</sup>	\$ 297,273	\$ 418,098		56.8%	2-1
<b>Non-Labor Expenses:</b>								
Contractor Services	C	154,232	80,000	70,000	136,000		70.0%	2-2
Equipment (Non Capital)	E	4,826	5,000	3,474	8,000		60.0%	2-3
Materials/Services/Supplies	M	197,371	352,773 <sup>(1)</sup>	435,242	395,121		12.0%	2-4
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	20,190	-	-	-			NA
Utilities	U	240,318	385,000 <sup>(1)</sup>	453,155	939,454		144.0%	2-5
<b>Total Non-Labor</b>		<u>\$ 616,936</u>	<u>\$ 822,773</u>	<u>\$ 961,871</u>	<u>\$ 1,478,575</u>		79.7%	
<b>Division Operating Total</b>		<u>\$ 766,140</u>	<u>\$ 1,089,470</u>	<u>\$ 1,259,144</u>	<u>\$ 1,896,673</u>		74.1%	

(1) Budget Amendment for increase of \$29,273 for labor required for additional deliveries to SMGTP. Budget Amendment for increase of \$174,275 for Utilities and Chemicals and Laboratory Supplies required for additional flows received to SMGTP.

<b>Production &amp; Distribution</b>	31							
<b>Labor Expenses:</b>								
Salaries		\$ 757,957	\$ 561,891 <sup>(1)</sup>	\$ 665,200	\$ 564,591		0.5%	
<b>Non-Labor Expenses:</b>								
Contractor Services	C	70,448	101,000	95,000	192,581		90.7%	2-6
Equipment (Non Capital)	E	7,837	20,000	10,000	20,000		0.0%	
Materials/Services/Supplies	M	209,157	224,000	187,541	259,700		15.9%	2-7
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	68,261	80,000	85,000	90,000		12.5%	2-8
Utilities	U	76,505	90,000	70,000	92,000		2.2%	
<b>Total Non-Labor</b>		<u>\$ 432,208</u>	<u>\$ 515,000</u>	<u>\$ 447,541</u>	<u>\$ 654,281</u>		27.0%	
<b>Division Operating Total</b>		<u>\$ 1,190,165</u>	<u>\$ 1,076,891</u>	<u>\$ 1,112,741</u>	<u>\$ 1,218,872</u>		13.2%	

(1) Amended Standby Budget down by \$90,050. Amended Water-Pipeline Maintenance & Construction, Wastewater-Collections and Wastewater-Treatment Budgets by increases of \$43,175, \$20,970 and \$25,905 respectively.

<b>Pipeline Maintenance &amp; Construction</b>	32							
<b>Labor Expenses:</b>								
Salaries		\$ 457,011	\$ 715,878 <sup>(1)</sup>	\$ 715,878	\$ 567,965		-20.7%	2-9
<b>Non-Labor Expenses:</b>								
Contractor Services	C	29,500	40,000	40,000	46,000		15.0%	2-10
Equipment (Non Capital)	E	13,475	10,000	10,000	10,000		0.0%	
Materials/Services/Supplies	M	125,337	40,000	78,445	45,000		12.5%	2-11
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	-	-	-	-			NA
Utilities	U	-	-	-	-			NA
<b>Total Non-Labor</b>		<u>\$ 168,312</u>	<u>\$ 90,000</u>	<u>\$ 128,445</u>	<u>\$ 101,000</u>		12.2%	
<b>Division Operating Total</b>		<u>\$ 625,323</u>	<u>\$ 805,878</u>	<u>\$ 844,323</u>	<u>\$ 668,965</u>		-17.0%	

(1) Budget Amendment for increase of \$232,747 for labor allocated to emergency repairs and amended Standby Budget by increase of \$43,175.

**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22		FY 2022-23		FY 2023-24	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt		
<b>Water Services</b>		30						
<b>System Services</b>		42						
<b>Labor Expenses:</b>								
Salaries		\$ 509,671	\$ 553,515 <sup>(1)</sup>	\$ 553,515	\$ 518,301		-6.4%	2-12
<b>Non-Labor Expenses:</b>								
Contractor Services	C	70,000	106,000	100,000	100,000		-5.7%	2-13
Equipment (Non Capital)	E	1,850	-	1,347	-			NA
Materials/Services/Supplies	M	114,247	105,000	127,683	117,000		11.4%	2-14
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	-	-	-	-			NA
Utilities	U	-	-	-	-			NA
<b>Total Non-Labor</b>		<u>\$ 186,096</u>	<u>\$ 211,000</u>	<u>\$ 229,030</u>	<u>\$ 217,000</u>		2.8%	
<b>Division Operating Total</b>		<u>\$ 695,767</u>	<u>\$ 764,515</u>	<u>\$ 782,545</u>	<u>\$ 735,301</u>		-3.8%	
(1) Budget Amendment for increase of \$74,253 for labor allocated to emergency repairs.								
<b>Total Labor</b>		\$ 1,873,843	\$ 2,097,982	\$ 2,231,866	\$ 2,068,956		-1.4%	
<b>Total Non-Labor</b>		<u>1,403,552</u>	<u>1,638,773</u>	<u>1,766,887</u>	<u>2,450,856</u>		49.6%	
<b>Operating Total</b>		<u>\$ 3,277,395</u>	<u>\$ 3,736,755</u>	<u>\$ 3,998,753</u>	<u>\$ 4,519,812</u>		21.0%	
<b>Allocated Benefits Expenditures</b>		<u>1,262,791</u>	<u>1,214,646</u>	<u>1,214,646</u>	<u>1,337,251</u>		10.1%	
<b>Total Direct Water Costs</b>		<u>\$ 4,540,186</u>	<u>\$ 4,951,401</u>	<u>\$ 5,213,399</u>	<u>\$ 5,857,063</u>		18.3%	
<b>Allocation of Administrative Services</b>		<u>4,423,586</u>	<u>4,690,063</u>	<u>4,651,909</u>	<u>5,077,806</u>		8.3%	
<b>Total Budget</b>		<u>\$ 8,963,772</u>	<u>\$ 9,641,464</u>	<u>\$ 9,865,308</u>	<u>\$ 10,934,869</u>		13.4%	



**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22		FY 2022-23		FY 2023-24	% Change	Reference Code
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt		
<b>Wastewater Services</b>	32							
<b>Collections</b>	31							
<b>Labor Expenses:</b>								
Salaries		\$ 533,263	\$ 500,812 <sup>(1)</sup>	\$ 510,234	\$ 624,127		24.6%	3-1
<b>Non-Labor Expenses:</b>								
Contractor Services	C	40,763	75,000	55,000	93,500		24.7%	3-2
Equipment (Non Capital)	E	4,158	5,000	5,786	5,000		0.0%	
Materials/Services/Supplies	M	165,421	170,000	150,130	219,000		28.8%	3-3
Professional Services	P	-	-	-	-		NA	
Memberships/Training/Permits	T	-	900	1,809	2,000		122.2%	3-4
Utilities	U	162,034	122,300	112,000	118,000		-3.5%	
<b>Total Non-Labor</b>		<u>\$ 372,377</u>	<u>\$ 373,200</u>	<u>\$ 324,724</u>	<u>\$ 437,500</u>		17.2%	
<b>Division Operating Total</b>		<u>\$ 905,640</u>	<u>\$ 874,012</u>	<u>\$ 834,958</u>	<u>\$ 1,061,627</u>		21.5%	
								(1) Amended Standby Budget by increase of \$20,970.
<b>Treatment</b>	30							
<b>Labor Expenses:</b>								
Salaries		\$ 834,959	\$ 921,605 <sup>(1)</sup>	\$ 859,976	\$ 912,841		-1.0%	
<b>Non-Labor Expenses:</b>								
Contractor Services	C	397,018	353,000	300,000	348,000		-1.4%	
Equipment (Non Capital)	E	3,915	7,000	7,400	17,000		142.9%	3-5
Materials/Services/Supplies	M	316,524	297,500	246,653	287,500		-3.4%	
Professional Services	P	-	-	-	-		NA	
Memberships/Training/Permits	T	84,703	95,000	95,000	95,000		0.0%	
Utilities	U	158,752	157,600	157,600	144,000		-8.6%	3-6
<b>Total Non-Labor</b>		<u>\$ 960,911</u>	<u>\$ 910,100</u>	<u>\$ 806,653</u>	<u>\$ 891,500</u>		-2.0%	
<b>Division Operating Total</b>		<u>\$ 1,795,870</u>	<u>\$ 1,831,705</u>	<u>\$ 1,666,629</u>	<u>\$ 1,804,341</u>		-1.5%	
								(1) Amended Standby Budget by increase of \$25,905.
<b>Total Labor</b>		\$ 1,368,222	\$ 1,422,416	\$ 1,370,210	\$ 1,536,968		8.1%	
<b>Total Non-Labor</b>		1,333,288	1,283,300	1,131,377	1,329,000		3.6%	
<b>Operating Total</b>		<u>\$ 2,701,510</u>	<u>\$ 2,705,716</u>	<u>\$ 2,501,587</u>	<u>\$ 2,865,968</u>		5.9%	
<b>Allocated Benefits Expenditures</b>		922,051	920,272	920,272	992,703		7.9%	
<b>Total Direct Wastewater Costs</b>		<u>\$ 3,623,560</u>	<u>\$ 3,625,988</u>	<u>\$ 3,421,859</u>	<u>\$ 3,858,671</u>		6.4%	
<b>Allocation of Administrative Services</b>		2,419,149	2,564,878	2,544,012	2,776,925		8.3%	
<b>Total Budget</b>		<u>\$ 6,042,709</u>	<u>\$ 6,190,867</u>	<u>\$ 5,965,871</u>	<u>\$ 6,635,596</u>		7.2%	

**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22	FY 2022-23		FY 2023-24	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code
<b>Recycled Water Services</b>		31					
<b>Production</b>		30					
<b>Labor Expenses:</b>							
Salaries		\$ 101,968	\$ 149,640	\$ 139,990	\$ 229,979	53.7%	4-1
<b>Non-Labor Expenses:</b>							
Contractor Services	C	34,403	36,000	36,000	36,000	0.0%	
Equipment (Non Capital)	E	8,723	4,000	4,000	4,000	0.0%	
Materials/Services/Supplies	M	105,833	89,500	105,228	96,500	7.8%	4-2
Professional Services	P	-	-	-	-	NA	
Memberships/Training/Permits	T	-	-	-	-	NA	
Utilities	U	68,036	68,000	68,000	62,000	-8.8%	4-3
<b>Total Non-Labor</b>		<u>\$ 216,995</u>	<u>\$ 197,500</u>	<u>\$ 213,228</u>	<u>\$ 198,500</u>	0.5%	
<b>Division Operating Total</b>		<u>\$ 318,963</u>	<u>\$ 347,140</u>	<u>\$ 353,218</u>	<u>\$ 428,479</u>	23.4%	
<b>Distribution</b>		31					
<b>Labor Expenses:</b>							
Salaries		\$ 29,130	\$ 10,438	\$ 21,125	\$ 29,165	179.4%	4-4
<b>Non-Labor Expenses:</b>							
Contractor Services	C	-	-	1,622	-	NA	
Equipment (Non Capital)	E	-	-	-	-	NA	
Materials/Services/Supplies	M	6	25,000	8,500	19,000	-24.0%	4-5
Professional Services	P	-	-	-	-	NA	
Memberships/Training/Permits	T	-	-	-	-	NA	
Utilities	U	715	-	(140)	-	NA	
<b>Total Non-Labor</b>		<u>\$ 720</u>	<u>\$ 25,000</u>	<u>\$ 9,982</u>	<u>\$ 19,000</u>	-24.0%	
<b>Division Operating Total</b>		<u>\$ 29,850</u>	<u>\$ 35,438</u>	<u>\$ 31,107</u>	<u>\$ 48,165</u>	35.9%	
<b>Total Labor</b>		\$ 131,098	\$ 160,078	\$ 161,114	\$ 259,144	61.9%	
<b>Total Non-Labor</b>		217,716	222,500	223,210	217,500	-2.2%	
<b>Operating Total</b>		<u>\$ 348,813</u>	<u>\$ 382,578</u>	<u>\$ 384,324</u>	<u>\$ 476,644</u>	24.6%	
<b>Allocated Benefits Expenditures</b>		88,347	107,097	107,097	167,377	56.3%	
<b>Total Direct Recycled Water Costs</b>		<u>\$ 437,160</u>	<u>\$ 489,675</u>	<u>\$ 491,421</u>	<u>\$ 644,021</u>	31.5%	
<b>Allocation of Administrative Services</b>		69,119	73,282	72,686	79,341	8.3%	
<b>Total Budget</b>		<u>\$ 506,279</u>	<u>\$ 562,958</u>	<u>\$ 564,108</u>	<u>\$ 723,362</u>	28.5%	

**FPUD Expense Summary**  
**Fiscal Year 2023-24 Operating Budget**

Description	Div	FY 2021-22		FY 2022-23		FY 2023-24	% Change	Reference
		Actual	Amended Budget	Projected	Budget	Bgt to Bgt	Code	
<b>Community Benefit Program</b>	15							
Community Benefit Program	0							
<b>Labor Expenses:</b>								
Salaries		\$ -	\$ 6,961	\$ 6,961	\$ 1,464		-79.0%	5-1
								NA
<b>Non-Labor Expenses:</b>								
Contractor Services	C	-	28,491 (1)	28,491	544,536		1811.2%	5-2
Equipment (Non Capital)	E	-	-	-	-			NA
Materials/Services/Supplies	M	-	-	-	-			NA
Professional Services	P	-	-	-	-			NA
Memberships/Training/Permits	T	-	-	-	-			NA
Utilities	U	-	-	-	-			NA
<b>Total Non-Labor</b>		<u>\$ -</u>	<u>\$ 28,491</u>	<u>\$ 28,491</u>	<u>\$ 544,536</u>		1811.2%	NA
<b>Division Operating Total</b>		<u>\$ -</u>	<u>\$ 35,452</u>	<u>\$ 35,452</u>	<u>\$ 546,000</u>		1440.1%	
(1) Budget Amendment reduction of \$510,548.								
<b>Total Labor</b>		\$ -	\$ 6,961	\$ 6,961	\$ 1,464		-79.0%	
<b>Total Non-Labor</b>		-	28,491	28,491	544,536		1811.2%	
<b>Operating Total</b>		\$ -	\$ 35,452	\$ 35,452	\$ 546,000		1440.1%	
<b>Allocated Benefits Expenditures</b>		-	-	-	-			NA
<b>Total Direct Water Costs</b>		\$ -	\$ 35,452	\$ 35,452	\$ 546,000		1440.1%	
<b>Allocation of Administrative Services</b>		-	-	-	-			NA
<b>Total Budget</b>		<u>\$ -</u>	<u>\$ 35,452</u>	<u>\$ 35,452</u>	<u>\$ 546,000</u>		1440.1%	

## **Attachment 6**

# FY 2023-24 Operating Budget Justifications (+/- 5%)

## Administration

- 1-1** Increased budget for 5% COLA and expected merit salary increases
- 1-2** Decreased budget due to rate study expenses charged in previous two Fiscal Years
- 1-3** Increased budget for 5% COLA and expected merit salary increases; Warehouse supervisor allocating more time to Warehouse instead of Vehicles and Community Benefit Program
- 1-4** Increased budget due to additional Building Services for landscaping
- 1-5** Increased budget due to additional equipment necessary for Warehouse Specialist
- 1-6** Decreased budget to align with projections for Contract Services
- 1-7** Decreased budget to align with projections for Recruiting Expenses
- 1-8** Decreased budget due less FTE's utilizing Educational Funding
- 1-9** Increased budget to reflect fixed monthly contract with DataNet Solutions (was previously budgeted in two line items)
- 1-10** Increased budget due to price escalation of Equipment costs
- 1-11** Decreased budget due to restructuring of DataNet's contract, also includes cost of business network connection to the plant.
- 1-12** Decreased budget reflects a smaller scale project related to information management system integration
- 1-13** Increased budget due to energy efficiency optimization study
- 1-14** Increased budget due to rising costs for Software and License expenses
- 1-15** Increased budget due to additional required Safety training
- 1-16** Increased budget due to additional Property Insurance for SMGTP and increased claims
- 1-17** Decreased budget due to reduction in Safety subscriptions that are no longer needed
- 1-18** Decreased budget due to Warehouse supervisor allocating less time to Vehicles and more time to Warehouse
- 1-19** Increased budget due to Contract Services used by Fleet

## Water Services

- 2-1** Increased budget for 5% COLA and expected merit salary increases; 1 FTE added and additional labor hours allocated to SMGTP for additional expected flows
- 2-2** Increased budget due to additional SCADA maintenance for Contract Services required for SMGTP
- 2-3** Increased budget due to additional SCADA maintenance tools needed for SMGTP
- 2-4** Increased budget due to additional Chemicals, Laboratory Supplies and delivery fees needed for estimated SMGTP water deliveries

- 2-5** Increased budget due to additional power needed for estimated SMGTP water deliveries
- 2-6** Increased budget due to increased costs in Contractor Services for brush removal
- 2-7** Increased budget due to increased cost of Chemicals
- 2-8** Increased budget to align with projections for increased Dues, Fees and Memberships
- 2-9** Decreased budget to reflect normal level of emergency repairs
- 2-10** Increased budget due to additional temp labor required for Service Material Project
- 2-11** Increased budget due to increased costs for Materials
- 2-12** Decreased budget to reflect normal level of emergency repairs
- 2-13** Decreased budget due to reduction of intern
- 2-14** Increased budget due to Materials costs for backflow replacements

## Wastewater Services

- 3-1** Increased budget for 5% COLA and expected merit salary increases; SCADA maintenance allocated to Collections per Cost of Service Study; and less hours allocated to CIP for Collections Division
- 3-2** Increased budget due to increased costs for Contract Services for sewer monitoring and SCADA maintenance
- 3-3** Increased budget due to increased costs for Chemicals
- 3-4** Increased budget due to additional laterals installation
- 3-5** Increased budget due to additional SCADA maintenance tools
- 3-6** Decreased budget due to expected Tesla energy savings

## Recycled Water Services

- 4-1** Increased budget for 5% COLA and expected merit salary increases; also Chief Plant Operator and Operations Manager allocating 10% of labor here per Cost of Service Study
- 4-2** Increased budget to align with projections for Chemicals
- 4-3** Decreased budget due to expected Tesla energy savings
- 4-4** Increased budget for 5% COLA and expected merit salary increases; also increased budget due to additional labor allocated to Recycle Service Monitor and Test
- 4-5** Decreased budget to align with projections for Stores Inventory

## Community Benefit Program

- 5-1** Decreased budget due to fewer labor hours required from Operating staff
- 5-2** Increased budget due to increased expenditures in Community Benefit Program

## **Attachment 7**

	FY 2021-22 Actual	FY 2022-23		FY 2023-24 Budget	Budget to Budget Change (%)
		Amended Budget	Projected		
<b>Variable Costs:</b>					
SDCWA Variable Cost	\$ 9,678,651	\$ 7,774,062	\$ 7,774,062	\$ 4,988,190	-35.8%
SMRCUP Supply Cost*	179,645	612,878	612,878	1,219,265	98.9%
<b>Fixed Costs:</b>					
SDCWA Supply Reliability	\$ 667,258	\$ 684,192	\$ 684,192	\$ 724,812	5.9%
SDCWA Storage	1,036,863	1,048,488	1,048,488	1,050,204	0.2%
SDCWA Customer service	559,905	555,840	555,840	561,006	0.9%
MWD Capacity	258,523	237,030	237,030	200,804	-15.3%
MWD Readiness to Serve	260,989	264,456	264,456	303,831	14.9%
SDCWA IAC	603,996	603,768	603,768	608,748	0.8%
<b>Total Water Supply Costs</b>	<b>\$ 13,245,830</b>	<b>\$ 11,780,714</b>	<b>\$ 11,780,714</b>	<b>\$ 9,656,861</b>	<b>-18.0%</b>

\* This estimate does not include the SMGTP LRP credit of \$305/AF @ 3,100 estimated AF; \$945,500.



## **Attachment 8**

### Breakdown of District's Employee Benefit Costs

Description	FY 2021-22	FY 2022-23		FY 2023-24	Budget to
	Actual	Amended Budget	Projected	Budget	Budget Change (%)
Auto Allowance	\$ 18,962	\$ 21,750	\$ 23,500	\$ 21,750	0.0%
Insurance - Dental	66,565	73,817	72,697	84,731	14.8%
Insurance - Vision	13,649	14,606	13,267	14,818	1.5%
Insurance - Health	1,078,333	1,135,576	1,096,942	1,310,890	15.4%
Insurance - Life and Disability	48,937	50,481	58,082	57,390	13.7%
Insurance - Worker's Comp	117,551	167,266	167,266	153,532	-8.2%
Performance Bonus	35,029	26,921	8,211	20,800	-22.7%
FICA - Employer's share	462,748	478,138	516,434	529,000	10.6%
CalPERS Annual Contribution	602,815	688,148	688,148	803,005	16.7%
CalPERS Unfunded Liability Payment	1,112,995	1,285,994	1,285,994	1,237,755	-3.8%
Pension/OPEB Liability Trust Payment *	500,000	500,000	500,000	500,000	0.0%
Employer's share (401 & 457)	49,167	95,095	78,256	125,489	32.0%
District Share of Retiree Medical Insurance	53,607	50,812	57,626	53,318	4.9%
Merit Increase Bonus	-	20,000	30,789	33,000	65.0%
Uniforms & Boots	52,491	43,607	46,580	45,543	4.4%
<b>Total</b>	<b>\$ 4,212,848</b>	<b>\$ 4,652,210</b>	<b>\$4,643,792</b>	<b>\$ 4,991,021</b>	<b>7.3%</b>

\*\$500,000 transferred to the District's Section 115 Pension Trust.

