



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

MINUTES

**MONDAY, FEBRUARY 28, 2022
4:00 P.M.**

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

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL / ESTABLISH A QUORUM

President Baxter called the February Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m. President Baxter deferred to General Counsel de Sousa's colleague, Victoria Hester, who served as General Counsel for this meeting until Ms. de Sousa was able to join the meeting, to make the following statements on the record regarding the proceedings for this meeting:

General Counsel Hester announced, for the record that, pursuant to the state of emergency declared by Governor Newsom, and in order to promote social distancing during the evolving COVID-19 pandemic, this meeting was being conducted by web and teleconference pursuant to Government Code Section 54953(e)(1)(A), which waives certain teleconferencing requirements in certain circumstances. She noted the first item on the agenda pertained to Board action to make the required findings pursuant to Government Code Section 54953(e).

General Counsel Hester also announced the agenda provided notice that members of the public may participate in this meeting by attending in person, and that members of the public who do not wish to attend in person were encouraged to participate in the Board meeting electronically using the call-in and weblink information included on the agenda. Members of the public participating remotely may provide general public comments and comments on agenda items in real time by requesting to speak using the "Raise Hand" function on Zoom or, if they were participating by phone, by pressing *9 to raise their hand. 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). There were no written public comments submitted in advance of the meeting, for general public comment or for any agenda items.

General Counsel Hester announced that President Baxter would ask the Board Secretary if there were any members of the public who had submitted written comments in advance of the meeting, or who wished to make comments on the item either in person or through Zoom webinar or Zoom teleconference. After public comments, President

Baxter would then call on staff to make a presentation for the next item on the agenda. After the presentation was made, to avoid everyone speaking at once, President Baxter would then call on each Director to see if there were questions for staff regarding their presentation. After the round of questions, President Baxter would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President Baxter would call on each Director to see if there were any comments. General Counsel de Sousa announced, if there were any Directors participating remotely, which there were, all votes would be done by roll call.

A quorum was established, and attendance was as follows:

Board of Directors

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

Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager
Victoria Hester, Acting General Counsel
Paul de Sousa, General Counsel (*arrived at 5:21 p.m. via Zoom*)
Dave Shank, Assistant General Manager/CFO
Nick Cannata, Utility Worker I
Devin Casteel, Systems Operations Supervisor
Lisa Chaffin, Human Resources Manager
Aaron Cook, Engineering Manager
Mick Cothran, Engineering Technician
Noelle Denke, Public Affairs Specialist
Soleil Develle, Engineering Technician II
Kyle Drake, Collections Supervisor
Kerry Mehrens, Equipment Mechanic
Steve Stone, Field Services Manager
Owni Toma, Chief Plant Operator
Steve Wuerth, SCADA, Electrical & Maintenance Supervisor
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Craig Balben, Leticia Maldonado-Stamos, Rebekah Nye, Tom Frew, Liz Ramos, Kathy Ramirez, Ricardo Favela, Cynthia Young, Stephani Baxter, and Stephanie Smith

A. CONSIDER FINDINGS TO CONTINUE HOLDING REMOTE/
TELECONFERENCE MEETINGS PURSUANT TO ASSEMBLY BILL 361

Recommendation:

1. *That the FPUD Board of Directors make the following findings by majority vote:*
 - a. *The Governor-declared COVID-19 State of Emergency remains in effect and the Board of Directors has reconsidered the circumstances of the COVID-19 State of Emergency; and*
 - b. *State or local officials continue to impose or recommend measures to promote social distancing.*
2. *That the FPUD Board of Directors determine that, for the next thirty (30) days, the meetings of the Board and committees shall be held pursuant to the provisions of Government Code section 54953(e), allowing legislative body members and members of the public to participate in meetings remotely in accordance with that section.*

There were no public comments on agenda item A.

MOTION: Vice President Wolk moved to find that the Governor-declared COVID-19 State of Emergency remains in effect and the Board of Directors has reconsidered the circumstances of the COVID-19 State of Emergency; and State or local officials continue to impose or recommend measures to promote social distancing and that meetings of the Board of Directors and Committees shall be held pursuant to provisions of the Government Code section 54953(e), allowing legislative body members and members of the public to participate in meetings remotely in accordance with that section; Director McDougal seconded. Motion passed; VOTE:

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

PLEDGE OF ALLEGIANCE

President Baxter led the Pledge of Allegiance.