## **Attachment 9**

## Fiscal Year 2023-24 Debt Service Schedule

Year Ending June 30	Red Mountain State Revolving Fund Loan		Wastewater Revenue Refunding Bonds		QECCB* Loan		SMRCUP State Revolving Funds		District Annual Debt Service
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	
	2023	316,573	79,277	1,115,000	616,022	387,783	133,884	-	
2024	324,764	71,087	1,120,000	610,746	410,388	111,302	1,600,373	1,214,422	\$ 5,463,081
2025	333,166	62,685	1,130,000	603,575	433,953	87,409	1,630,780	1,184,015	\$ 5,465,583
2026	341,786	54,065	1,145,000	584,934	458,515	62,150	1,661,765	1,153,030	\$ 5,461,244
2027	350,628	45,222	1,185,000	546,700	484,114	35,465	1,693,339	1,121,456	\$ 5,461,925
2028	359,700	36,151	1,230,000	498,400	254,219	7,296	1,725,512	1,089,283	\$ 5,200,561
2029	369,006	26,844	1,280,000	448,200	-	-	1,758,297	1,056,498	\$ 4,938,846
2030	378,553	17,297	1,335,000	395,900	-	-	1,791,704	1,023,091	\$ 4,941,546
2031	388,347	7,503	1,390,000	341,400	-	-	1,825,747	989,048	\$ 4,942,046
2032	-	-	1,445,000	284,700	-	-	1,860,436	954,359	\$ 4,544,495
2033	-	-	1,505,000	225,700	-	-	1,895,784	919,011	\$ 4,545,495
2034	-	-	1,565,000	164,300	-	-	1,931,804	882,991	\$ 4,544,095
2035	-	-	1,630,000	100,400	-	-	1,968,509	846,287	\$ 4,545,195
2036	-	-	1,695,000	33,900	-	-	2,005,910	808,885	\$ 4,543,695
2037	-	-	-	-	-	-	2,044,022	770,773	\$ 2,814,795
2038	-	-	-	-	-	-	2,082,859	731,936	\$ 2,814,795
2039	-	-	-	-	-	-	2,122,433	692,362	\$ 2,814,795
2040	-	-	-	-	-	-	2,162,759	652,036	\$ 2,814,795
2041	-	-	-	-	-	-	2,203,852	610,943	\$ 2,814,795
2042	-	-	-	-	-	-	2,245,725	569,070	\$ 2,814,795
2043	-	-	-	-	-	-	2,288,394	526,401	\$ 2,814,795
2044	-	-	-	-	-	-	2,331,873	482,922	\$ 2,814,795
2045	-	-	-	-	-	-	2,376,179	438,616	\$ 2,814,795
2046	-	-	-	-	-	-	2,421,326	393,469	\$ 2,814,795
2047	-	-	-	-	-	-	2,467,332	347,464	\$ 2,814,795
2048	-	-	-	-	-	-	2,514,211	300,584	\$ 2,814,795
2049	-	-	-	-	-	-	2,561,981	252,814	\$ 2,814,795
2050	-	-	-	-	-	-	2,610,658	204,137	\$ 2,814,795
2051	-	-	-	-	-	-	2,660,261	154,534	\$ 2,814,795
2052	-	-	-	-	-	-	2,710,806	103,989	\$ 2,814,795
2053	-	-	-	-	-	-	2,762,311	52,484	\$ 2,814,795

\*Qualified Energy Conservation Revenue Bonds. Debt service is not adjusted for interest rate subsidy payments.

## Debt Service Budget Summary

Debt Issuance	Service				Total Debt Service
	Water	Wastewater	Recycled Water		
2018 SRF Loan	\$ 2,814,795	\$ -	\$ -	\$ -	\$ 2,814,795
2011 SRF Loan	395,851	-	-	-	395,851
2021 WWRRB*	-	1,211,522	519,224	-	1,730,746
2010 QECCB	-	521,690	-	-	521,690
<b>Total</b>	<b>\$ 3,210,646</b>	<b>\$ 1,733,212</b>	<b>\$ 519,224</b>	<b>\$ -</b>	<b>\$ 5,463,081</b>

\* 70% is allocated to wastewater and 30% of the debt service is allocated to recycled water.

**M E M O**

**TO:** Board of Directors  
**FROM:** Fiscal Policy & Insurance Committee  
**DATE:** April 24, 2023  
**SUBJECT:** Amendment of Professional Service Contract for Independent Financial Auditors

---

Purpose

Provide a recommendation to the Board for the selection of an independent auditor for the next three year term.

Summary

The Fiscal Policy and Insurance Committee (the Committee) has met a several times to discuss selection of an independent auditor. In 2018, White Nelson Diehl Evans, LLP (WNDE) was selected to be the District's Auditor. Over the course of the 5-year agreement, Clifton, Larson, Allen LLP (CLA) acquired WNDE but maintained the District's auditing team.

It is a best management practice to rotate auditors/partners, when it is practical to do so, periodically. A new auditor/partner can provide the Board with a fresh outlook and greater independence from management. The Committee, after considering issuing a Request for Proposals, is recommending that the District continue to use the firm CLA but replace the engagement partner David Foreman with Daphnie Munoz. The Committee's recommendation ensures an independent financial review while minimizing cost to transitioning to a new auditor.

The new CLA team is highly qualified and supported by a network of technical experts. Being a national firm, CLA is able to provide the technical expertise that smaller firms may not have access to. CLA also has experience working with local Special Districts and cities. The proposed pricing for the continuation of service is in line with general inflation over the past several years. Attachment A provides the contract amendment and the fee schedule for the next three years. While the schedule shows the fee for a Single Audit, the District does not anticipate having to conduct one during the term of this agreement.

Recommended Action

That the Board authorize staff to amend its professional services agreement with CLA for a three-year term at a not-to-exceed cost of \$142,515. The three-year contract term begins with fiscal year 2022-23. While the contract is for three years, it can be terminated at any time.



**CliftonLarsonAllen LLP**  
2875 Michelle Drive, Suite 300  
Irvine, CA 92606

**phone 714-978-1300 fax 714-978-7893**  
**CLAconnect.com**

April 4, 2023

Mr. David Shank  
Assistant General Manager/CFO  
Fallbrook Public Utility District  
990 E. Mission Rd.  
Fallbrook, CA 92028

Dear Mr. Shank,

We are pleased to present our proposed fees to continue to provide audit and related services to Fallbrook Public Utility District (the District) for the three years ending June 30, 2025.

The scope of our services and related proposed fee are included in the attached schedule. In addition to the District's contract for professional services, for each year the audit, we will request a statement of work which provides additional detail on the scope of services and responsibilities of management and the auditors.

Our fees are based on the timely delivery of services provided, the experience of personnel assigned to the engagement, and our commitment to meeting your deadlines as stated in our original proposal to the District.

If you have any questions about our fee, please do not hesitate to contact me

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Daphne Munoz".

Daphne Munoz  
Principal

Enclosure

**FALLBROOK PUBLIC UTILITY DISTRICT  
MAXIMUM FEES**

	<u>Fiscal Year 2022-23</u>	<u>Fiscal Year 2023-24</u>	<u>Fiscal Year 2024-25</u>
Financial Statement Audit	\$ 39,650	\$ 40,900	\$ 42,100
Single Audit of Federal Grants of the District (1)	6,300	6,615	6,950
	<u>6,300</u>	<u>6,615</u>	<u>6,950</u>
Not-to-Exceed Fee	<u>\$ 45,950</u>	<u>\$ 47,515</u>	<u>\$ 49,050</u>

(1) This fee contemplates auditing one major program. Additional major programs will be audited for an additional cost of \$3,500 each.

## M E M O

**TO:** Board of Directors  
**FROM:** Jack Bebee, General Manager  
**DATE:** April 24, 2023  
**SUBJECT:** Consider rescinding “Water Shortage Response Level 2 – Water Shortage Watch,” move to “Normal Conditions”

---

Description

After a winter with substantial precipitation in Fallbrook (over 25 inches measured at the FPU D offices since September 2022) and rain and snowfall throughout the western United States, drought conditions in our region have improved. Water supplies, including FPU D’s local Santa Margarita Conjunctive Use Project and the California State Water Project are anticipating above average yields due to the above average precipitation and record-breaking snowpack amassed during the winter/spring of 2022-23.

On March 24, 2023 the Governor of California signed *Executive Order N-5-23*, which recognizes the improved hydrological conditions in the State, and rescinds some provisions listed in *Executive Order N-7-22* (March 28, 2022), including the order that the State Water Resources Control Board (State Water Board) require public water suppliers to implement the demand reduction measures for a stage 2 water shortage. Some provisions of *Executive Order N-7-22* remain in effect, including prohibitions on irrigating certain non-functional turf and a designation of severe drought on the Colorado River basin’s system of reservoirs, an integral component of Southern California’s imported water supply. Continued conservation efforts by water purveyors throughout the arid west will be imperative to prepare for and adapt to future periods of drought.

The District’s *Water Shortage Response Program (Administrative Code, Article 17)* identifies practical conservation measures that are in place at all times (*Normal Conditions*), and contains six levels to aid the District’s response to water shortage conditions. Prohibitions of end use are identified as well as other stipulations of shortage responses (sections 17.8.0-17.2) are attached to this memo.

A “Water Shortage Response Level 2 – Water Shortage Watch” (implemented on May 23, 2022 and effective to date pursuant to State Water Board emergency conservation regulations) increased public education and outreach regarding conservation programs. In addition, the District suspended all annexations to the District’s service area, except under some circumstances. Together these measures were designed to promote a consumer demand reduction of up to twenty percent (20%). From June 2022 to March 2023, a demand reduction of 11% was achieved by FPU D ratepayers.

Pursuant to the continued monitoring of the projected supply and demand for water by FPU D customers required by the Water Shortage Response Program, the General Manager has determined and recommends to the Board that Water Shortage



Response Level 2 – Water Shortage Watch is no longer necessary and may be terminated and replaced with Normal Conditions.

“Normal Conditions,” as fully set forth in the attachment to this memo, retains public education and outreach regarding conservation programs, and practical conservation measures. Prohibitions of end use under “Normal Condition” include wasteful practices such as washing down hardscape with water, inefficient landscape irrigation (overspray, runoff), and irrigating residential and commercial landscapes midday.

District conservation programs include rebates for water saving irrigation devices and appliances through [www.socalwatersmart.com](http://www.socalwatersmart.com), education resources available at [saveourwater.com](http://saveourwater.com), and the District’s automated metering system, which enables ratepayers to track and review their water use through a web based customer portal. Common sense conservation measures include eliminating irrigation runoff onto hardscape or roadways and the timely repair of water leaks. When runoff or other violations of District code are observed or reported, District staff communicates directly with FPUD account holders to ensure that issues are addressed in a timely manner.

#### Recommended Action

That the Board rescind the “Water Shortage Response Level 2 – Water Shortage Watch” and declare “Normal Conditions” per the District’s Water Shortage Response Program. Upon declaration, public announcement would be made on the District website and social media outlets. Continued efforts will be made by District staff to promote public education and outreach efforts to encourage water conservation and wise water use.

If additional directives from the Governor or the State Water Board regarding non-functional turf or other prohibitions of end use come to pass, District staff shall prepare an update for the Board at the subsequent Board meeting with details on compliance. Additional necessary Board action can be taken at that time.

Sec. 17.8.0 NORMAL CONDITIONS.

During a Normal Condition, customers are required to use water wisely and to practice water conservation measures so that water is not wasted. All water withdrawn from District facilities shall be put to reasonable beneficial use. District water users shall comply with the following water use prohibitions and conservation measures at all times:

1. Do not wash down paved surfaces, including but not limited to sidewalks, driveways, parking lots, tennis courts, or patios, except when it is necessary to alleviate safety or sanitation hazards.
2. Eliminate water waste resulting from inefficient landscape irrigation, such as runoff, low head drainage, or overspray, etc. Similarly, stop water flows onto non-targeted areas, such as adjacent property, non-irrigated areas, hardscapes, roadways, or structures.
3. Irrigate residential and commercial landscape before 10 a.m. and after 6 p.m. only, unless using drip irrigation.
4. Use a hand-held hose equipped with a positive shut-off nozzle or bucket to water landscaped areas, including trees and shrubs located on residential and commercial properties that are not irrigated by a landscape irrigation system.
5. Irrigate nursery and commercial grower's products before 10 a.m. and after 6 p.m. only. Watering is permitted at any time with a hand-held hose equipped with a positive shut-off nozzle, a bucket, or when a drip/micro-irrigation system/ equipment is used. Irrigation of nursery propagation beds is permitted at any time. Watering of livestock is permitted at any time.
6. Use re-circulated water to operate ornamental fountains.
7. Wash vehicles using a bucket and a hand-held hose with positive shut-off nozzle, mobile high pressure/low volume wash system, or at a commercial site that re-circulates (reclaims) water on-site. Avoid washing during hot conditions when additional water is required due to evaporation.
8. The irrigation with potable water of ornamental turf on public street medians is prohibited.
9. The application of potable water to outdoor landscapes during or within 48 hours of measurable rainfall is prohibited
10. The irrigation with potable water of landscapes outside of newly constructed homes and buildings in a manner inconsistent with regulations or other requirements established by the County of San Diego's Landscape Ordinance.

11. Serve and refill water in restaurants and other food service establishments only upon request.
12. Offer guests in hotels, motels, and other commercial lodging establishments the option of not laundering towels and linens daily.
13. Repair all water leaks within five (5) days of notification by the Fallbrook Public Utility District unless other arrangements are made with the General Manager.
14. Use recycled or non-potable water for construction purposes when available.

During a Water Shortage Response Levels 1-6 condition, the water conservation measures and water use restrictions established by this Article 17 are mandatory and violations are subject to criminal, civil, and administrative penalties and remedies as specified in this Article.”

Sec. 17.8.1 WATER SHORTAGE RESPONSE LEVEL 1 – WATER SHORTAGE NOTICE CONDITION.

During a Level 1 Water Shortage Notice condition, the District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement water conservation practices to ensure that no water is wasted, and increase enforcement of prohibitions of end use to promote a consumer demand reduction of up to ten percent (10%).

All persons using District water shall comply with Normal Conditions water conservation practices during a Level 1 Water Shortage Watch, as identified in Sec. 17.8.0.

Sec. 17.8.2 WATER SHORTAGE RESPONSE LEVEL 2 – WATER SHORTAGE WATCH CONDITION.

During a Level 2 Water Shortage Watch condition, the District will increase its public education and outreach efforts to emphasize increased public awareness of the need to implement water conservation practices to ensure that no water is wasted, and promote a consumer demand reduction of up to twenty percent (20%).

All persons using District water shall comply with Normal Conditions and Level 1 Water Shortage Notice water conservation practices during a Level 2 Water Shortage Watch, as identified in Sec. 17.8.0 and 17.8.1. Additionally, upon declaration of a Level 2 Water Shortage Watch condition, the District will suspend consideration of annexations to its service area except under the following circumstances:

1. The applicant provides substantial evidence of an enforceable commitment that water demands for the project will be offset prior to the provision of a new water meter(s) to the satisfaction of Fallbrook Public Utility District.

provision of a new water meter(s) to the satisfaction of Fallbrook Public Utility District.

**M E M O**

**TO:** Board of Directors  
**FROM:** Engineering and Operations Committee  
**DATE:** April 24, 2023  
**SUBJECT:** Notification of emergency declaration for pipe repair on North Main Ave and Acacia Lane

---

Description

California Public Contract Code Section 22050 authorizes special contracting procedures in case of an emergency; the General Manager may take immediate action required by the emergency to procure the necessary equipment, services, and supplies for those purposes, without giving notice for bids. However, the GM must report to the Board of Directors with an update at each regularly scheduled meeting to determine that there is a need to continue the action. When the Board reviews the emergency action, it shall terminate the action at the earliest possible date that conditions warrant so that the remainder of the emergency action may be completed by giving notice for bids to let contracts. In the March 2023 meeting of the board, three prequalified contractors were approved for on-call emergency pipeline repair services.

Purpose

Multiple recent leaks have occurred on sections of existing water main on North Main Ave and Acacia Lane, resulting in repeated emergency shutdowns in these areas. To restore reliable service, staff are engaging one of the prequalified contractors for emergency repairs, per the on-call emergency pipeline repair services procedures. The targeted area consists of approximately 300 linear feet of 6-inch water main on North Main and 1,000 linear feet of 6-inch water main on Acacia Lane.

Budgetary Impact

The estimated cost of these repairs is \$600,000. The costs will be covered by the approved capital budget pipeline replacement funds. These pipelines were planned for replacement in the coming year. However, because of the urgent need for replacement, they will be repaired with the current year's pipeline replacement funds while some of the current year's planned replacements will be deferred to the following year due to contractor procurement delays.

Recommended Action

The committee recommends to the Board that there is a need to continue the emergency action to replace failed pipelines and restore essential service to customers.

**M E M O**

**TO:** Board of Directors  
**FROM:** Fiscal Policy & Insurance Committee  
**DATE:** April 24, 2023  
**SUBJECT:** Adjust Administrative Code to Reflect Maximum Sewer Flow Amount

---

Purpose

Adjust the District's Administrative Code to reflect adjustments to the maximum flow for the calculation of winter billable sewer flows included in 2022 Water, Wastewater, and Recycled Water Rate Study (the Study) completed in December 2022.

Summary

The Study evaluated winter water use and plant influent levels to determine an appropriate Return-to-Sewer factor (RTS). The RTS converts water usage at a customer's water meter to a billable wastewater flow into the District's Wastewater System. The Study recommended an adjustment of the Return-to-Sewer factor (RTS) to 80% of winter flow up from 75% used in the past. To maintain the maximum residential billable sewer flow at 16 units, the current and past maximum billable flow, the maximum winter water use should have been adjusted from 21.33 units to 20 units.

Recommended Action

The Fiscal Policy and Insurance (the Committee) has reviewed this and recommends Adopting Resolution 5045 Amending the District's Administrative Code to reflect a maximum winter flow to 20 units.

**Attachment A**  
**Proposed Changes to Administrative Code**  
**Article 12**

Customer Class	Return to Sewer Factor
Special	
Low / Medium / High	100%
Special 10% RTS (1-10%)	
Low / Medium / High	10%
Special 20% RTS (11-20%)	
Low / Medium / High	20%
Special 30% RTS (21-30%)	
Low / Medium / High	30%
Special 40% RTS (31-40%)	
Low / Medium / High	40%
Special 50% RTS (41-50%)	
Low / Medium / High	50%
Special 60% RTS (51-60%)	
Low / Medium / High	60%
Special 70% RTS (61-70%)	
Low / Medium / High	70%
Special 80% RTS (71-80%)	
Low / Medium / High	80%

Non-residential customers with higher outdoor are evaluated on a case by case basis.

For those Single Family Residences (D, LD, AT, CB), volumetric charges are calculated as follows:

1. The 2-year average winter use is calculated based upon prior year water deliveries that include December, January and February. The average used for wastewater billing is capped at 21.3320 units.
2. 80% of this water is assumed to be returned to sewer/billable flow.
3. The Volumetric Wastewater Charge (\$/kgal) is applied to this flow.
4. Consumption analysis is performed annually. Appeal for consumption is available.
5. No prior history customer (new customer) will be placed at that customer class median of 6. For customers with at least one winter of use data, that data will be used for their winter average.
6. Use must be > 0 unless customer is on standby.

For those Multi-Family Residences (M), volumetric charges are calculated as follows:

7. The average winter use is calculated based upon prior year water deliveries that include December, January and February.
8. 80% of this water is assumed to be returned to sewer/billable flow.
9. The Volumetric Wastewater Charge (\$/kgal) is applied to this flow.
10. Consumption analysis is performed annually. Appeal for consumption is available.
11. No prior history customer (new customer) will be addressed on a case by case basis.

All other water customer classes (G, C, A, AS, CA), with the exception of public elementary and public junior high schools:

1. Monthly sewer bill based on actual water sold.



**Attachment B**  
**Resolution 50( )**

**RESOLUTION NO. 5045**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
FALLBROOK PUBLIC UTILITY DISTRICT, AMENDING ARTICLE 12 OF  
THE DISTRICT'S ADMINISTRATIVE CODE TO REFLECT MAXIMUM  
SEWER FLOW AMOUNT**

\* \* \* \* \*

**WHEREAS**, the Fallbrook Public Utility District (the "District") completed a Water, Wastewater, and Recycled Water Rate Study ("the Study") in December 2022; and

**WHEREAS**, the Study evaluated winter water use and plant influent levels to determine an appropriate Return-to-Sewer factor (RTS); and

**WHEREAS**, the Study recommended an adjustment of the RTS to 80% of winter flow up from 75% used in the past; and

**WHEREAS**, the maximum winter water use should have been adjusted from 21.33 units to 20 units, to maintain the maximum residential billable sewer flow at 16 units, the current and past maximum billable flow; and

**WHEREAS**, this adjustment was omitted in error from the changes to Article 12 of the Administrative Code that were made in December; and

**WHEREAS**, the Board of Directors has further determined that it is appropriate to amend Article 12 of the District's Administrative Code to reflect the maximum sewer flow amount of 20 units;

**NOW THEREFORE, BE IT RESOLVED THAT:**

1. Revisions to Administrative Code:

The Board hereby adopts the revisions to the Administrative Code attached hereto as Exhibit "A."

2. Effective Date:

This Resolution shall become effective upon the date of adoption.

**PASSED AND ADOPTED** by the Board of Directors of the Fallbrook Public Utility District at a regular meeting of the Board held on the 24<sup>th</sup> day of April, 2023, by the following vote:

AYES:  
NOES:  
ABSTAIN:  
ABSENT:

APPROVED:

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

ATTEST:

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

**EXHIBIT A**

**REVISIONS TO ARTICLE 12 OF THE  
FALLBROOK PUBLIC UTILITY DISTRICT  
ADMINISTRATIVE CODE**

**Article 12. Water and Sewer Rates and Service Charges.**

Water and sewer rates and charges are set to fully recover the District’s costs. In order to help stabilize the revenue of the District during increasing or decreasing sales, the District has established a policy to collect approximately 80% of the District’s fixed water operating costs through the monthly fixed charges and collect the remaining approximately 20% of the District’s fixed operating cost through volumetric water rates. The rates and charges are set based upon cost of service principals that meet legal requirements and industry standards.

Effective January 1, 2023, the following rates for water deliveries to each class of service are established:

Sec. 12.1 Volumetric Water, Recycled Water and Pumping Rates.

For purposes of determining water rates, one unit equals 1,000 gallons:

Domestic (D), Large Lot Domestic (LD), Multi-Unit (M).

1-5 units per month.....	\$7.31 per unit
Over 5 units per month.....	\$8.06 per unit

Commercial (C), Government (G), Irrigation Only (I).

All usage.....	\$7.72 per unit
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SAWR - Ag Only (AS).

All usage.....	\$5.63 per unit
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SAWR - Ag & Home (AT).

1-5 units per month.....	\$7.31 per unit
6-17 units per month.....	\$6.38 per unit
Over 17 units per month.....	\$5.63 per unit

Commercial Ag (CA).

All usage.....	\$6.38 per unit
----------------	-----------------

Commercial Ag Domestic (CB).

1-5 units per month.....	\$7.31 per unit
Over 5 units per month.....	\$6.38 per unit

Water Shortage Emergency Surcharges

In order to prepare and manage future periods of water shortage and mandatory conservation, the District adopted a water shortage contingency plan called the Water Shortage Response Program (the “Program”). Pursuant to the Program, the District established six Water Shortage Response Levels. Article 17 Water Shortage Response Program provides information on the program and the applicable water use rates.

Volumetric Recycled Water Rate.

Recycled water furnished within the District service area for any appropriate purpose will be billed at \$6.29 per 1,000 gallons. Recycled water sold outside the District service area will be sold by contract with specific customers.

Construction Meter.

Water furnished for construction purposes will be billed at \$9.14 per 1,000 gallons.

Volumetric Pumping Charges. (DSA and Toyon only)

Pumping charges for the DeLuz High Pressure Service Area and Toyon Heights shall be furnished at \$0.72 per 1,000 gallons to recover the cost of electricity.

Sec. 12.2 Monthly Fixed Charges.

Effective January 1, 2023, the following rates and charges are established and shall be collected by the District for water and recycled water service:

Monthly Service Charges for each meter (\$/meter size):

	Water Fixed Charges	Recycled Water Charges	Standby Service Charge	Private Fire Services Charge
3/4 inch meter	\$60.60	\$25.85	\$17.44	NA
1 inch meter	\$96.51	\$35.14	\$24.43	NA
1-1/2 inch meter	\$185.46	\$58.15	\$41.75	NA
2 inch meter	\$292.64	\$85.88	\$62.61	\$7.66
3 inch meter	\$578.82	\$159.91	\$118.30	\$8.90
4 inch meter	\$900.36	\$243.09	\$180.88	\$11.03
6 inch meter	\$1,793.16	\$474.06	\$354.65	\$18.70
8 inch meter	NA	NA	NA	\$31.92

NA- Not applicable

For construction meters, a service charge of \$438.96 per month or fraction thereof will be made in addition to the cost of water consumed. This rate is calculated using a factor of 1.5 times the fixed charge for a 2” water meter.

The foregoing fixed charges for water service through various sized meters that are installed or upgraded will be effective commencing the day of installation, regardless of the amount of water used, as long as the consumer's property is actually connected with the District's distribution system. In addition, any request to down size a meter properly filed with the District will receive a fixed charge commensurate with the meter size effective the next billing cycle.

Billings for water furnished to all accounts will be on a monthly basis.

A monthly service charge to cover the District's cost for annual inspection, maintenance, repair and replacement of backflow prevention devices will be made as follows (\$/meter size):

For each 3/4 inch device	\$11.10
For each 1 inch device	\$11.22
For each 1-1/2 inch device	\$14.39
For each 2 inch device	\$15.57
For each 3 inch device	\$34.04
For each 4 inch device	\$41.06
For each 6 inch device	\$52.85

Sec. 12.3 SDCWA Infrastructure Access Charge (IAC).

Effective July, 2023, the following monthly charges are established and shall be collected by the District for San Diego County Water Authority's Infrastructure Access Charge (the "IAC").

Monthly charge for each meter (\$/meter size):

IAC	
3/4 inch meter	\$4.24
1 inch meter	\$7.08
1-1/2 inch meter	\$14.12
2 inch meter	\$22.60
3 inch meter	\$45.24
4 inch meter	\$70.68
6 inch meter	\$141.32

Sec. 12.4 Water Capital Improvement Charge.

For each water account, an additional \$11.11 per month per Equivalent Meter Unit (EMU) shall be added as a Capital Improvement Charge effective January 1, 2023. This charge is solely dedicated to funding water capital improvement projects. The Water Capital Improvement Charge (the "CIC") was implemented to provide a partial funding source for capital projects like the UV treatment facility at the Red Mountain Reservoir and to fund pipeline replacement projects.

The CIC will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February, plus 3% not to exceed 10%. Staff will report back to the Board of Directors no less than every five (5) years with analysis of its

necessity. The CIC will be used to fund capital improvement projects or debt service for capital improvement projects. Revenue from the CIC will not be used to fund Operating Costs.

Fallbrook Public Utility District’s Equivalent Meter Unit (EMU) is associated with meter size as listed below.

Meter Size	FPUD EMU	Water CIC
3/4 inch meter	1.0	\$11.11
1 inch meter	1.67	\$18.50
1-1/2 inch meter	3.33	\$37.03
2 inch meter	5.33	\$59.22
3 inch meter	10.67	\$118.45
4 inch meter	16.67	\$185.08
6 inch meter	33.33	\$370.15

Sec. 12.5 Billing Periods.

Billing due dates fall on the 10th, 20th, and 30th of the month depending on meter location in the District. All charges for water and sewer services during specified meter read dates are due and payable when rendered. Bills become delinquent the day after the due date. Residential accounts not paid within 30 days of the due date are sent past due statements and the meters are subject to lock-up for non-payment after being delinquent for 60 days (See District Residential Discontinuation of Service Policy available on the District website). Non-Residential accounts not paid within 30 days of the due date are subject to meter lock-up. All water accounts accrue a \$30 Delinquent Processing Fee on the 31st day of delinquency.

Accounts not paid within 30 days after lock-up and accounts that have tampered with the meter to obtain water illegally are subject to removal of meters and permanent disconnection of water service. Standby charges will continue to accrue after the meter has been removed.

If a meter has been locked for non-payment for a period of 90 days, it may be placed on Standby Service by FPUD. Standby Service charges will accrue from that time until an application for service restoration has been received by the District.

The District must be notified in a timely manner with the name and mailing address of the new owner or tenant and the upcoming date of transfer. Notification of the transfer of property ownership, or tenancy, is the responsibility of the owner/seller. The District is not responsible for the proration of the final billing if notification is not received prior to the date of sale, or change of tenancy.

Sec. 12.5.1 Unclaimed Funds

Unclaimed funds in an amount less than \$15 or where the depositor’s name is unknown will become FPUD general funds if unclaimed for 1 year.

Unclaimed funds in an amount greater than \$15 become may become FPUD general funds once the following procedure is completed:

1. The FPUD treasurer will publish notice once a week for two (2) successive weeks in a newspaper of general circulation published within FPUD boundaries.

2. The notice will state the amount of unclaimed money, the formal name of the fund in which the money is held, and a statement that the money will become FPUD property after a specified date (“Effective Date”). The Effective Date will be no less than forty-five (45) days nor more than sixty (60) days of the date of the first publication of the notice (“Claim Period”).

3. Upon the expiration of the Claim Period, and if there are no claims filed with FPUD or verified lawsuits filed with the superior court, the funds will become FPUD property and may be transferred to FPUD’s general fund.

Any person with a claim to such money may file a claim prior to the Effective Date with the FPUD treasurer. Pursuant to Government Code Section 50052, the claim shall include the following information: claimant’s name, address, amount of claim, grounds upon which the claim is founded, and any other information that may be required by the FPUD treasurer. FPUD has the right to accept or reject a claim. If the claim is accepted, FPUD will return the money without interest. If FPUD rejects the claim, the claimant may file a verified complaint against FPUD with the superior court within thirty (30) days of receiving notice of FPUD’s rejection pursuant to Government Code Section 50052. In the event that the original customer or depositor is deceased, such person’s heir, beneficiary, or duly appointed representative may file a claim before the Effective Date as provided in Government Code Section 50052.5.

Sec. 12.6 Meter Locks and Restrictors.

If for any reason, other than District convenience, a water meter shall be locked by the District, the water may not be again turned on to serve the property through such meter until all past due charges plus the Disconnection Processing Fee of Fifty Dollars (\$50) shall have been paid to the District. A Delinquent Processing Fee of \$30 to process and deliver delinquent account notices and a fee of \$100 for broken or damaged locks may also apply. Damage to corporation or angle stop in attempt to restore services locked for non-payment will be billed at actual time and material and added to the water bill.

If flow restrictors are required for any reason in order to implement policies within this Administrative Code, the fees are as follows:

<u>Meter Size</u>	<u>Installation Fee</u>
¾” and 1” Meters.....	\$144
1-1/2” and larger.....	\$611

Sec. 12.7 Meter Not Registering.

Whenever, for any reason, a meter fails to register correctly, the consumer will be charged an amount for the previous billing period increased or decreased by the



percentage change in total billing by the District for all consumers for the two billing periods.

Sec. 12.8 Water Rates or Service Charges Lien on Property.

In addition to any other remedy provided therein or by law for the collection of any water rate, charges or account, all rates or service charges provided for in this Administrative Code shall be charged and become a charge against the property on which the water is furnished and against the owner thereof, and all charges for water so served to a property shall be and become a lien against the premises upon which the water is used or served.

Standby accounts with a delinquent balance greater than \$500 as of April 1<sup>st</sup> of each year may be sent notification of intent to place delinquent and unpaid charges on the annual tax roll. The notification will be sent by May 1<sup>st</sup> and provides the customer 60 days to bring the account current. If the amount is not brought current by July 1<sup>st</sup>, the portion of the delinquency due as of the prior April 1<sup>st</sup> may be reported to the County Treasurer for inclusion on the annual taxes levied on the property.

If for any reason or cause the sums of money owing for such water services are not paid as required by the terms and provisions of this Administrative Code, the District shall have the right to shut off such water, and in no case shall service of water be resumed on the same property until all such delinquencies and additional turn-on charges shall have been paid in full. Delinquent bills from former owners or tenants are the responsibility of the present owner.

Sec. 12.8.1 Theft of Water.

Water is defined as stolen from the customer if the water is stolen from the customer's side of the meter. Water stolen from a mainline, hydrant, District pipeline, appurtenance, or tampering with a customer's meter is defined as water being stolen from the District.

Water Stolen from Customer.

Customers who have reported water theft to the District must also notify local law enforcement agencies. The District will require proof of theft from a law enforcement agency that a theft of water occurred. Customer's asking for credit on the bill for water theft will be processed by account type. If a full price M&I customer, the District may discount the estimated amount of water stolen and charge the District's wholesale cost of water for the amount stolen. An estimate of the amount of water stolen will be made by District staff using that customer's usage history. Water sold to agricultural customers, SAWR, and Commercial Ag/Commercial Ag Domestic, is sold at District cost so no discount may be applied. If the stolen water caused the customer's allocation bank to be adversely affected, the District will restore the estimated amount stolen to the customer's allocation bank. If the water theft resulted in an overuse penalty, the District will credit the penalty to the customer for the estimated amount of water stolen.

Water Stolen from District.

Any theft of water from the District will be reported to law enforcement agencies. If the theft is due to meter tampering, the customer will be charged a \$250 fee for tampering with the meter plus time and materials to place the meter back into proper position. If a water theft from the District due to meter tampering occurs again on the same meter, the customer will be charged a \$500 fee for tampering and an item will be brought forward to the Board of Directors to consider discontinuance of service. An estimate of the amount of water stolen will be calculated and billed to the customer's account. Collection of said fees are subject to all District regulations regarding collection of past due accounts.

Sec. 12.9 Volumetric Wastewater Charges.

Wastewater service charges are established upon each property within the District that is connected to a sewer line of the District whether said premises are occupied or unoccupied. Volumetric Wastewater Charges are applied to estimated billable wastewater flows, which are based upon adjusted water deliveries. The charge per killogallon of wastewater flow is shown below:

User Class	Volumetric Wastewater Charge (\$/kgal)
Ag. Domestic (AT)	\$ 10.22
Commercial Ag. Domestic (CB)	\$ 10.22
Residential (LD, D, M)	\$ 10.22
Government (G)	\$ 11.09
Commercial – Low Strength* (C_L)	\$ 11.09
Commercial – Medium Strength* (C_M)	\$ 13.82
Commercial – High Strength* (C_H)	\$ 17.66

\*Appendix A to this Article provides commercial effluent classification.

For the purpose of determining the billable wastewater flows, water deliveries must be converted to wastewater flows returned to the sewer system. To do this conversion, a Return to Sewer Factor is applied. The Return to Sewer factor adjusts the water received by the meter to the estimated flows from the residence or entity into the sewer system. The Return to Sewer Factor applied to the different customer classes are shown below:

Customer Class	Return to Sewer Factor
Residential (Multi-Family, Single Family)	80%
Non-Residential/Commercial	90%
Low / Medium / High	90%
Government	
Low / Medium / High	90%
Schools	80%
Churches	80%

Customer Class	Return to Sewer Factor
Special	
Low / Medium / High	100%
Special 10% RTS (1-10%)	
Low / Medium / High	10%
Special 20% RTS (11-20%)	
Low / Medium / High	20%
Special 30% RTS (21-30%)	
Low / Medium / High	30%
Special 40% RTS (31-40%)	
Low / Medium / High	40%
Special 50% RTS (41-50%)	
Low / Medium / High	50%
Special 60% RTS (51-60%)	
Low / Medium / High	60%
Special 70% RTS (61-70%)	
Low / Medium / High	70%
Special 80% RTS (71-80%)	
Low / Medium / High	80%

Non-residential customers with higher outdoor are evaluated on a case by case basis.

For those Single Family Residences (D, LD, AT, CB), volumetric charges are calculated as follows:

1. The 2-year average winter use is calculated based upon prior year water deliveries that include December, January and February. The average used for wastewater billing is capped at 20 units.
2. 80% of this water is assumed to be returned to sewer/billable flow.
3. The Volumetric Wastewater Charge (\$/kgal) is applied to this flow.
4. Consumption analysis is performed annually. Appeal for consumption is available.
5. No prior history customer (new customer) will be placed at that customer class median of 6. For customers with at least one winter of use data, that data will be used for their winter average.
6. Use must be  $> 0$  unless customer is on standby.

For those Multi-Family Residences (M), volumetric charges are calculated as follows:

7. The average winter use is calculated based upon prior year water deliveries that include December, January and February.
8. 80% of this water is assumed to be returned to sewer/billable flow.
9. The Volumetric Wastewater Charge (\$/kgal) is applied to this flow.
10. Consumption analysis is performed annually. Appeal for consumption is available.
11. No prior history customer (new customer) will be addressed on a case by case basis.

All other water customer classes (G, C, A, AS, CA), with the exception of public elementary and public junior high schools:

1. Monthly sewer bill based on actual water sold.

2. The Return to Sewer factor applied to determine the billable flow. Appeals for irrigation and/or water usage which does not get returned to the sewer is available.
3. Customer is classified as high, medium, or low strength (based upon BOD and SS). See attached Appendix A. Appeal for strength classification is available.
4. The applicable Wastewater Volumetric Charge is applied to the billable flow.

Public elementary and public junior high schools:

1. Monthly sewer bill based on per person, per month charge.
2. The public elementary and / or public junior high school district to provide a report each October that documents the number of students and faculty at each site.
3. CY 2023 public elementary school rate is \$1.39 per student and \$2.08 per staff, per month.
4. CY 2023 public junior high school and administrative offices rate is \$2.08 per person, per month.
5. Rates to be increased by the overall percentage increase in wastewater revenues each year.

Sec. 12.10 Monthly Fixed Wastewater Charge.

For each Residential/Domestic sewer account, which includes D, LD, M, AT, CB accounts, effective January 1, 2023, the Monthly Fixed Wastewater Charge shall be \$18.88 per month per Equivalent Dwelling Unit (EDU). For Commercial (C) and Government (G) accounts, effective January 1, 2023, the Monthly Fixed Wastewater Charge shall be \$12.14 per month per EDU. For all customer types, the EDUs will be calculated per Administrative Code Sections 11.7.2, 11.7.3, or 11.7.4.

Sec. 12.10.1 Wastewater Capital Improvement Charge.

For each account, an additional \$12.66 per month per Equivalent Dwelling Unit (EDU) shall be added as a Wastewater Capital Improvement Charge Effective January 1, 2023. This charge is dedicated to Wastewater Debt Service and Wastewater Capital Improvements. The Wastewater Capital Improvement Charge has been implemented to partially fund the debt service payments for upgrades to the Wastewater Treatment Plant. EDUs will be calculated per Administrative Code Sections 11.7.2, 11.7.3, or 11.7.4. This Capital Improvement Charge will be adjusted annually based on the ENR (Engineering News Record) Construction Cost Index (CCI) of February, not to exceed 10%. Staff will report back to the Board of Directors every five (5) years with analysis of its necessity. The Capital Improvement Charge will only be used to fund capital improvement projects or debt service for capital improvement projects. Revenue from the Capital Improvement Charge will not be used to fund Operating Costs.