ADDITIONS TO AGENDA PER GC § 54954.2(b)

APPROVAL OF AGENDA

MOTION: Vice President Wolk moved to approve the agenda as presented; Director McDougal 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.

Leticia Maldonado-Stamos stepped to the podium to inquire if the three minute limit for public comments would still be in affect during the scheduled public hearing. President Baxter agreed to extend the public comment time limit to five minutes.

B. 2021 EMPLOYEE OF THE YEAR PLAQUE PRESENTATION

There were no public comments on agenda item B.

The Board presented Soleil Develle with a plaque for receiving the 2021 Employee of the Year award. A photo was taken.

C. EMPLOYEE OF THE QUARTER FEBRUARY 2022

1. Devin Casteel

There were no public comments on agenda item C.

The Board recognized Devin Casteel for being selected as Employee of the Quarter for February 2022.

D. YEARS OF SERVICE

1. Kerry Mehrens – 15 years

There were no public comments on agenda item D.

The Board recognized Kerry Mehrens for his 15 years of service to the District.

E. NEW EMPLOYEE ANNOUNCEMENTS

1. Nick Cannata, Utility Worker I

There were no public comments on agenda item E.

The Board welcomed Nick Cannata as Utility Worker I.

II. CONSENT CALENDAR----- (ITEMS F – G)

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

There were no public comments on Consent Calendar items.

F. CONSIDER APPROVAL OF MINUTES

1. January 24, 2022 Regular Board Meeting

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

G. CONSIDER ADVANCE APPROVAL TO ATTEND MEETINGS

Recommendation: That the Board authorize and approve, in advance, Directors' attendance to the California Special Districts Association's 2022 Special District Leadership Academy Conference, April 3–April 6, 2022, in San Diego, California.

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

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

NOES: None

ABSTAIN: None

ABSENT: None

III. **ACTION / DISCUSSION CALENDAR** -----(ITEMS H – J)

H. CONSIDER CUSTOMER REQUEST FOR BILL ADJUSTMENT – 109 DEL SURENO

Recommendation: In the past, the Board has directed staff to work with the customer to develop a payment plan in these situations. Staff will support Board direction on this item.

Rebekah Nye addressed the Board to request assistance on a past due balance she inherited from a previous owner.

Vice President Wolk asked why the State program for past due account was not being utilized for this. AGM/CFO Shank explained the State arrearage program was set up to fund a period of time, and in that period the funds could be applied towards past due bills. However, this past due amount was transferred to a new

account, and subsequently the old account was closed. The past due amount was therefore not submitted to the State for the past due arrearage program. General Manager Bebee asked how much would have qualified for that program. AGM/CFO Shank responded that of the past due water charges, \$1,236.73 would have qualified. The program did not cover sewer charges.

Director McDougal suggested the process the District has in place be revisited. He suggested the District come up with another resolution for issues like this that arise, where a new customer is being held responsible for an old customer's past due balance.

Vice President Wolk was concerned about setting a precedent and specifically asked the record reflect that the previous owner had filed bankruptcy, and the new owner would be unable to take him to court. Additionally, the previous owner did not submit an application for assistance with the past due balance. President Baxter agreed this was a unique circumstance and the District needed to be careful not to set a precedent.

MOTION: Director McDougal moved to waive the past due fees based on the background and supporting documentation, adding this was a one-time transaction and would not set a precedent; Director DeMeo seconded. Motion carried; VOTE:

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

I. CONSIDER CALIFORNIA SPECIAL DISTRICTS ASSOCIATION BOARD OF DIRECTORS CALL FOR NOMINATIONS – SEAT B

Recommendation: Staff supports the Board's direction.

There were no public comments on agenda item I.

General Manager Bebee explained there was a call for nominations for Seat B of the CSDA Southern Network and asked the Board if they wanted to nominate anyone for this seat.

Director Endter announced he would be interested in running for the CSDA Board of Directors – Seat B.