**ARTICLE 21** (Renumbered as Article 12 by Resolution 5006)

- Sec. 21.1 – Rev. 7/02
- Sec. 21.2-21.8.2 – Rev. 9/96
- Sec. 21.3 – Rev. 10/96
- Sec. 21.4 & 21.9 – Rev. 6/97
- Sec. 21.4 – Rev 7/02
- Sec. 21.9 – Rev. 10/97
- Sec. 21.9 – Rev. 6/04
- Sec. 21.9 – Rev. 1/05
- Sec. 21.1, 21.3, 21.4, 21.9 – Rev. 6/05
- Sec. 21.1, 21.2, 21.4, & 21.9 – Rev. 6/06
- Sec. 21.9, Flat Rate + Metered Flow – Rev. 7/06
- Sec. 21.9 (Flat Rate classification) – Rev. 10/06
- Sec. 21.4 (construction meters), Sec. 21.5 & Sec. 21.6 – Rev. 12/06
- Sec. 21.5 – Rev. 3/07
- Sec. Sec. 21.1, 21.2, 21.4 , 21.10, 21.10.1– Rev. 6/07
- Sec. 21.5 – Added 6/07
- Sec. 21.10.2 – Deleted 6/07
- Sec. 21.11 – Added 10/07
- Sec. 21.4.1 – Added 12/07; Sec. 21.7 renamed and addition of flow restrictors – Rev. 12/07
- Sec. 21.1, 21.2, 21.4, 21.5, 21.7, 21.10, and 21.11 – Rev. 6/08
- Sec. 21.1, 21.2, 21.4, 21.4.1, 21.4.2 (added), 21.5, 21.7, 21.10 (new table), 21.10.1, - Rev. 6/09
- Sec. 21.4, 21.10 – Rev. 12/09
- Sec. 21.6, 21.9 – Rev. 5/10
- Sec. 21.1, 21.2, 21.4, 21.4.1, 21.4.2, 21.5, 21.10, 21.10.1 – Rev. 6/10
- Sec. 21.9.1 (added) – Rev. 9/10
- Sec. 21.1, 21.4, 21.4.1, 21.4.2, 21.5, 21.10, 21.10.1 - Rev. 6/11
- Sec. 21.1, 21.2, 21.4, 21.5, 21.10, 21.10.1 – Rev. 6/12
- Sec. 21.1, 21.2, 21.4, 21.5, 21.10, 21.10.1 – Rev. 6/13
- Sec. 12,1, 21.2, 21.4, 21.5, 21.9.1, 21.10, 21.10.1 – Rev. 6/14
- Sec. 21.1, 21.2, 21.5 – Rev. 1/15
- Sec. 21.1, 21.2, 21.3, 21.4, 21.4.2, 21.5, 21.10, 21.10.1 Rev 6/15
- Sec. 21, 21.1 – Rev. 11/15
- Secs. 21, 21.2, 21.4, 21.5, 21.7, 21.10, 21.10.1 – Rev. 7/16
- Secs. 21, 21.1 - Rev. 12/16
- All Secs. – Rev. 12/17
- Sec. 21.3 – Rev. 6/18
- Secs. 21.1, 21.2, 21.3, 21.4, 21.9, 21.10, 21.10.1 – Rev. 12/18
- Sec. 21.3 – Rev. 6/19

**ARTICLE 21 CONTINUED**  
(Renumbered as Article 12 by  
Resolution 5006)

Secs. 21, 21.1, 21.2, 21.3, 21.4,  
21.5, 21.9, 21.10, 21.10.1 – Rev  
12/19

Secs. 21.5, 21.6, 21.5.1 (added) –  
Rev. 1/20

Sec 21.3 – Rev 6/20

Secs. 21, 21.1, 21.2, 21.3, 21.4,  
21.9, 21.10, 21.10.1 – Rev 12/20

Sec 12.3 – Rev 6/21

Secs. 12, 12.1, 12.2, 12.3, 12.4,  
12.6, 12.8, 12.9, 12.10, 12.10.1 –  
Rev 12/21

Secs. 12.3 – Rev 6/22

Secs. 12.1, 12.2, 12.3, 12.4, 12.5,  
12.9, 12.10, 12.10.1 – Rev 11/22

Sec. 12.2 – Rev 12/22

**1. MWD Issues/Water Supply Conditions**

The water supply conditions for California have improved substantially and MWD is now predicting surplus conditions. There are no allocations anticipated from MWD or SDCWA in the upcoming year. The recent snowfall in the Western States has provided additional time for the parties to develop a long-term solution for the structural over allocation of the Colorado River. The Bureau of Reclamation completed a Draft EIR that proposed three alternatives:

- a. Follow the law of the River: This would result in SDCWA's Imperial Irrigation District (IID) transfer rights being largely secure.
- b. Account for evaporation losses and implement equalized percent reductions: This would result in equal cuts for all parties including IID.
- c. No action alternative: This would result in Lake Mead reaching dead pool which would eliminate power generation and any deliveries to Southern California including SDCWA.

**2. Budget and rates**

SDCWA is holding a number of budget workshops. The preliminary workshops have identified limited savings that might slightly reduce the ~14% all in rate increase. There were a number of key discussion items at the meeting that included:

- Discussions on sales forecasts: Prior to the current wet year, regional sales were around 500,000 AFY and SDCWA sales were around 400,000 AFY. In the current wet year regional sales have dropped to around 470,000 AFY and SDCWA sales have dropped to sales have dropped to about 380,000 AFY. SDCWA projects regional sales to climb by 10% (50,000 AFY) in the next five years (See attached). There was a discussion about the need to develop a plan for a potential of no significant growth in future sales. There were recent articles that referenced changes to regional growth projects due to increasing remote work and high cost of housing in San Diego (attached). At this point for long term planning SDCWA is continuing to only use the projections developed as part of the Urban Water Management Plan using previous SANDAG projections.
- Discussion about looking at 5 year rate forecast when setting this year's rate increase: SDCWA recently added additional staff to be able to provide updated 5-year rate forecasts. There was a discussion about using this tool to help guide the Board in determining what the multi-year impact is of the current rate decisions. It is unclear if his will be incorporated into the final rate setting process
- The City of San Diego representative from the Mayor's office in previous meeting identified support for a single digit rate increase. It is unclear how the current process will address this comment, which is important given the City Of San Diego is roughly 40% of the vote and passing rates without their support will be difficult.

### 3. Detachment

LAFCO is finalizing their report on detachment. The Special District Advisory Committee and Cities Advisory Committee met on March 17<sup>th</sup> to discuss the draft report. The LAFCO Ad-hoc detachment advisory committee met on May 10<sup>th</sup>. The Special District's Advisory Committee didn't vote on the recommendations in the draft report. The Cities advisory committee voted to recommend to deny detachment. The ad hoc detachment advisory committee didn't vote on the recommendations.

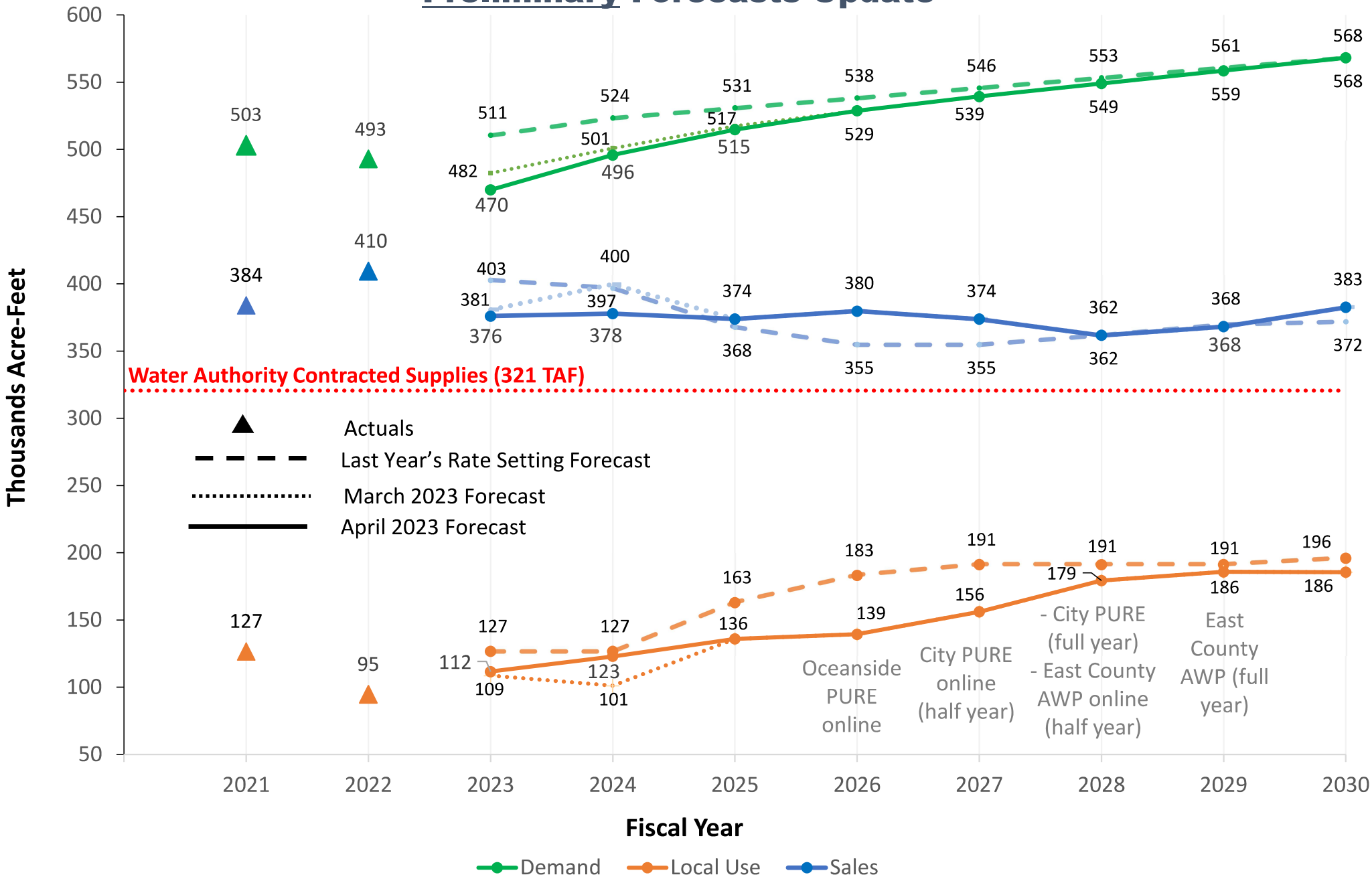
### 4. Key Upcoming Issues

Some key issues for the upcoming year include:

- Refinement of the SDCWA budget and rates for FY 24 and 25 with a goal to reduce the projected rate impacts.
- Review of alternatives for potential partnerships with other agencies for SDCWA IID transfer and Desalination supplies to help offset impacts of local supply development and conservation.
- Fully understanding the use of consultants and lobbyist within San Diego County.
- Evaluation of development of an independent ethics mechanism within SDCWA.
- Continuing the evaluation of potential changes to the existing rate structure
- Formal action on 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.



# Preliminary Forecasts Update



BUSINESS

# Are people staying? San Diego County reverses pandemic-era exodus from high-cost urban centers



San Diego's skyline taken from Point Loma. (Gary Robbins/The San Diego Union-Tribune)

County-level population data from U.S. Census shows San Diego County with a stable population while California lost residents.

BY MIKE FREEMAN

MARCH 30, 2023 5:45 AM PT

While California continues to lose residents overall, San Diego County showed signs of stabilizing from the pandemic exodus by returning to population growth in 2022 — albeit a very small percentage gain.

U.S. Census Bureau’s 2022 county-level population estimates released Thursday showed that San Diego County added 1,254 residents from July 1, 2021, to July 1, 2022.

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A year earlier, Census data pegged the county’s population as falling by 11,183 residents from July 2020 to July 2021 — mirroring the wider trend of more people leaving California’s high-priced coastal urban centers during the pandemic.

Much of the latest gain in San Diego County stems from natural factors, such as the number of babies born outpacing deaths in California’s second most populous county.

But the local population increase was tiny — only 0.04 percent of the region’s 3.28 million residents.

“It is literally no growth,” said Ray Major, deputy CEO of the San Diego Association of Governments, or SANDAG. “I think this is a trend you are going to see because of a whole lot of different factors, both external and just slowing of birth rates. We are not going to be growing very quickly.”

For California, the population declined by 113,649 residents for the year ending in July 2022, Census Bureau data shows. The state’s overall population stood at 39 million.

Los Angeles County continued to shed residents, according to the Census Bureau. The nation's most populous county lost 90,704 people from July 2021 to July 2022 — the biggest decline in the nation.

A handful of Bay Area counties also lost population. They include Santa Clara County (-15,650); Alameda County (-14,800); and San Francisco County (-2,816.)

“To me, LA is a weird situation,” said Christopher Thornberg, founding partner of Beacon Economics. “If you look at any kind of data on housing vacancies in LA, you certainly don't see anything resembling an increase in the number of vacant units. It is a bit of a conundrum. Everybody else has stabilized. But LA — 10 million people, an enormous county. It is not San Francisco. Why we are seeing this is beyond me.”

Riverside County added the most residents in California with a 20,754 gain. Santa Barbara County welcomed 6,403 additional residents, while Yolo County added 5,710, according to Census Data.

## Population change

The U.S. Census Bureau released population estimates for counties nationwide from July 1, 2021, to July 1, 2022. Here are the numbers for select California counties.

County	2021	2022	Change from 2021
Alameda	1,643,837	<b>1,628,997</b>	-..
Contra Costa	1,163,298	<b>1,156,966</b>	-..
Fresno	1,012,992	<b>1,015,190</b>	+..
Los Angeles	9,811,842	<b>9,721,138</b>	-90,704
Orange	3,161,005	<b>3,151,184</b>	-..
Riverside	2,453,178	<b>2,473,902</b>	+20,724
Sacramento	1,588,106	<b>1,584,169</b>	-..
San Bernardino	2,192,882	<b>2,193,656</b>	+..
San Diego	3,274,954	<b>3,276,208</b>	+..
San Francisco	811,253	<b>808,437</b>	-..

After some of the nation’s most populous counties saw residents leave during the pandemic in 2020-2021, relocations appeared to move toward pre-pandemic patterns last year, the Census data shows. All 10 of the top fastest-growing counties in the U.S. were in the South or West.

“The migration and growth patterns for counties edged closer to pre-pandemic levels this year,” said Christine Hartley, assistant division chief for estimates and projections in the Census Bureau’s population division. “Some urban counties, such as Dallas and San Francisco, saw domestic out-migration at a slower pace between 2021 and 2022, compared to the prior year. Meanwhile, many counties with large universities saw their populations fully rebound this year as students returned.”

Arizona's Maricopa County — the home of the Phoenix metro area — led the U.S. in population gains at 56,831 new residents. After that, all other top gainers were in Texas and Florida.

Three counties around Dallas-Fort Worth added a combined 123,000 residents. Counties near Houston and San Antonio also made the Top 10. In Florida, counties near Tampa and Fort Myers notched the biggest increases in new residents.

During the height of the pandemic from July 2020 to July 2021, San Diego County lost population year over year for the first time in more than a decade, as remote work and high housing costs pushed people to move to lower-priced locales.

While some of those factors began to stabilize, they still likely linger in the 2021-2022 Census data, said Dowell Myers, a professor of policy, planning and demography at the University of Southern California.

“We had the pandemic effect, but we also had that big spike in housing prices,” he said. “I think the big spike doesn't make people flee California. It stops people from coming, and so you get net domestic out-migration because of a lack of replacement (new residents.) The price barrier has gone way up.”

In San Diego, 18,650 more people moved out of the county than moved in — which is called domestic migration, according to Census data. That decline was eclipsed, however, by gains in births over deaths of about 12,700 and a net increase of international migration.

Major, the SANDAG CEO, said demographic trends, remote work and high housing costs point to continued low population growth in the San Diego region.

“What we see in California and San Diego is this out-migration where some people are leaving for lower cost housing in some cases, or in other cases people can telecommute

now where they weren't able to telecommute pre-COVID, so that gives them more flexibility," he said. "So, I think what you are going to see is our region maintaining the population that we currently have going forward."



**Mike Freeman**

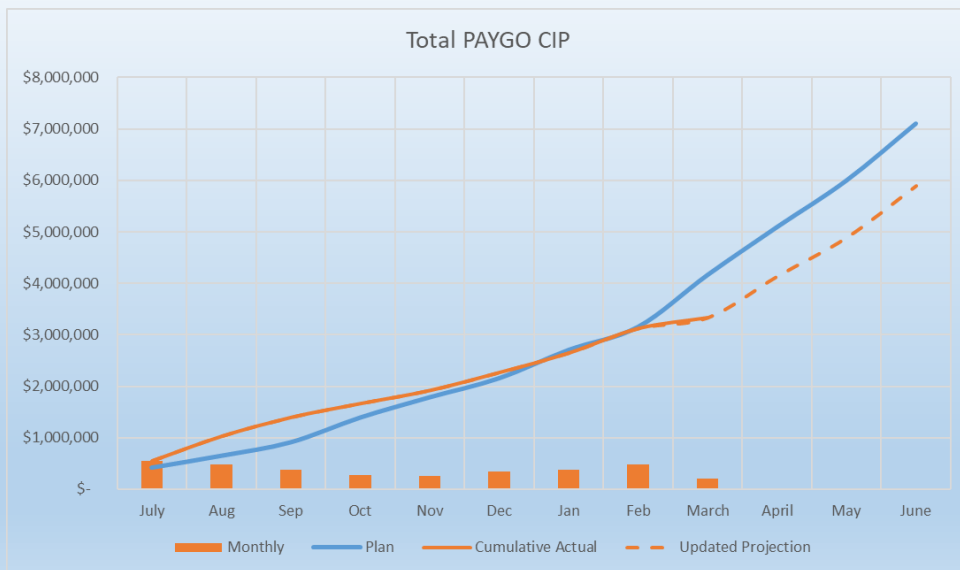


# Fallbrook Public Utility District

## Engineering and Operations FY23

Board Meeting Apr 2023

### Total CIP FY23





# Wastewater Treatment

Reclamation Plant

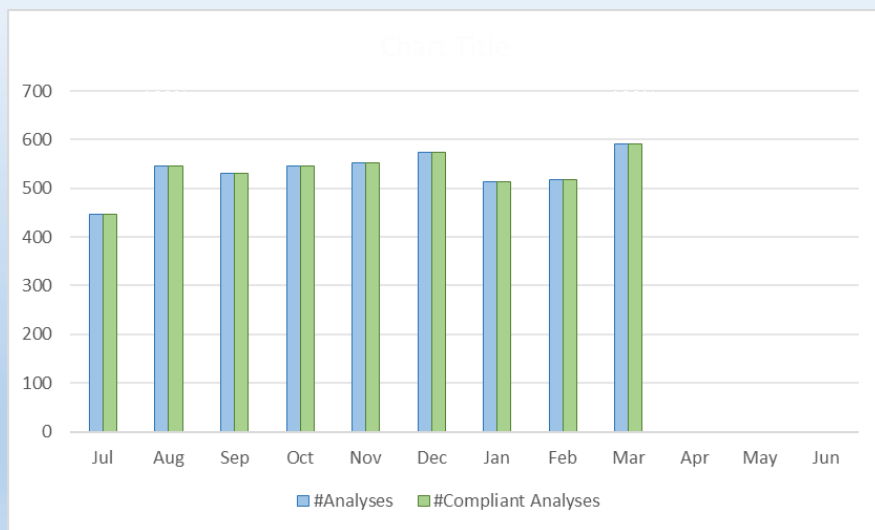
Recycled Water

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

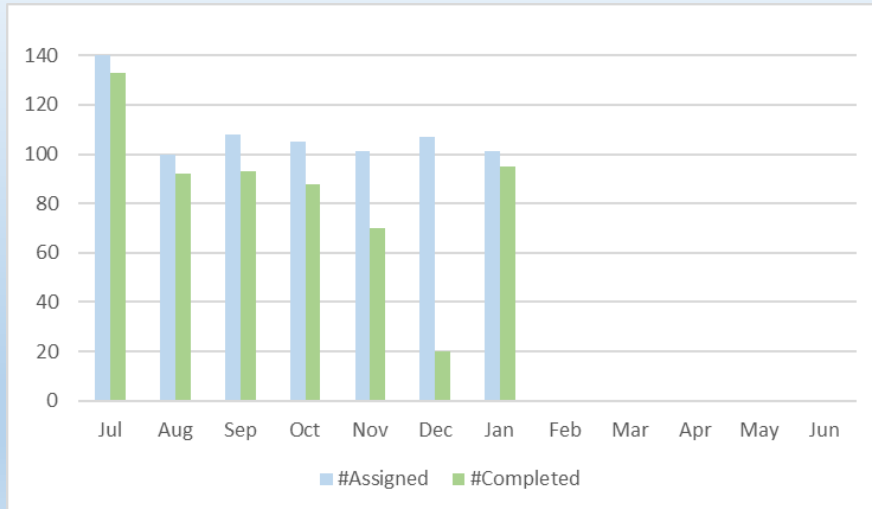
## Wastewater Treatment System Regulatory Compliance

**SRWQCB  
Compliance:**  
NPDES  
WDR

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



## Reclamation Plant – Preventative Maintenance Work Orders

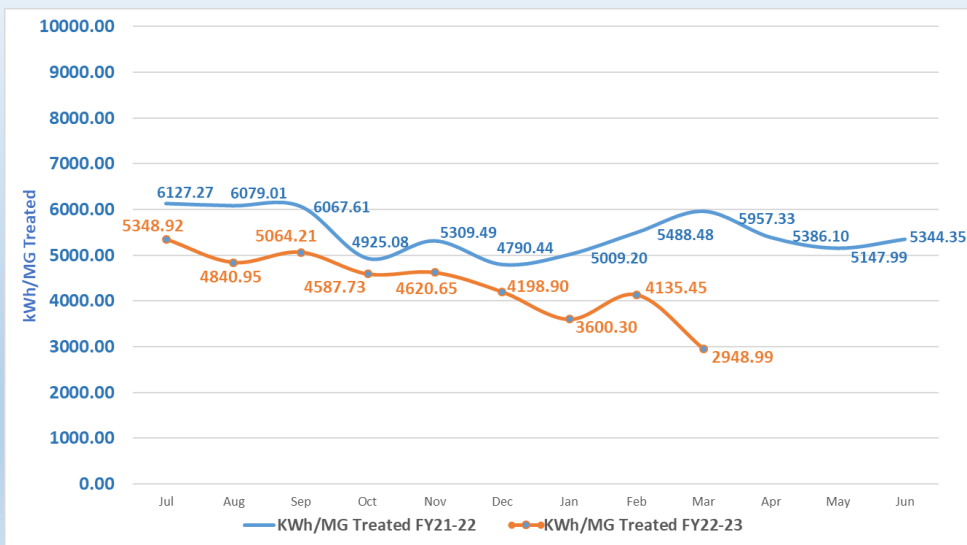


5

Formula =  

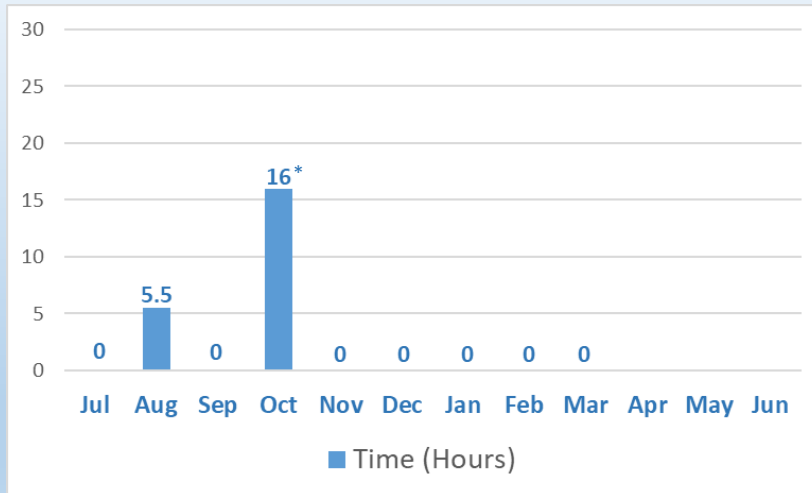
$$\frac{\text{Total Plant Energy Demand}}{\text{MG Treated Flow}}$$

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



6

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



\*RW Users were offline for 16 hours due to recycled water line break.

7

# Water Operations

Regulatory Compliance

Preventative Maintenance Work Orders

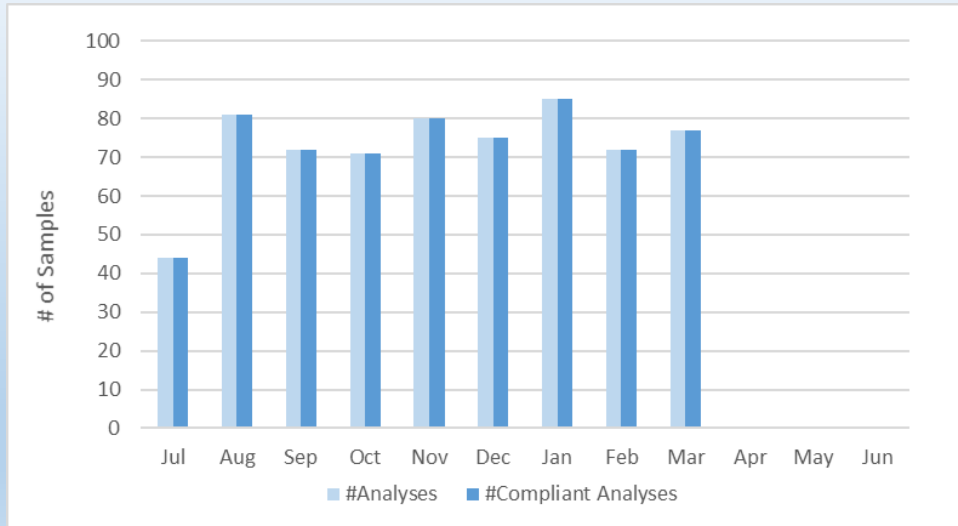
CUP Deliveries

SMGTP Flows

8

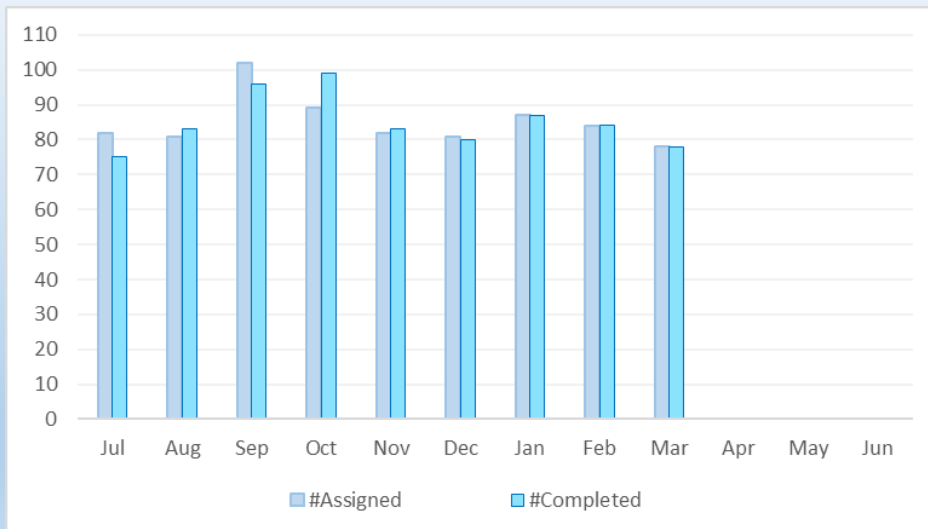
## Water System Regulatory Compliance

- Facility Operation
- Routine Sampling



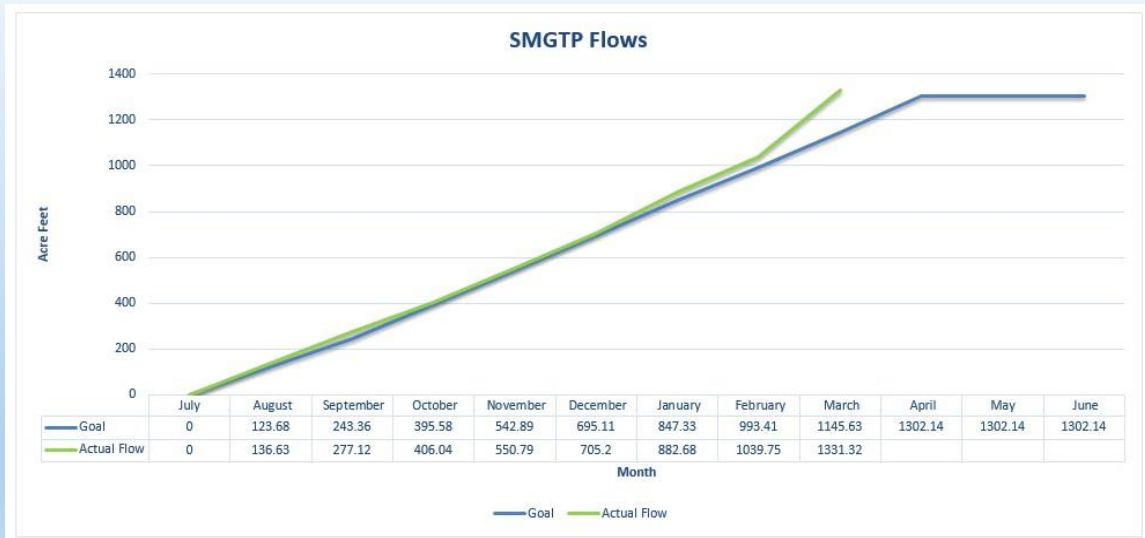
9

## Water Preventative Maintenance Work Orders



10

# SMGTP Flows



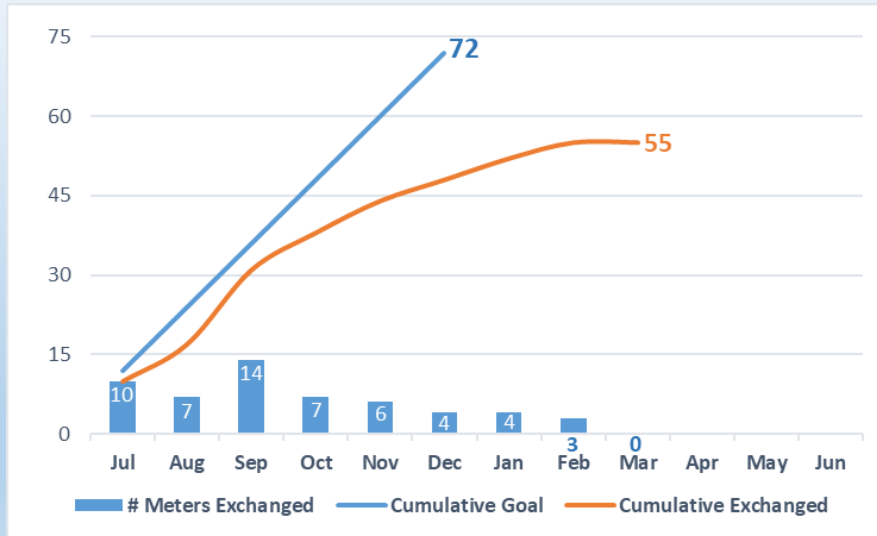
11

# Meter Services

## Meter Exchange Program

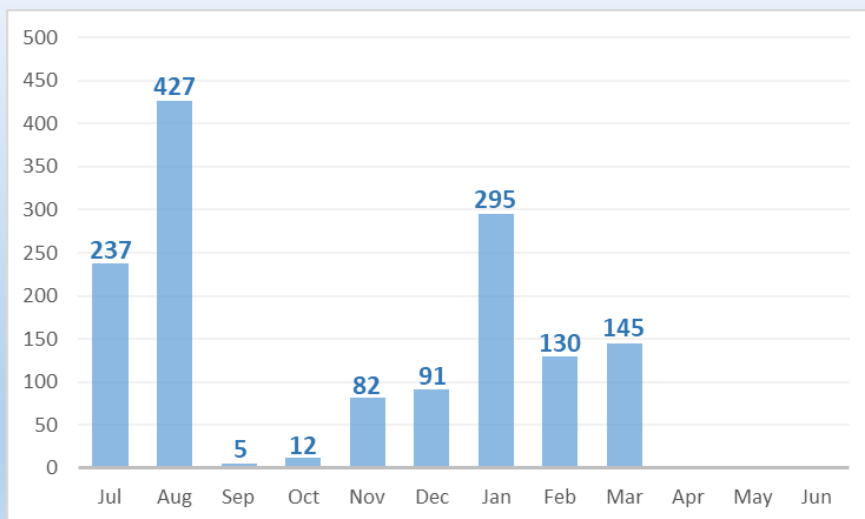
12

## Meter Exchange



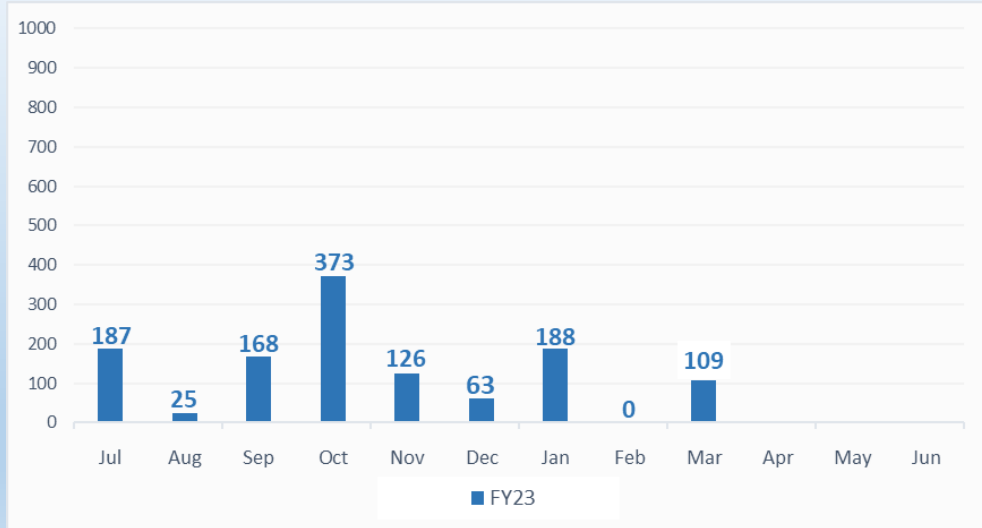
13

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



14

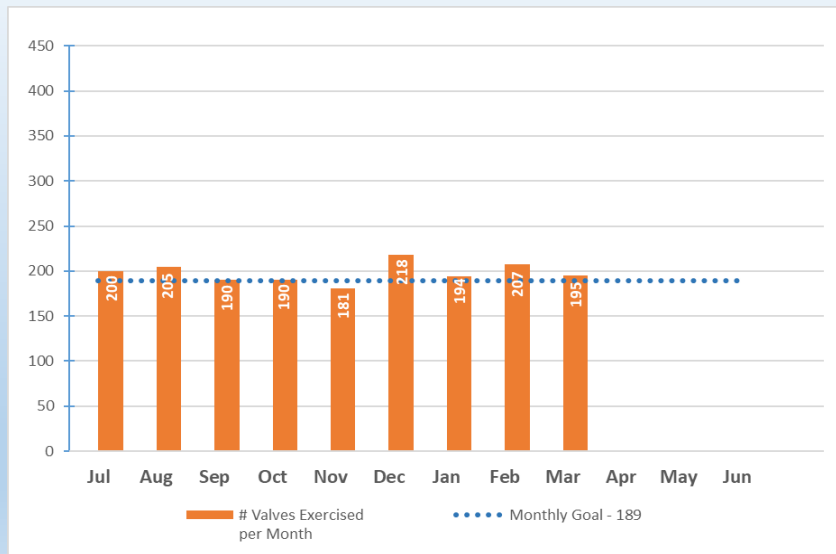
## Unplanned Water Outages > 4 Hours # of Customers Affected



15

## Main Line Valve Exercise Program

- Improve reliability
- Reduce impact of planned and emergency shutdowns



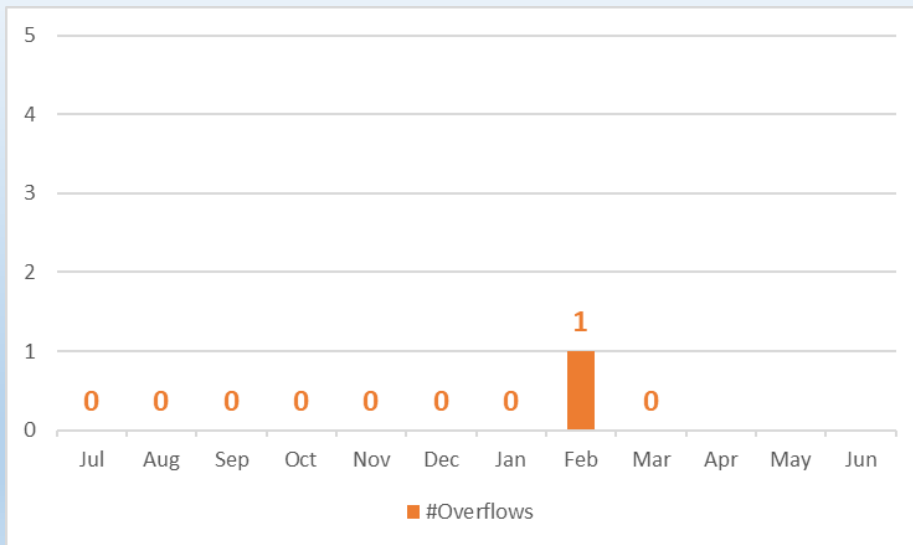
16

# Wastewater Collections

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

17

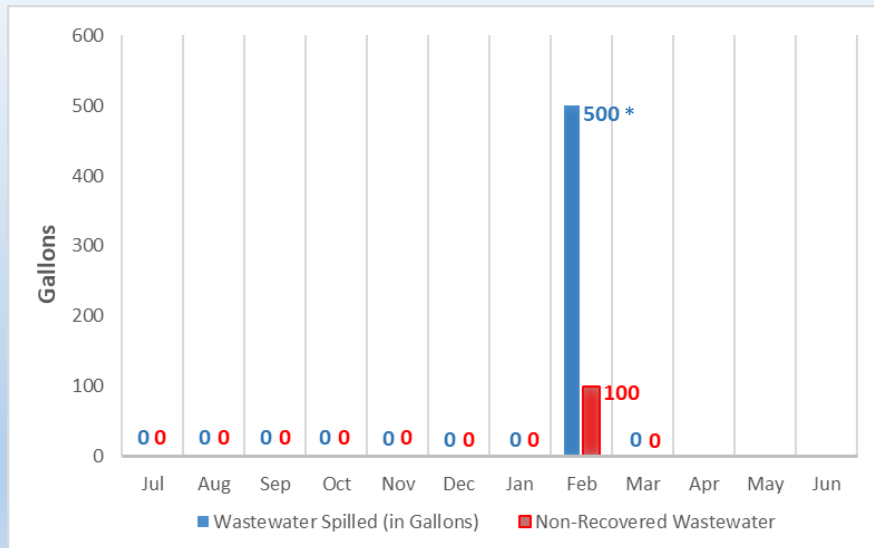
## Wastewater Collections - Sewer Overflows



18

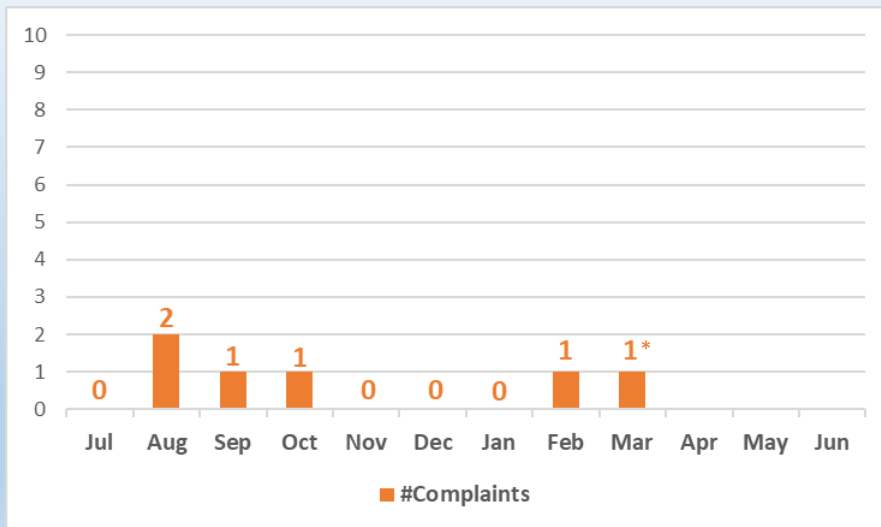


## Wastewater Collections - Wastewater Spilled



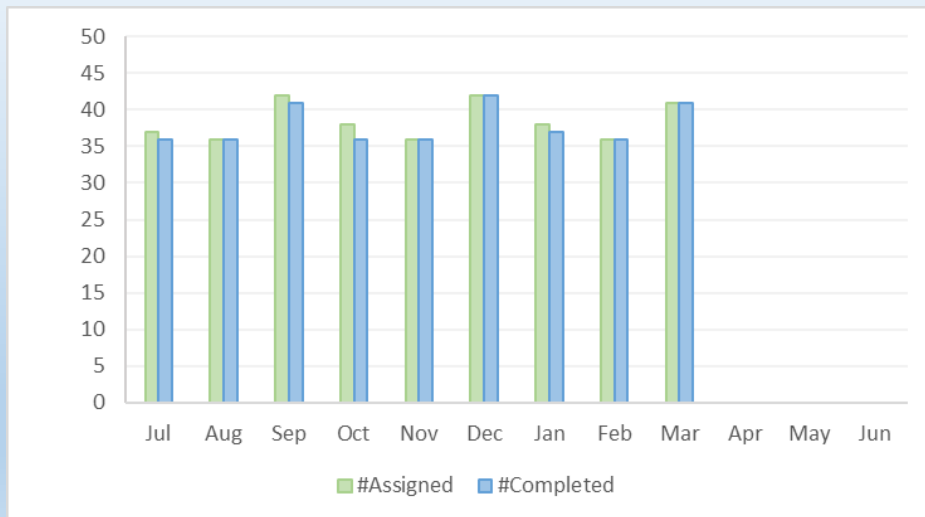
\*Sewer system overflow on 2/12. The spill occurred at the sewer main from a private lateral. Spill was 500 gal; 400 gal recovered, 100 gal reached surface water.

## Reclamation Plant & Wastewater Collections Odor Complaints



\* Complaint traced to septic tank being pumped

## Wastewater Collections – Preventative Maintenance Work Orders



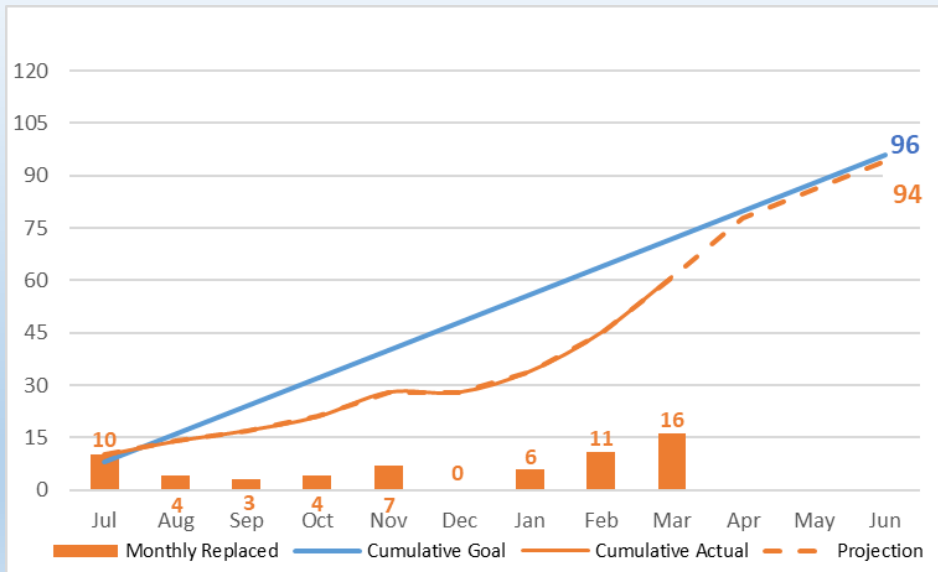
21

## 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. FY23, 28 valves have been replaced through December 2022. We currently have 6821 valves in the system with 144 known to be broken.
- We also have a goal to perform maintenance on 3,000 linear feet of easement roads. To date, 2,800 linear feet of maintenance has been completed.