MOTION: Director McDougal moved to nominate Director Ken Endter for the California Special Districts Association Board of Directors – Seat B

of the Southern Network; Director DeMeo seconded. Motion carried;
VOTE:

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

J. CONSIDER REQUEST FOR APPROVAL TO AWARD ONE-TIME PAVING
PROJECT TO PETERS PAVING AND GRADING

Recommendation: That the Board approve a one-time paving project to Peters
Paving and Grading for \$99,500.00.

There were no public comments on agenda item J.

Vice President Wolk asked if Peters Paving and Grading would bill us by
the job or wait until the entire project was completed. General Manager Bebee
explained they would most likely bill monthly.

MOTION: Director McDougal moved to approve a one-time paving project to
Peters Paving and Grading for \$99,500.00; Director Endter
seconded. Motion carried; VOTE:

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

IV. **INFORMATION**-----**(ITEM K)**

K. ENGINEERING AND OPERATIONS KEY PERFORMANCE INDICATORS

Presented by: Aaron Cook, Engineering Manager
Steve Stone, Field Services Manager

There were no public comments on agenda item K.

Staff presented a slideshow summarizing the key performance indicators
for the engineering, system operations, collection, construction/maintenance, and
system service departments.

Vice President Wolk asked the criteria for issuing work orders. General Manager Bebee explained the bulk of the work orders were for preventative maintenance.

V. PUBLIC HEARINGS ----- (ITEMS L – M)

L. POTENTIAL INCREASE IN COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS (ADMINISTRATIVE CODE SECTION 2.12); ORDINANCE NO. 351

Recommendation: Hold the public hearing and consider adoption of Ordinance No. 351, to increase Board compensation from \$115.76 to \$121.55 for each day's service to the District and to update Section 2.12 of the District's Administrative Code to reflect the updated amount.

General Manager Bebee announced that after following the necessary public notification procedures, the District's Governing Board would be holding a public hearing to receive public comments prior to its consideration of Ordinance No. 351, related to increasing Board compensation from \$115.76 to \$121.55 per meeting.

General Counsel Hester announced the Board will conduct a public hearing to provide an opportunity for members of the public to address the Board concerning Ordinance No. 351.

At 5:05 p.m., President Baxter opened the Public Hearing to receive public comments on agenda item L.

Leticia Maldonado-Stamos stepped to the podium to say that \$121.55 for the work the Board does to serve the community was well worth the money the taxpayers pay.

Hearing no additional public comments, President Baxter closed the Public Hearing at 5:07 p.m.

MOTION: Director McDougal moved to adopt Ordinance No. 351, to increase Board compensation from \$115.76 to \$121.55 for each day's service to the District and to update Section 2.12 of the District's Administrative Code to reflect the updated amount; Director Endter seconded. Motion carried; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

M. PUBLIC HEARING REGARDING REDISTRICTING OF DIVISION BOUNDARIES FOR FPUD BOARD OF DIRECTORS

Recommendation:

1. *Receive a report from District staff on the redistricting proposal and permissible criteria to be considered to redraw division boundaries;*
2. *Conduct a public hearing to receive public input on division boundaries; and*
3. *Provide direction to staff (if any) regarding the redistricting proposal to be considered at the next public hearing.*

General Manager Bebee announced that after following the necessary public notification procedures, the District's Governing Board would be holding a public hearing as part of the redistricting process to receive public input on revisions to the District's division boundaries.

Engineering Manager Cook presented a slideshow which provided an overview of the redistricting process.

General Manager Bebee explained the District went through a redistricting process in 2016, in coordination and acceptance with MALDEF at that time.

General Counsel Hester announced the Board will conduct a public hearing to provide an opportunity for members of the public to address the Board concerning the redistricting proposal and division boundaries.

At 5:13 p.m., President Baxter opened the Public Hearing to receive public comments on agenda item M.