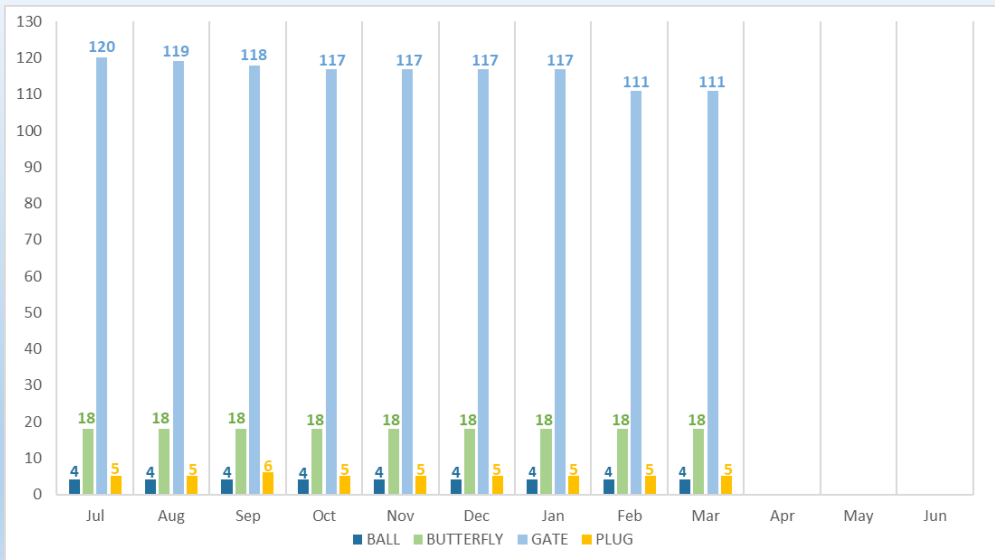
22

## Main Line Valves Replaced



23

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



24

**M E M O**

**TO:** Board of Directors  
**FROM:** David Shank, Assistant General Manager/CFO  
**DATE:** April 24, 2023  
**SUBJECT:** Financial Summary Report – March

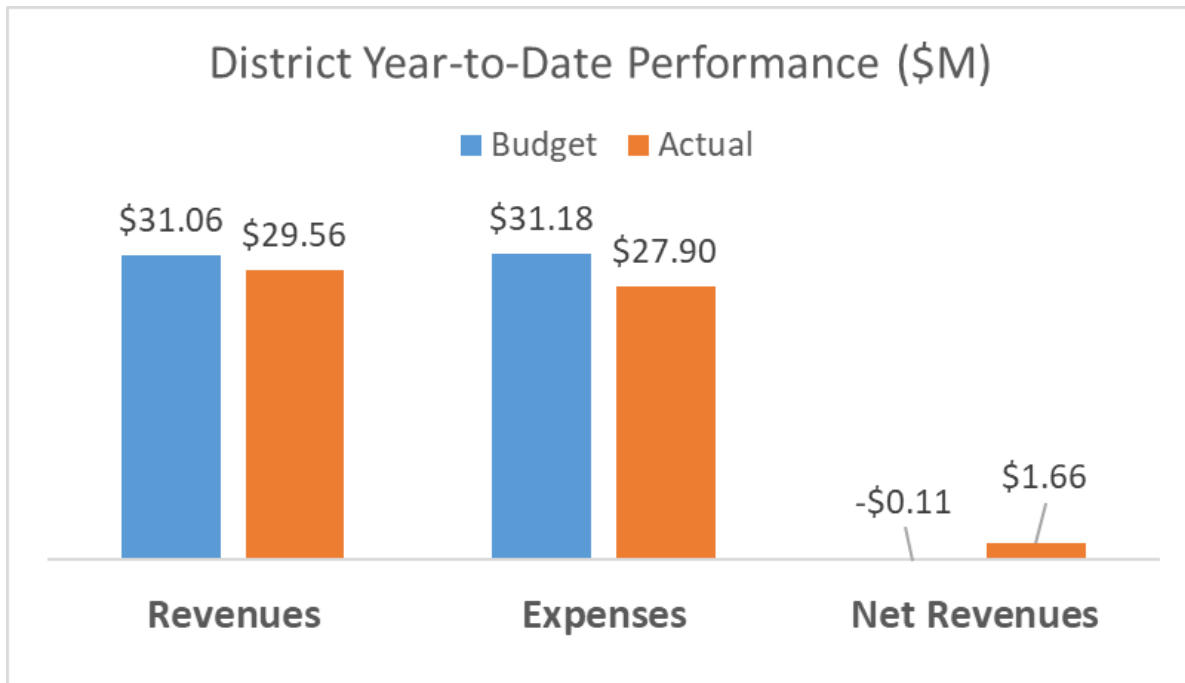
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Purpose

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

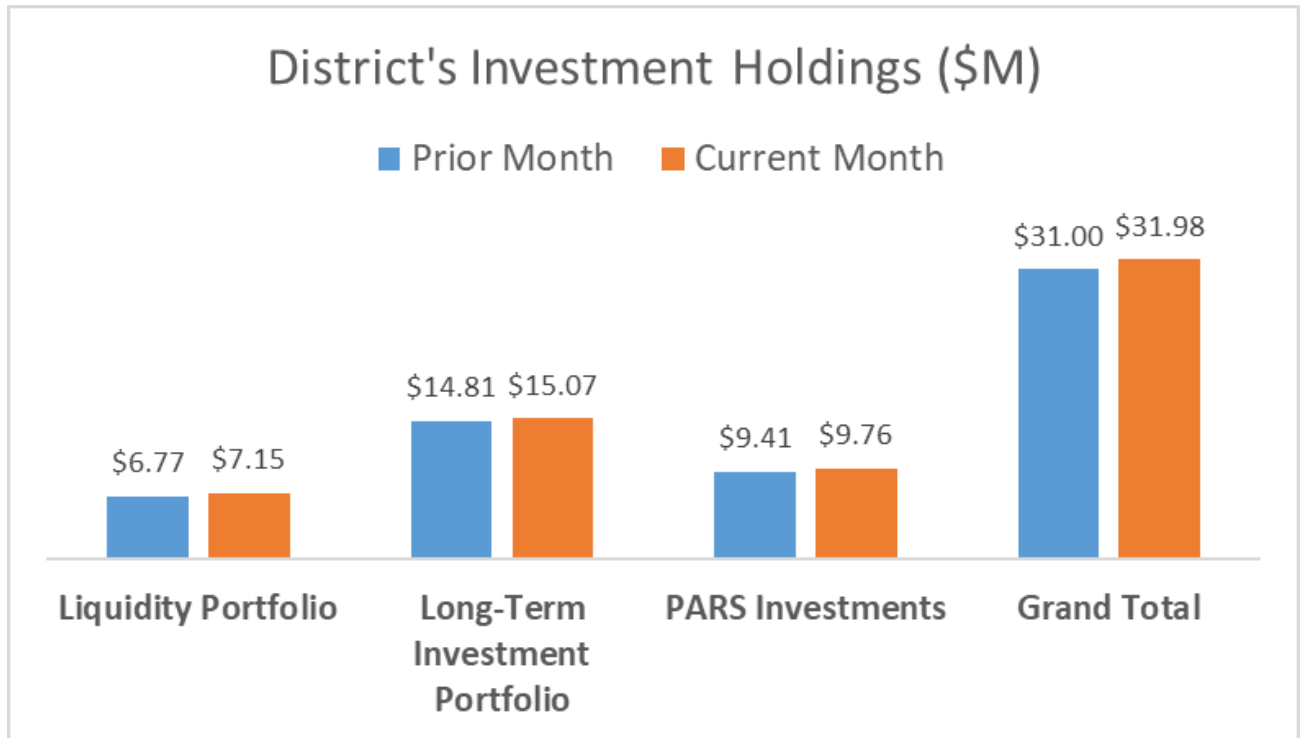
Summary

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



Revenues and expenditures are under Budgeted levels. The decline in revenues mirrored by a decline in expenditures is resulting in a net revenues level that is greater than budgeted. The Operating Revenue shortfall is due to lower than budgeted water sales. Lower Purchased Water expenditures is keeping total Operating Expenditures under budget. PayGo CIP execution is also under budget contributing the higher level of net revenues but expected to trend towards budget levels as the year progresses. Water sales are expected to continue to trend under budgeted levels due to wet weather. Staff are carefully tracking the District’s financial position to identify any budget shortfalls early.

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 this month. The changes in the market value of the PARS and Long-Term Portfolio Investments reflect the recent capital markets' volatility and are driving the increased balances. 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:** April 24, 2023  
**SUBJECT:** Treasurer's Report

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Purpose

Provide the March 2023 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

Overall the District's financial holdings increased slightly this month. The increase in balances was driven by District's PARS and Long-term Reserve accounts and reflect recent market volatility. Overall these investments continue to perform in line with the capital markets. The District continues to carefully manage its working capital to ensure its ability to meet its financial commitments.

Summary

**Treasurer's Report March,2023**

<b>Account</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>
Operating Fund	\$ 5,188	\$ 5,000
Money Market	\$ 749,906	\$ 399,865
CAMP Account	\$ 6,019,465	\$ 6,744,158
<b><i>District's Liquidity Portfolio</i></b>	<b>\$ 6,774,559</b>	<b>\$ 7,149,023</b>
PFM Managed Long-term Investment Portfolio*	\$ 14,805,575	\$ 15,066,658
LAIF (Long-term Reserves)	\$ 6,624	\$ 6,624
PARS (OPEB & Pension Trust)**	\$ 9,411,238	\$ 9,760,428
<b><i>District Accounts Total</i></b>	<b>\$ 30,997,996</b>	<b>\$ 31,982,733</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.



David Shank  
April 24, 2023



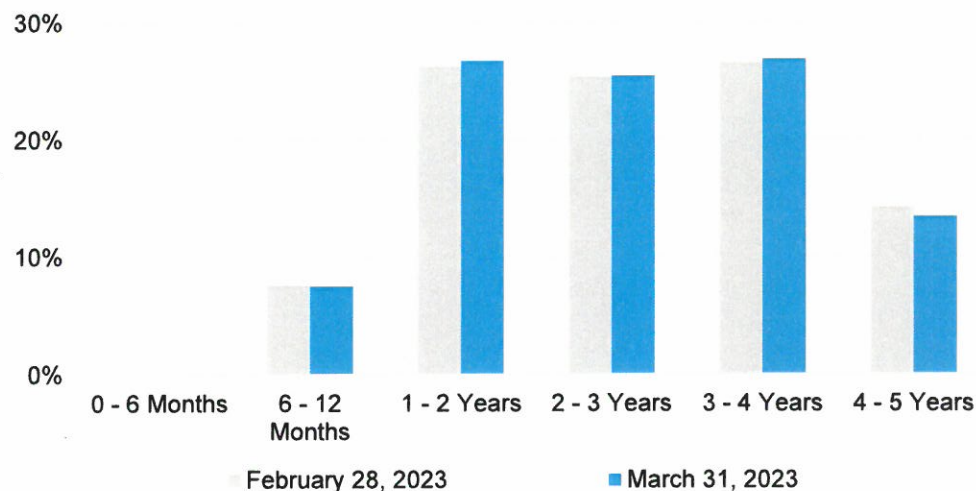
### Fallbrook Public Utilities District - Holdings Summary

Security Type	February 28, 2023	March 31, 2023	Change (\$)	Change (%)
U.S. Treasury	\$11,226,291.30	\$11,424,045.29	\$197,753.99	1.8%
Municipal	\$103,425.25	\$105,226.15	\$1,800.90	1.7%
Federal Agency CMO	\$191,333.23	\$192,213.25	\$880.02	0.5%
Corporate Note	\$2,577,602.19	\$2,614,102.69	\$36,500.50	1.4%
Asset-Backed Security	\$696,323.10	\$699,536.79	\$3,213.69	0.5%
<b>Securities Total</b>	<b>\$14,794,975.07</b>	<b>\$15,035,124.17</b>	<b>\$240,149.10</b>	<b>1.6%</b>
Money Market Fund	\$10,599.79	\$31,533.69	\$20,933.90	197.5%
<b>Total Investments</b>	<b>\$14,805,574.86</b>	<b>\$15,066,657.86</b>	<b>\$261,083.00</b>	<b>1.8%</b>

#### Summary

FY 22-23 Accrual Earnings	\$176,718.26
Yield to Maturity at Cost	2.32%
Weighted Average Maturity (Years)	2.56

Maturity Distribution



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

California State Treasurer  
**Fiona Ma, CPA**



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

April 10, 2023

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

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FALLBROOK PUBLIC UTILITY DISTRICT

TREASURER  
P.O. BOX 2290  
FALLBROOK, CA 92088

[Tran Type Definitions](#)



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

March 2023 Statement

**Account Summary**

Total Deposit:	0.00	Beginning Balance:	6,623.72
Total Withdrawal:	0.00	Ending Balance:	6,623.72





**Account Statement - Transaction Summary**

For the Month Ending **March 31, 2023**

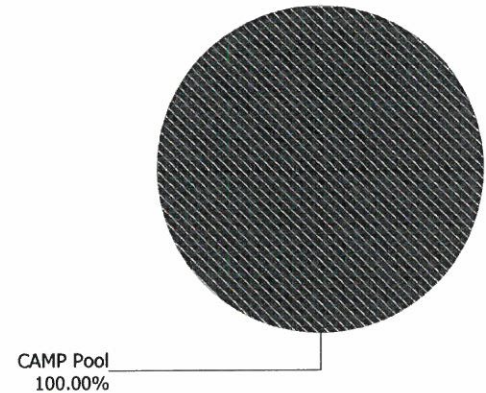
**Fallbrook Public Utility District - Liquidity - 6050-004**

<b>CAMP Pool</b>	
Opening Market Value	6,019,464.72
Purchases	974,692.90
Redemptions	(250,000.00)
Unsettled Trades	0.00
Change in Value	0.00
<b>Closing Market Value</b>	<b>\$6,744,157.62</b>
Cash Dividends and Income	24,692.90

<b>Asset Summary</b>		
	<b>March 31, 2023</b>	<b>February 28, 2023</b>
<b>CAMP Pool</b>	6,744,157.62	6,019,464.72
<b>Total</b>	<b>\$6,744,157.62</b>	<b>\$6,019,464.72</b>

<b>Asset Allocation</b>	
CAMP Pool	100.00%





**Account Statement**

For the Month Ending **March 31, 2023**

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>6,019,464.72</b>
03/08/23	03/08/23	Redemption - Outgoing Wires	1.00	(250,000.00)	5,769,464.72
03/16/23	03/16/23	Purchase - Incoming Wires	1.00	200,000.00	5,969,464.72
03/23/23	03/23/23	Purchase - Incoming Wires	1.00	350,000.00	6,319,464.72
03/30/23	03/30/23	Purchase - Incoming Wires	1.00	400,000.00	6,719,464.72
03/31/23	04/03/23	Accrual Income Div Reinvestment - Distributions	1.00	24,692.90	6,744,157.62
<b>Closing Balance</b>					<b>6,744,157.62</b>

	Month of March	Fiscal YTD July-March		
<b>Opening Balance</b>	6,019,464.72	1,820,099.08	<b>Closing Balance</b>	6,744,157.62
<b>Purchases</b>	974,692.90	9,624,058.54	<b>Average Monthly Balance</b>	6,057,358.04
<b>Redemptions (Excl. Checks)</b>	(250,000.00)	(4,700,000.00)	<b>Monthly Distribution Yield</b>	4.80%
<b>Check Disbursements</b>	0.00	0.00		
<b>Closing Balance</b>	<b>6,744,157.62</b>	<b>6,744,157.62</b>		
<b>Cash Dividends and Income</b>	24,692.90	134,058.54		

**Managed Account Security Transactions & Interest**

For the Month Ending **March 31, 2023**

**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>											
	03/01/23	03/01/23	HONEYWELL INTERNATIONAL (CALLABLE) CORP DTD 08/16/2021 1.100% 03/01/2027	438516CE4	70,000.00	0.00	385.00	385.00			
	03/01/23	03/01/23	MONEY MARKET FUND	MONEY0002	0.00	0.00	155.86	155.86			
	03/01/23	03/25/23	FHLMC MULTIFAMILY STRUCTURED POOL DTD 11/01/2017 3.064% 08/01/2024	3137FBTA4	97,190.73	0.00	248.16	248.16			
	03/01/23	03/25/23	FHMS K046 A2 DTD 06/17/2015 3.205% 03/01/2025	3137BJP64	100,000.00	0.00	267.08	267.08			
	03/02/23	03/02/23	TRUIST FINANCIAL CORP NOTES (CALLABLE) DTD 03/02/2021 1.267% 03/02/2027	89788MAD4	85,000.00	0.00	538.48	538.48			
	03/09/23	03/09/23	WALMART INC CORP NOTES (CALLABLE) DTD 09/09/2022 3.950% 09/09/2027	931142EX7	80,000.00	0.00	1,580.00	1,580.00			
	03/10/23	03/10/23	GOLDMAN SACHS GROUP INC (CALLABLE) CORP DTD 06/10/2021 0.657% 09/10/2024	38141GYE8	40,000.00	0.00	131.40	131.40			
	03/10/23	03/10/23	JOHN DEERE CAPITAL CORP CORPORATE NOTES DTD 09/10/2021 0.625% 09/10/2024	24422EVU0	35,000.00	0.00	109.38	109.38			
	03/14/23	03/14/23	HOME DEPOT INC CORP NOTES (CALLABLE) DTD 09/14/2017 2.800% 09/14/2027	437076BT8	140,000.00	0.00	1,960.00	1,960.00			
	03/15/23	03/15/23	MBART 2022-1 A3 DTD 11/22/2022 5.210% 08/16/2027	58768PAC8	105,000.00	0.00	455.88	455.88			
	03/15/23	03/15/23	HART 2022-A A3 DTD 03/16/2022 2.220% 10/15/2026	448977AD0	55,000.00	0.00	101.75	101.75			
	03/15/23	03/15/23	DCENT 2021-A1 A1 DTD 09/27/2021 0.580% 09/15/2026	254683CP8	70,000.00	0.00	33.83	33.83			
	03/15/23	03/15/23	COMET 2021-A3 A3 DTD 11/30/2021 1.040% 11/15/2026	14041NFY2	70,000.00	0.00	60.67	60.67			
	03/15/23	03/15/23	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	65,000.00	0.00	29.79	29.79			

**Managed Account Security Transactions & Interest**

For the Month Ending **March 31, 2023**

**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>											
	03/15/23	03/15/23	NY ST URBAN DEV CORP TXBL REV BONDS DTD 10/21/2021 1.310% 03/15/2026	64985TDC2	115,000.00	0.00	753.25	753.25			
	03/15/23	03/15/23	DCENT 2022-A3 A3 DTD 08/09/2022 3.560% 07/15/2027	254683CW3	70,000.00	0.00	207.67	207.67			
	03/15/23	03/15/23	WOART 2021-D A3 DTD 11/03/2021 0.810% 10/15/2026	98163KAC6	35,000.00	0.00	23.63	23.63			
	03/15/23	03/15/23	FORDO 2022-A A3 DTD 01/24/2022 1.290% 06/15/2026	345286AC2	40,000.00	0.00	43.00	43.00			
	03/15/23	03/15/23	CARMX 2022-3 A3 DTD 07/20/2022 3.970% 04/15/2027	14318MAD1	75,000.00	0.00	248.13	248.13			
	03/16/23	03/16/23	GMCAR 2021-4 A3 DTD 10/21/2021 0.680% 09/16/2026	362554AC1	30,000.00	0.00	17.00	17.00			
	03/16/23	03/16/23	GMCAR 2022-1 A3 DTD 01/19/2022 1.260% 11/16/2026	380146AC4	20,000.00	0.00	21.00	21.00			
	03/20/23	03/20/23	GMALT 2021-3 A4 DTD 08/18/2021 0.500% 07/21/2025	36262XAD6	25,000.00	0.00	10.42	10.42			
	03/21/23	03/21/23	HAROT 2021-4 A3 DTD 11/24/2021 0.880% 01/21/2026	43815GAC3	35,000.00	0.00	25.67	25.67			
	03/25/23	03/25/23	BMWOT 2022-A A3 DTD 05/18/2022 3.210% 08/25/2026	05602RAD3	30,000.00	0.00	80.25	80.25			
	03/31/23	03/31/23	US TREASURY N/B NOTES DTD 03/31/2021 0.750% 03/31/2026	91282CBT7	250,000.00	0.00	937.50	937.50			
	03/31/23	03/31/23	US TREASURY NOTES DTD 03/31/2017 2.125% 03/31/2024	912828W71	45,000.00	0.00	478.13	478.13			
	03/31/23	03/31/23	US TREASURY NOTES DTD 10/02/2017 2.125% 09/30/2024	9128282Y5	400,000.00	0.00	4,250.00	4,250.00			
	03/31/23	03/31/23	US TREASURY NOTES DTD 03/31/2020 0.500% 03/31/2025	912828ZF0	250,000.00	0.00	625.00	625.00			
	03/31/23	03/31/23	US TREASURY N/B NOTES DTD 09/30/2022 4.125% 09/30/2027	91282CFM8	250,000.00	0.00	5,156.25	5,156.25			
	03/31/23	03/31/23	US TREASURY NOTES DTD 09/30/2020 0.250% 09/30/2025	91282CAM3	500,000.00	0.00	625.00	625.00			

Managed Account Security Transactions & Interest

For the Month Ending March 31, 2023

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>INTEREST</b>										
03/31/23	03/31/23	US TREASURY NOTES DTD 09/30/2021 0.250% 09/30/2023	91282CDA6	300,000.00	0.00	375.00	375.00			
<b>Transaction Type Sub-Total</b>				<b>3,482,190.73</b>	<b>0.00</b>	<b>19,934.18</b>	<b>19,934.18</b>			
<b>PAYDOWNS</b>										
03/01/23	03/25/23	FHLMC MULTIFAMILY STRUCTURED POOL DTD 11/01/2017 3.064% 08/01/2024	3137FBTA4	163.94	163.94	0.00	163.94	(0.22)	0.00	
03/15/23	03/15/23	CARMX 2021-3 A3 DTD 07/28/2021 0.550% 06/15/2026	14317DAC4	835.81	835.81	0.00	835.81	0.14	0.00	
<b>Transaction Type Sub-Total</b>				<b>999.75</b>	<b>999.75</b>	<b>0.00</b>	<b>999.75</b>	<b>(0.08)</b>	<b>0.00</b>	
<b>Managed Account Sub-Total</b>					<b>999.75</b>	<b>19,934.18</b>	<b>20,933.93</b>	<b>(0.08)</b>	<b>0.00</b>	
<b>Total Security Transactions</b>					<b>\$999.75</b>	<b>\$19,934.18</b>	<b>\$20,933.93</b>	<b>(\$0.08)</b>	<b>\$0.00</b>	

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

**Account Report for the Period  
3/1/2023 to 3/31/2023**

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

## Account Summary

Source	Balance as of 3/1/2023	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 3/31/2023
OPEB	\$1,122,669.31	\$0.00	\$18,051.10	\$512.20	\$0.00	\$0.00	\$1,140,208.21
PENSION	\$8,288,568.69	\$200,000.00	\$135,432.48	\$3,781.51	\$0.00	\$0.00	\$8,620,219.66
<b>Totals</b>	<b>\$9,411,238.00</b>	<b>\$200,000.00</b>	<b>\$153,483.58</b>	<b>\$4,293.71</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$9,760,427.87</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	1.61%	4.41%	-6.24%	7.86%	4.46%	-	2/16/2017
PENSION	1.61%	4.41%	-6.24%	7.85%	4.42%	-	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:** April 24, 2023  
**SUBJECT:** Budget Status Report for Fiscal Year 2022-2023

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### 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 March, Year-to-Date and the annual budgeted amount.

Total revenues for the month and year-to-date are under budget. Year-to-date water sales are 13.1% under budget, with February 32% under budget. This month's water sales were driven by recent extreme wet weather. Year-to-date water sales revenues are 11.8% below budgeted levels. Recycled water revenues are expected to continue the trend under budget. Wastewater revenues, while under budget, are expected to trend towards budget levels as the fiscal year winds down.

Non-operating revenues are over budget driven by the gain on sale of surplus land and investment earnings. Property tax is lagging projections but will self correct by year end. Year-end total non-operating revenues are expected to be higher than budget levels.

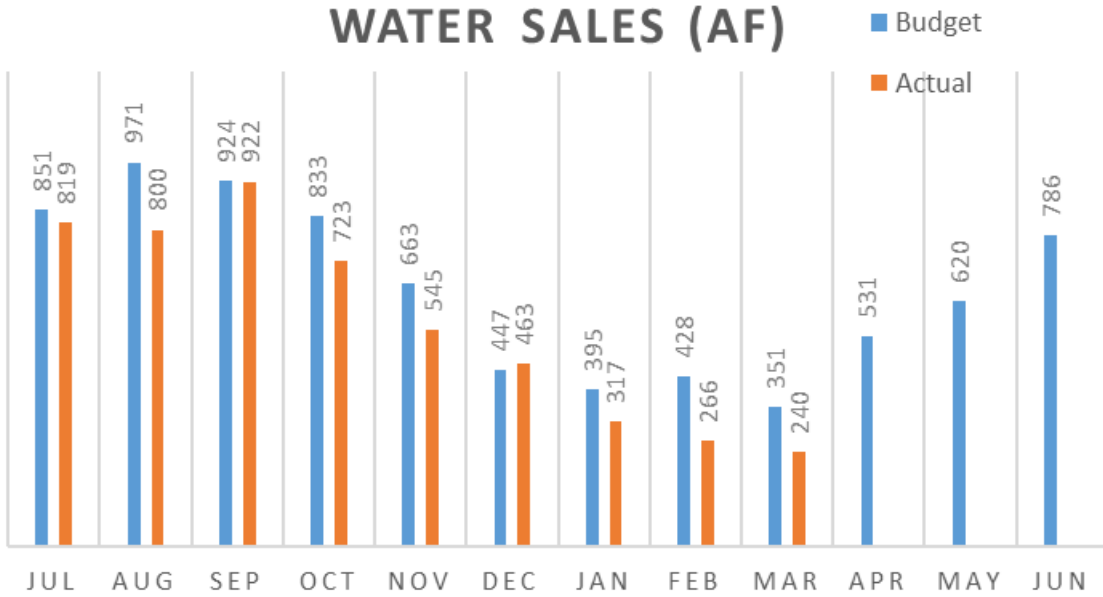
The District's monthly and year-to-date total expenditures are 6.1% under budget due to the lower than budgeted water purchases. Water operating expenses are trending over budget levels, with the Santa Margarita Plant producing more water than budgeted. While staff expect expenditures to trend to budget, the District's expenditures are being monitored closely to identify any potential budget shortfalls early.

Total revenue is \$29,923,542 or 4.8% under budget and total expenditures are \$24,487,522 or 4.9% under budget. PAYGO CIP expenditures are under budget for the month and year-to-date but are expected to trend to budget levels. After adjusting for the PAYGO expenditures year-to-date net revenues are higher than Budgeted.

### Recommended Action

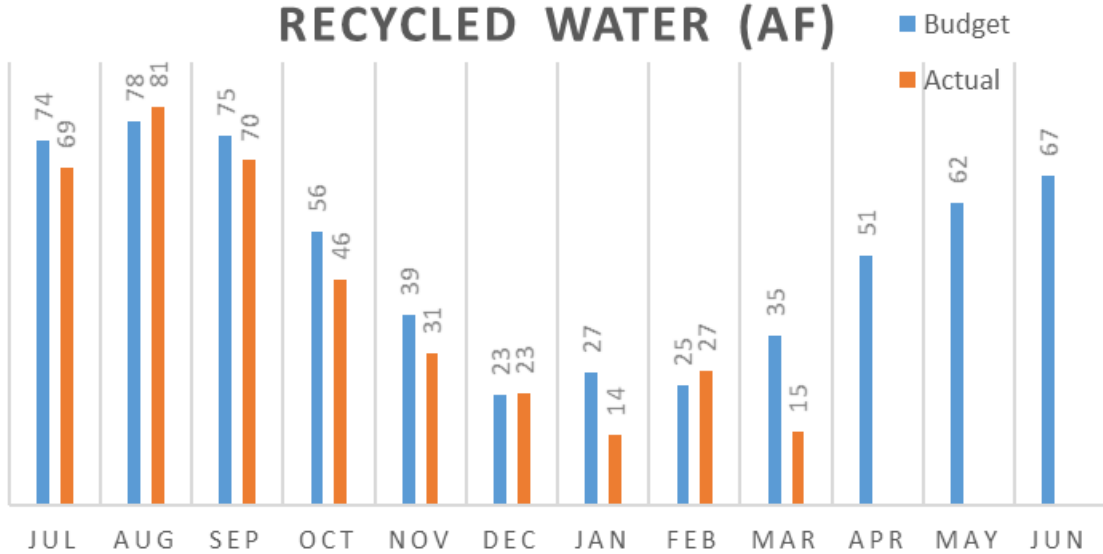
This item is for discussion only. No action is required.

## WATER SALES (AF)



Year-to-Date Actual 5,097 AF Year-to-Date Budget 5,863 AF

## RECYCLED WATER (AF)



Year-to-Date Actual 377 AF Year-to-Date Budget 431 AF



**Monthly Budget Report for March**

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	25.0%
Water Sales <sup>(1)</sup>	705,535	929,379	12,486,744	14,161,828	(1,675,084)	-11.8%	19,105,552	6,618,808	34.6%
Water Meter Service Charges	739,505	714,773	6,253,179	6,190,205	62,974	1.0%	8,334,524	2,081,345	25.0%
Wastewater Service Charges	600,433	541,527	5,178,752	5,205,287	(26,535)	-0.5%	6,829,867	1,651,115	24.2%
Recycled Water Revenues	35,030	78,154	775,081	903,532	(128,452)	-14.2%	1,294,803	519,723	40.1%
Other Operating Revenue	-	-	-	-	-	NA	-	-	NA
Total Operating Revenue	2,080,503	2,263,833	24,693,756	26,460,852	(1,767,097)	-6.7%	35,564,746	10,870,991	30.6%
<b>Non Operating Revenues:</b>									
Water Capital Improvement Charge	139,877	124,573	1,160,987	1,121,153	39,835	3.6%	1,494,870	333,883	22.3%
Wastewater Capital Improvement Charge	107,370	98,813	912,462	889,315	23,146	2.6%	1,185,754	273,292	23.0%
Property Taxes	64,771	499,807	1,597,776	1,921,885	(324,110)	-16.9%	2,195,381	597,605	27.2%
Water Standby/Availability Charge	6,094	15,581	124,679	143,068	(18,389)	-12.9%	208,842	84,163	40.3%
Water/Wastewater Capacity Charges	16,452	12,788	142,455	115,096	27,359	23.8%	153,461	11,006	7.2%
Portfolio Interest	44,986	11,738	247,948	105,643	142,305	134.7%	140,857	(107,090)	-76.0%
Pumping Capital Improvement Charge	-	2,730	8,173	24,567	(16,394)	-66.7%	32,756	24,583	75.0%
Federal Interest Rate Subsidy	-	-	44,808	43,103	1,705	4.0%	84,516	39,708	47.0%
Gain on Sale of Asset <sup>(2)</sup>	-	-	170,307	-	170,307	NA	-	(170,307)	NA
SDCWA Refund/Covid Relief Grant <sup>(3)</sup>	-	-	8,441	-	8,441	NA	-	(8,441)	NA
Grant Funds-IPRP Project <sup>(4)</sup>	-	-	79,245	-	79,245	NA	-	(79,245)	NA
Facility Rents	83,705	21,766	255,315	195,892	59,423	30.3%	261,189	5,874	2.2%
Fire Hydrant Service Fees	-	-	11,482	-	11,482	NA	-	(11,482)	NA
Other Non-Operating Revenues	19,826	4,917	103,367	44,257	59,110	133.6%	59,009	(44,358)	-75.2%
Total Non Operating Revenues	483,082	792,713	4,867,445	4,603,979	263,466	5.7%	5,816,635	949,190	16.3%
<b>Total Revenues</b>	<b>2,563,585</b>	<b>3,056,546</b>	<b>29,561,201</b>	<b>31,064,831</b>	<b>(1,503,630)</b>	<b>-4.8%</b>	<b>41,381,381</b>	<b>11,820,180</b>	<b>28.6%</b>
<b>Expenditures</b>									
Purchased Water Expense	452,459	699,829	8,257,286	9,939,885	1,682,599	16.9%	13,617,771	5,360,485	39.4%
Water Services <sup>(5)</sup>	509,736	421,894	3,931,949	3,499,862	(432,087)	-12.3%	4,487,727	555,778	12.4%
Wastewater Services <sup>(5)</sup>	360,299	315,401	2,634,002	2,687,763	53,761	2.0%	3,579,114	945,111	26.4%
Recycled Water Services <sup>(5)</sup>	49,522	43,151	419,130	367,725	(51,404)	-14.0%	489,675	70,545	14.4%
Administrative Services <sup>(5)</sup>	718,924	645,782	5,681,075	5,503,187	(177,888)	-3.2%	7,328,223	1,647,148	22.5%
Community Benefit Program	99	96,600	99	273,000	272,901	100.0%	546,000	545,901	100.0%
Total Operating Expenses	2,091,039	2,222,657	20,923,542	22,271,422	1,347,880	6.1%	30,048,510	9,124,968	30.4%
<b>Debt Service Expenses</b>									
SMCUP SRF	-	-	1,174,396	1,081,968	(92,428)	-8.5%	1,081,968	(92,428)	-8.5%
Red Mountain SRF	-	-	395,851	395,851	-	0.0%	395,851	-	0.0%
WW Rev Refunding Bonds	-	-	1,731,022	1,731,022	-	0.0%	1,731,022	-	0.0%
QECB Solar Debt	-	-	262,711	262,711	-	0.0%	521,667	258,956	49.6%
Total Debt Service	-	-	3,563,980	3,471,552	(92,428)	-2.7%	3,730,508	166,528	4.5%
<b>Total Expenses</b>	<b>2,091,039</b>	<b>2,222,657</b>	<b>24,487,522</b>	<b>25,742,974</b>	<b>1,255,452</b>	<b>4.9%</b>	<b>33,779,018</b>	<b>9,291,496</b>	<b>27.5%</b>
<b>Net Revenue/(loss) From Operations and Debt Service</b>	<b>472,546</b>	<b>833,889</b>	<b>5,073,679</b>	<b>5,321,857</b>	<b>(248,178)</b>	<b>-4.7%</b>	<b>7,602,364</b>	<b>2,528,685</b>	<b>33.3%</b>
<b>Capital Investment</b>									
<b>Capital Investment <sup>(6)</sup></b>									
Construction Expenditures-Admin	20,206	111,250	641,511	739,250	97,739	13.2%	800,000	158,489	19.8%
Construction Expenditures-Water	142,667	796,392	2,000,916	3,789,175	1,788,259	47.2%	6,128,350	4,127,434	67.3%
Construction Expenditures-Recycled	6,652	35,933	421,169	357,200	(63,969)	-17.9%	465,000	43,831	9.4%
Construction Expenditures-Wastewater	58,940	70,500	353,837	549,500	195,663	35.6%	731,000	377,163	51.6%
Construction Expenditures-PAYGO TOTAL	228,464	1,014,075	3,417,433	5,435,125	2,017,692	37.1%	7,773,350	4,355,917	56.0%
<b>Net Revenue/(Loss)</b>	<b>244,082</b>	<b>(180,186)</b>	<b>1,656,246</b>	<b>(113,268)</b>	<b>1,769,514</b>	<b>-1562.2%</b>	<b>(170,986)</b>	<b>(1,827,232)</b>	<b>1068.6%</b>

(1) Includes Local Resource Credit of \$288,469.00

(2) Includes De Luz Land Sale of \$170,307.37

(3) Includes SDCWA Refund of \$8,441.37

(4) Includes IPRP Grant Funds of \$79,245.12

(5) Includes share of \$200,000 PARS transfer

## CIP Summary Table

	Budget FY23	Current Month FY23	Actual-to- Date FY23
<b>Water Capital Projects</b>			
Pipelines and Valve Replacement Projects by District	\$ 570,000	\$ 92,993	\$ 477,567
Pipeline Replacement Projects by Contractors	\$ 4,543,350	\$ 503	\$ 958,871
Deluz ID Projects	\$ 100,000	\$ -	\$ 239,700
Pump Stations	\$ 300,000	\$ -	\$ 16,562
Meter Replacement	\$ 25,000	\$ 16,468	\$ 55,425
Pressure Reducing Stations	\$ 65,000	\$ 13,026	\$ 40,170
Red Mountain Reservoir Improvements	\$ 175,000	\$ -	\$ 11,155
Steel Reservoir Improvements	\$ 60,000	\$ -	\$ 20,826
Treatment Plant R&R	\$ 200,000	\$ 13,801	\$ 137,643
SCADA Upgrades/ Security/Telemetry	\$ 90,000	\$ 5,876	\$ 42,997
Total PAYGO Water Capital Projects	\$ 6,128,350	\$ 142,667	\$ 2,000,916
<b>Recycled Water Capital Projects</b>			
Recycled Water Improvements	\$ 465,000	\$ 6,652	\$ 421,169
<b>Wastewater Capital Projects</b>			
WRP Improvements	\$ 281,000	\$ 27,662	\$ 197,494
Collection System Improvements	\$ 400,000	\$ 31,278	\$ 146,352
Outfall Improvements	\$ 50,000	\$ -	\$ 9,991
Total Wastewater Capital Projects	\$ 731,000	\$ 58,940	\$ 353,837
<b>Administrative Capital Projects</b>			
Administrative Upgrades	\$ 105,000	\$ 2,799	\$ 52,930
Engineering and Operations Information Systems	\$ 30,000	\$ -	\$ 31,786
Facility Improvements/Upgrades/Security	\$ 410,000	\$ 9,442	\$ 252,792
District Yard Improvements	\$ -	\$ -	\$ -
Vehicles and Heavy Equipment	\$ 255,000	\$ 7,965	\$ 304,004
Total Administrative Capital Projects	\$ 800,000	\$ 20,206	\$ 641,511
<b>Total PAYGO Capital Budget Projects</b>	\$ 8,124,350	\$ 228,464	\$ 3,417,433

03/31/2023

Treasurer's Warrant No. March

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 - 03/2023

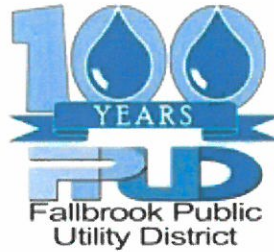
### Computer Check Register

Payroll #1	\$ 179,549.47
Payroll #2	<u>\$173,502.97</u>
	<u>\$353,052.44</u>

# Accounts Payable

## Checks by Date - Summary by Check Date

User: annaleceb  
Printed: 4/6/2023 3:47 PM



Check No	Vendor No	Vendor Name	Check Date	Check Amount
90574	00101	ACWA JPIA	03/02/2023	115,779.53
90575	01460	AFLAC	03/02/2023	446.72
90576	06597	AIRGAS USA, LLC	03/02/2023	470.86
90577	91286	AMAZON CAPITAL SERVICES, INC.	03/02/2023	763.95
90578	UB*00480	CLIFF ARMSTRONG	03/02/2023	349.71
90579	91608	AT&T MOBILITY LLC	03/02/2023	3,678.77
90580	06020	BABCOCK LABORATORIES, INC	03/02/2023	5,003.51
90581	03134	CALIFORNIA WATER ENVIRONMENT.	03/02/2023	95.00
90582	04178	CALOLYMPIC SAFETY CO., INC.	03/02/2023	1,271.59
90583	91272	KEVIN COLLINS	03/02/2023	60.00
90584	06021	JOSHUA COUVEAU	03/02/2023	202.00
90585	06299	D & H WATER SYSTEMS, INC	03/02/2023	1,877.16
90586	02925	DATA NET SOLUTIONS	03/02/2023	326.25
90587	91305	DXP ENTERPRISES, INC.	03/02/2023	1,328.90
90588	04411	ENVIRONMENTAL RESOURCE ASSOC	03/02/2023	2,907.82
90589	04122	EVOQUA WATER TECHNOLOGIES LLC	03/02/2023	18,155.88
90590	01099	FALLBROOK IRRIGATION INC	03/02/2023	69.18
90591	00169	FALLBROOK OIL COMPANY	03/02/2023	8,549.83
90592	04494	FEDERAL EXPRESS CORPORATION	03/02/2023	152.71
90593	01432	FERGUSON WATERWORKS #1083	03/02/2023	3,125.83
90594	91200	FIRST BANKCARD	03/02/2023	1,319.02
90595	91202	FIRST BANKCARD	03/02/2023	214.30
90596	91635	FIRST BANKCARD	03/02/2023	280.00
90597	91744	FIRST BANKCARD	03/02/2023	399.00
90598	02972	FISHER SCIENTIFIC COMPANY LLC	03/02/2023	521.53
90599	02170	GRAINGER, INC.	03/02/2023	3,956.69
90600	91524	INSIGHT DIRECT USA, INC.	03/02/2023	10,977.39
90601	91542	JCB SOUTHERN CALIFORNIA LLC	03/02/2023	1,198.80
90602	00190	JCI JONES CHEMICALS INC.	03/02/2023	9,629.08
90603	06555	LIEBERT CASSIDY WHITMORE	03/02/2023	138.00
90604	90887	LLOYD PEST CONTROL	03/02/2023	339.00
90605	91029	MALLORY SAFETY AND SUPPLY CO	03/02/2023	2,512.74
90606	91751	MANAGED MOBILE INC	03/02/2023	4,500.05
90607	91719	NATIONAL TIRE WHOLESAL	03/02/2023	977.91
90608	01267	PACIFIC PIPELINE	03/02/2023	16,174.30
90609	91007	PFM ASSET MANGEMENT LLC	03/02/2023	1,325.92
90610	06688	ANDO PILVE	03/02/2023	5,250.00
90611	91426	PRINTING SOLUTIONS	03/02/2023	345.09
90612	91779	RINGCENTRAL, INC.	03/02/2023	2,133.81
90613	00232	SAN DIEGO GAS & ELECTRIC	03/02/2023	2,931.87
90614	06401	SONSRAY MACHINERY LLC	03/02/2023	220.82
90615	90929	SOUTHWEST ANSWERING SERVICE, I	03/02/2023	749.00
90616	02206	STATE WATER RESOURCES CONTROL	03/02/2023	4,250.00
90617	91799	SUNBELT RENTALS, INC	03/02/2023	15,207.94
90618	00159	SUPERIOR READY MIX	03/02/2023	4,302.11
90619	91385	VERONICA TAMZIL	03/02/2023	60.00
90620	91703	UNIVAR SOLUTIONS	03/02/2023	13,336.67



Check No	Vendor No	Vendor Name	Check Date	Check Amount
90621	06444	US SAWS INC	03/02/2023	1,173.27
90622	04290	VILLAGE NEWS, INC.	03/02/2023	200.00
90623	91809	VINJE & MIDDLETON ENGINEERING,	03/02/2023	1,115.00
90624	91700	STEPHEN WUERTH	03/02/2023	65.00
Total for 3/2/2023:				270,419.51
ACH	00152	FPUD EMPL ASSOCIATION	03/08/2023	466.50
ACH	00718	NATIONWIDE RETIREMENT SOLUTIO	03/08/2023	3,805.00
ACH	06758	UNITED STATES TREASURY	03/08/2023	67,718.01
ACH	06759	STATE OF CA - PR TAXES	03/08/2023	9,778.43
ACH	06760	STATE OF CA - SDI	03/08/2023	2,418.87
ACH	06761	LINCOLN FINANCIAL GROUP	03/08/2023	11,823.50
ACH	06763	PERS - PAYROLL	03/08/2023	44,874.04
ACH	06758	UNITED STATES TREASURY	03/08/2023	1,952.80
ACH	06759	STATE OF CA - PR TAXES	03/08/2023	306.59
ACH	06760	STATE OF CA - SDI	03/08/2023	53.46
Total for 3/8/2023:				143,197.20
90627	91714	AGOSTINO CREATIVE PHOTOGRAPHY	03/09/2023	594.74
90628	91286	AMAZON CAPITAL SERVICES, INC.	03/09/2023	2,584.05
90629	06710	AQUAGISTICS	03/09/2023	1,500.00
90630	02805	ASBURY ENVIRONMENTAL SERVICES	03/09/2023	2,336.50
90631	91503	BACKGROUNDS ONLINE	03/09/2023	158.50
90632	91429	BSK ASSOCIATES	03/09/2023	368.50
90633	03978	CAMERON WELDING SUPPLY	03/09/2023	665.54
90634	06141	CENTRISYS CORPORATION	03/09/2023	1,498.28
90635	91241	LISA CHAFFIN	03/09/2023	60.00
90636	91766	CHARLES P. CROWLEY COMPANY, IN	03/09/2023	7,107.19
90637	91595	CLIFTONLARSONALLEN LLP	03/09/2023	4,000.00
90638	00182	GLENNIE'S OFFICE PRODUCTS, INC.	03/09/2023	227.06
90639	91594	CONCENTRA MEDICAL CENTERS	03/09/2023	162.00
90640	05180	NOELLE DENKE	03/09/2023	69.76
90641	05192	DIAMOND ENVIRONMENTAL SERVIC	03/09/2023	431.05
90642	91305	DXP ENTERPRISES, INC.	03/09/2023	2,714.88
90643	04122	EVOQUA WATER TECHNOLOGIES LLC	03/09/2023	377.13
90644	91611	FALLBROOK ACE HARDWARE	03/09/2023	2,543.23
90645	00169	FALLBROOK OIL COMPANY	03/09/2023	3,591.84
90646	00170	FALLBROOK WASTE & RECYCLING	03/09/2023	1,003.14
90647	01155	FALLBROOK WASTE/RECYCLING	03/09/2023	150.00
90648	91025	FRITTS FORD	03/09/2023	37,028.58
90649	05140	GMC ELECTRICAL, INC.	03/09/2023	4,225.00
90650	02170	GRAINGER, INC.	03/09/2023	1,202.73
90651	03174	HAAKER EQUIPMENT COMPANY	03/09/2023	189,099.26
90652	06329	HILL BROTHERS CHEMICAL COMPAN	03/09/2023	7,171.84
90653	06577	INFOSEND INC	03/09/2023	4,091.19
90654	91730	MHS LOMACK HEATING AND AIR COI	03/09/2023	1,600.95
90655	91192	MISSION LINEN SUPPLY	03/09/2023	1,122.28
90656	03201	NATIONAL SAFETY COMPLIANCE INC	03/09/2023	58.40
90657	00370	NUTRIEN AG SOLUTIONS, INC.	03/09/2023	88.32
90658	01267	PACIFIC PIPELINE	03/09/2023	927.76
90659	00215	PETTY CASH	03/09/2023	99.34
90660	91774	PHOENIX PUMPS OF CALIFORNIA, IN	03/09/2023	2,793.40
90661	00216	PINE TREE LUMBER	03/09/2023	23.14
90662	91538	PUDGIL & COMPANY	03/09/2023	5,000.00
90663	91697	R&B AUTOMATION, INC.	03/09/2023	673.44

Check No	Vendor No	Vendor Name	Check Date	Check Amount
90664	00232	SAN DIEGO GAS & ELECTRIC	03/09/2023	39,818.56
90665	06619	SAN DIEGO REFRIGERATION	03/09/2023	629.74
90666	91769	SILVERSTRAND TECHNOLOGIES, INC	03/09/2023	16,587.43
90667	05319	T.S. INDUSTRIAL SUPPLY	03/09/2023	2,010.06
90668	06735	TCN, INC.	03/09/2023	72.78
90669	91807	WAYNE GOSSETT FORD	03/09/2023	41,263.25
90670	91254	WESTERN PUMP, INC.	03/09/2023	760.00
90671	91805	WINCAN, LLC	03/09/2023	3,150.61
90672	00231	SAN DIEGO COUNTY WATER AUTH	03/09/2023	391,005.92
90673	91286	AMAZON CAPITAL SERVICES, INC.	03/09/2023	1,877.87
90674	91490	AMAZON WEB SERVICES, INC.	03/09/2023	1,012.07
90675	04995	AMERICAN MESSAGING	03/09/2023	403.72
90676	01719	MICKEY M. CASE	03/09/2023	60.00
90677	06303	EXECUTIVE LANDSCAPE INC.	03/09/2023	1,020.00
90678	01099	FALLBROOK IRRIGATION INC	03/09/2023	15.61
90679	05560	FRANCHISE TAX BOARD	03/09/2023	50.00
90680	02170	GRAINGER, INC.	03/09/2023	157.34
90681	91798	HYAS GROUP, LLC	03/09/2023	5,000.00
90682	06380	JANI-KING OF CALIFORNIA, INC - SAI	03/09/2023	185.02
90683	05505	TODD JESTER	03/09/2023	180.00
90684	06338	MYTHOS TECHNOLOGY INC	03/09/2023	1,815.36
90685	01267	PACIFIC PIPELINE	03/09/2023	1,438.46
90686	04075	RAYNE WATER SYSTEMS	03/09/2023	180.00
90687	91486	SATELLITE PHONE STORE	03/09/2023	78.28
90688	91107	SPECTRUM BUSINESS	03/09/2023	147.43
90689	02927	TIM STERGER	03/09/2023	60.00
90690	91123	STREAMLINE	03/09/2023	550.00
90691	91082	TELETRAC, INC	03/09/2023	2,478.64
90692	00724	UNDERGROUND SERVICE ALERT	03/09/2023	390.97
90693	00233	WAXIE SANITARY SUPPLY	03/09/2023	2,295.20
90694	91811	WESTERN HEAVY EQUIPMENT RENT/	03/09/2023	865.13
Total for 3/9/2023:				802,908.47
90695	05088	AT&T	03/16/2023	591.82
90696	91210	CORE & MAIN LP	03/16/2023	5,610.19
90697	05953	CORODATA RECORDS MANAGEMENT	03/16/2023	848.10
90698	06675	CORODATA SHREDDING, INC	03/16/2023	67.32
90699	02925	DATA NET SOLUTIONS	03/16/2023	1,426.00
90700	09523	FALLBROOK EQUIP RENTALS	03/16/2023	1,795.50
90701	01099	FALLBROOK IRRIGATION INC	03/16/2023	16.27
90702	04494	FEDERAL EXPRESS CORPORATION	03/16/2023	209.82
90703	03276	HOME DEPOT CREDIT SERVICES	03/16/2023	2,012.41
90704	06577	INFOSEND INC	03/16/2023	1,383.86
90705	91304	LEARNSOFT CONSULTING INC	03/16/2023	255.00
90706	91029	MALLORY SAFETY AND SUPPLY CO	03/16/2023	1,959.73
90707	90932	NAPA AUTO PARTS	03/16/2023	1,697.23
90708	91719	NATIONAL TIRE WHOLESale	03/16/2023	96.07
90709	91674	O'REILLY AUTO ENTERPRISES, LLC	03/16/2023	965.38
90710	03708	PAULEY EQUIPMENT CO INC	03/16/2023	364.94
90711	91658	PK MECHANICAL SYSTEMS, INC	03/16/2023	26,666.35
90712	00232	SAN DIEGO GAS & ELECTRIC	03/16/2023	66,559.26
90713	91768	THE ALCHEMY GROUP INC	03/16/2023	7,500.00
90714	91789	TSI	03/16/2023	9,840.00
90715	05971	UNISORB CORPORATION	03/16/2023	7,569.96
90716	03358	US BANK TRUST NA	03/16/2023	2,550.00
90717	91276	WOLFE DOOR INDUSTRIES, INC.	03/16/2023	1,170.00



Check No	Vendor No	Vendor Name	Check Date	Check Amount
90718	90979	ABABA BOLT	03/16/2023	2,792.88
90719	91286	AMAZON CAPITAL SERVICES, INC.	03/16/2023	5,674.31
90720	91070	AMS PAVING	03/16/2023	1,040.65
90721	06536	ARCADIS U.S., INC	03/16/2023	7,871.60
90722	91487	BADGER METER, INC.	03/16/2023	1,967.87
90723	04178	CALOLYMPIC SAFETY CO., INC.	03/16/2023	804.21
90724	91797	COFFMAN ENGINEERS, INC.	03/16/2023	5,025.00
90725	91008	MICHAEL COTHRAN	03/16/2023	420.00
90726	06299	D & H WATER SYSTEMS, INC	03/16/2023	1,325.88
90727	91305	DXP ENTERPRISES, INC.	03/16/2023	4,039.17
90728	03391	ELECTRICAL SALES INC	03/16/2023	52.25
90729	04122	EVOQUA WATER TECHNOLOGIES LLC	03/16/2023	8,533.80
90730	01099	FALLBROOK IRRIGATION INC	03/16/2023	106.81
90731	04494	FEDERAL EXPRESS CORPORATION	03/16/2023	59.14
90732	01432	FERGUSON WATERWORKS #1083	03/16/2023	34,224.23
90733	02972	FISHER SCIENTIFIC COMPANY LLC	03/16/2023	1,198.55
90734	06764	G & W TRUCK ACCESSORIES	03/16/2023	4,737.42
90735	02170	GRAINGER, INC.	03/16/2023	1,324.45
90736	03174	HAAKER EQUIPMENT COMPANY	03/16/2023	1,377.11
90737	05255	INLAND WATER WORKS SUPPLY CO.	03/16/2023	10,315.99
90738	06380	JANI-KING OF CALIFORNIA, INC - SAI	03/16/2023	3,248.69
90739	91130	LINCOLN NATIONAL LIFE INSURANC	03/16/2023	4,058.70
90740	01267	PACIFIC PIPELINE	03/16/2023	16,098.45
90741	90878	RAMONA PAVING & CONSTRUCTION	03/16/2023	1,093.49
90742	06064	SOLENIS LLC	03/16/2023	27,947.88
90743	06541	TIFCO INDUSTRIES, INC	03/16/2023	2,332.07
90744	91703	UNIVAR SOLUTIONS	03/16/2023	1,531.00
90745	01359	WATERMASTER	03/16/2023	31,297.00
Total for 3/16/2023:				321,653.81
ACH	00152	FPUD EMPL ASSOCIATION	03/23/2023	466.50
ACH	00718	NATIONWIDE RETIREMENT SOLUTIO	03/23/2023	3,805.00
ACH	06758	UNITED STATES TREASURY	03/23/2023	67,523.87
ACH	06759	STATE OF CA - PR TAXES	03/23/2023	10,147.82
ACH	06760	STATE OF CA - SDI	03/23/2023	2,411.36
ACH	06761	LINCOLN FINANCIAL GROUP	03/23/2023	11,755.27
ACH	06763	PERS - PAYROLL	03/23/2023	45,049.47
ACH	91223	STERLING ADMINISTRATION	03/23/2023	125.00
90748	91708	B2B SECURITY	03/23/2023	6,000.00
90749	06020	BABCOCK LABORATORIES, INC	03/23/2023	5,498.65
90750	91069	BRENNTAG PACIFIC INC.	03/23/2023	1,784.13
90751	03134	CALIFORNIA WATER ENVIRONMENT	03/23/2023	297.00
90752	03978	CAMERON WELDING SUPPLY	03/23/2023	1,642.40
90753	06115	CDW GOVERNMENT INC.	03/23/2023	442.76
90754	91241	LISA CHAFFIN	03/23/2023	60.00
90755	02176	CORELOGIC SOLUTIONS, LLC	03/23/2023	200.00
90756	06299	D & H WATER SYSTEMS, INC	03/23/2023	6,120.16
90757	02925	DATA NET SOLUTIONS	03/23/2023	4,395.35
90758	91305	DXP ENTERPRISES, INC.	03/23/2023	3,465.58
90759	91585	LAUREN ECKERT	03/23/2023	98.96
90760	03391	ELECTRICAL SALES INC	03/23/2023	231.83
90761	05006	JEFF EVANS	03/23/2023	154.00
90762	05987	FALLBROOK GARAGE & QWIK LUBE	03/23/2023	2,646.82
90763	01099	FALLBROOK IRRIGATION INC	03/23/2023	43.96
90764	01406	FALLBROOK PROPANE GAS CO	03/23/2023	5.26
90765	01432	FERGUSON WATERWORKS #1083	03/23/2023	2,844.84



Check No	Vendor No	Vendor Name	Check Date	Check Amount
90766	91200	FIRST BANKCARD	03/23/2023	1,291.28
90767	91201	FIRST BANKCARD	03/23/2023	902.00
90768	91202	FIRST BANKCARD	03/23/2023	1,841.69
90769	91225	FIRST BANKCARD	03/23/2023	99.00
90770	91323	FIRST BANKCARD	03/23/2023	60.16
90771	91620	FIRST BANKCARD	03/23/2023	3,919.89
90772	91635	FIRST BANKCARD	03/23/2023	397.03
90773	91678	FIRST BANKCARD	03/23/2023	269.32
90774	91744	FIRST BANKCARD	03/23/2023	664.94
90775	02972	FISHER SCIENTIFIC COMPANY LLC	03/23/2023	112.88
90776	05560	FRANCHISE TAX BOARD	03/23/2023	50.00
90777	05814	GEORGE PLUMBING COMPANY INC	03/23/2023	2,974.00
90778	02170	GRAINGER, INC.	03/23/2023	42.54
90779	02767	GRANGETTO FARM & GARDEN SUPPI	03/23/2023	283.21
90780	06561	HOWELLS GOVERNMENT RELATIONS	03/23/2023	7,500.00
90781	06577	INFOSEND INC	03/23/2023	2,969.44
90782	05065	JOHNSON CONTROLS SECURITY SOL	03/23/2023	659.49
90783	06479	KNOCKOUT PEST CONTROL & TERMI	03/23/2023	325.00
90784	04926	KONICA MINOLTA PREMIER FINANCE	03/23/2023	2,152.75
90785	91304	LEARNSOFT CONSULTING INC	03/23/2023	255.00
90786	90887	LLOYD PEST CONTROL	03/23/2023	150.00
90787	91561	MUNICIPAL SEWER TOOLS	03/23/2023	1,367.23
90788	06298	ONESOURCE DISTRIBUTORS, LLC	03/23/2023	8,707.16
90789	01267	PACIFIC PIPELINE	03/23/2023	2,240.99
90790	03708	PAULEY EQUIPMENT CO INC	03/23/2023	955.23
90791	91535	PAYMENTUS CORPORATION	03/23/2023	3,565.28
90792	91007	PFM ASSET MANGEMENT LLC	03/23/2023	1,199.36
90793	91660	R & R INDUSTRIES INC.	03/23/2023	689.56
90794	05064	RAINBOW MUNICIPAL WATER	03/23/2023	5,141.64
90795	91077	RED WING BUSINESS ADVANTAGE AC	03/23/2023	1,265.52
90796	91799	SUNBELT RENTALS, INC	03/23/2023	2,098.89
90797	00159	SUPERIOR READY MIX	03/23/2023	3,771.35
90798	91703	UNIVAR SOLUTIONS	03/23/2023	7,656.74
90799	91498	WEST COAST TRUCK & AUTO	03/23/2023	1,216.29
90800	06231	WESTERN WATER WORKS SUPPLY CC	03/23/2023	13,025.57
Total for 3/23/2023:				257,036.42
90801	00101	ACWA JPIA	03/30/2023	118,087.59
90802	01460	AFLAC	03/30/2023	446.72
90803	91286	AMAZON CAPITAL SERVICES, INC.	03/30/2023	4,189.71
90804	91608	AT&T MOBILITY LLC	03/30/2023	3,681.55
90805	91814	AURORA POWER SERVICES	03/30/2023	330.00
90806	02743	BEST BEST & KRIEGER	03/30/2023	17,825.50
90807	05615	BOOT WORLD INC.	03/30/2023	155.14
90808	91745	FRANCISCO CARDENAS	03/30/2023	404.99
90809	91272	KEVIN COLLINS	03/30/2023	60.00
90810	00182	GLENNIE'S OFFICE PRODUCTS, INC.	03/30/2023	718.37
90811	05714	COUNTY OF SD DEPT PUBLIC WORKS	03/30/2023	548.43
90812	02925	DATA NET SOLUTIONS	03/30/2023	1,270.00
90813	06762	DENALI WATER SOLUTIONS LLC	03/30/2023	14,289.38
90814	00143	DEPARTMENT OF WATER RESOURCES	03/30/2023	31,165.00
90815	05192	DIAMOND ENVIRONMENTAL SERVIC	03/30/2023	431.05
90816	05588	ESCONDIDO METAL SUPPLY	03/30/2023	505.35
90817	00169	FALLBROOK OIL COMPANY	03/30/2023	9,388.69
90818	04494	FEDERAL EXPRESS CORPORATION	03/30/2023	16.73
90819	01432	FERGUSON WATERWORKS #1083	03/30/2023	15,425.94

Check No	Vendor No	Vendor Name	Check Date	Check Amount
90820	91313	FIRST BANKCARD	03/30/2023	50.00
90821	91540	FIRST BANKCARD	03/30/2023	2,174.57
90822	05814	GEORGE PLUMBING COMPANY INC	03/30/2023	1,224.00
90823	02170	GRAINGER, INC.	03/30/2023	893.43
90824	05380	HACH CO	03/30/2023	7,119.24
90825	06577	INFOSEND INC	03/30/2023	1,322.59
90826	00190	JCI JONES CHEMICALS INC.	03/30/2023	10,359.11
90827	91818	PETER MARSHALL	03/30/2023	202.00
90828	01267	PACIFIC PIPELINE	03/30/2023	1,118.25
90829	91817	PEARSON GEOTECHNICAL, INC.	03/30/2023	622.32
90830	91813	PINS ADVANTAGE	03/30/2023	7,300.00
90831	91426	PRINTING SOLUTIONS	03/30/2023	140.95
90832	UB*00462	MICHAEL RANDOLPH	03/30/2023	214.64
90833	90929	SOUTHWEST ANSWERING SERVICE, I	03/30/2023	749.00
90834	91082	TELETRAC, INC	03/30/2023	19.95
90835	06211	UNITED IMAGING	03/30/2023	325.38
90836	91485	BRYAN WAGNER	03/30/2023	99.28
90837	91659	WEST COAST SAFETY SUPPLY INC.	03/30/2023	5,997.37
Total for 3/30/2023:				258,872.22
Report Total (278 checks):				2,054,087.63

A handwritten signature in black ink, appearing to read "Jack Bebee", is written over a solid horizontal line.

Jack Bebee

General Manager