Leticia Maldonado-Stamos stepped to the podium to address the Board, explaining she was an active member of the community and VOCES de Fallbrook. She reported that FPUD's Board only underwent the transition from at-large to by-division as the result of a lawsuit ruled against FPUD in 2015, which found the District was in violation of the voting rights of Latinos by holding at-large elections. She noted that equal population WAS important as it relates to legal consideration, but that communities of interest would be the next most important consideration. She went on to say that leaving the current maps as is was not in the best interest of Fallbrook in general, or the Latino population. She believed Division 3 should be made stronger, not weaker, and suggested modifications could be made to bring the FPUD Districts more in line with each other, population wise. She also mentioned there was a disadvantage associated with not being able to access map files, demographic data, and historical records. She suggested making those interactive tools available to better engage the public in this process. She also requested the District schedule one additional public hearing and a community workshop to come together as a community to fully collaborate in creating a fair map.

Tom Frew stepped to the podium to address the Board and recommended taking South Alturas Road within District 5 and including it in District 3. He noted District 5 was the largest, and District 3 was the smallest. He suggested making that adjustment would make those Districts more equal, as there was a community of interest being split by having boundaries going east and west instead of north and south, thus splitting their voting power.

Ricardo Favela addressed the Board via Zoom to echo what Ms. Maldonado-Stamos suggested, that an additional community workshop would be helpful. He suggested it would be beneficial to look at how the data impacts communities on the ground versus from a birds eye view. He explained there was a very large community on South Alturas Road near the Community Garden that was being left out of the Downtown District.

Cynthia Young addressed the Board via Zoom requesting detailed maps be made available for the public to have an accurate review of the districts. She also did not think there was a disadvantage in maximizing the voting power of the Latino FPUD customers She also agreed that the suggestion of adding South Alturas to District 3 made sense.

Hearing no additional public comments, President Baxter closed the Public Hearing at 5:26 p.m.

Board discussion ensued, and it was ultimately decided that District staff would schedule a public workshop to further work with members of the public on the redistricting process. This workshop would allow staff and members of the public to look at the maps in greater detail and allow additional data and maps be brought to the Board for consideration at the next Board meeting and public hearing.

VI. ORAL/WRITTEN REPORTS-----(ITEMS 1–8)****

There were no public comments on oral/written reports.

1. General Counsel
 - General Counsel de Sousa reminded the Board it was Form 700 annual filing time. She also announced the legislative deadline for all bills to be considered was February 18th. She thought there would be a lot more substantive bills.
2. SDCWA Representative Report
 - General Manager Bebee provided an overview of the written report included in the packet.
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 provided an overview of the written reports included in the packet.
5. Public Affairs Specialist
 - Public Affairs Specialist Denke reported she has been working on the 100th Anniversary event. She also showed the Board a resolution the District received from Marie Waldron's office for the Santa Margarita Conjunctive Use Project.
6. Notice of Approval of Per Diem for Meetings Attended
7. Director Comments/Reports on Meetings Attended
 - Director DeMeo provided an overview of the written Directors' reports she submitted that were included in the packet.
8. Miscellaneous

ADJOURN TO CLOSED SESSION

General Counsel de Sousa announced the Board would be going into Closed Session and that members of the public participating via web or teleconference were welcome to continue to stay on the line while the Board was in Closed Session, however they would only hear silence. Following Closed Session and prior to adjournment, an oral announcement of reportable action, should there be any, would be made to the public on the teleconference line.

There were no public comments on Closed Session Items.

The Board of Directors adjourned to Closed Session at 6:04 p.m. following an oral announcement by General Counsel de Sousa of Closed Session Items V.1 and 2.

VII. CLOSED SESSION------(ITEMS 1-2)

1. CONFERENCE WITH LABOR NEGOTIATORS PURSUANT TO GOVERNMENT CODE SECTION 54957.6:

Agency Designated Negotiators: Jack Bebee, General Manager; Lisa Chaffin, Human Resources Manager

Employee Organizations: Fallbrook Public Utility District Employees' Association; Fallbrook Management Employees' Association

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 6:45 p.m.

REPORT FROM CLOSED SESSION (*As necessary*)

There was no reportable action taken in Closed Session.

VIII. ADJOURNMENT OF MEETING

There being no further business to discuss, the February Regular Meeting of the Board of Directors of the Fallbrook Public Utility District was adjourned at 6:46 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors