



FALLBROOK PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING

MINUTES

MONDAY, OCTOBER 25, 2021  
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 DeMeo called the October Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:06 p.m. President DeMeo deferred to General Counsel Norvell to make the following statements on the record regarding the proceedings for this meeting:

General Counsel Norvell announced, for the record, that this meeting was conducted by teleconference using the call-in and web link on the agenda, pursuant to the Brown Act waivers to certain provisions under the Governor's Executive Order in response to the COVID-19 State of Emergency.

General Counsel Norvell also announced the agenda provided notice that members of the public were encouraged to participate in person, or via teleconference using the call-in and web link information, and that members of the public could have also emailed public comments and comments on agenda items in advance of the meeting by mailing them to the District, dropping them in the District's payment drop box, or emailing them to the Board Secretary. Any such written comments would be read on to the record at the appropriate portion of the meeting – up to a limit of three (3) minutes per comment.

General Counsel Norvell noted, for the record, there were no written public comments for any agenda items submitted prior to the submission deadline.

A quorum was established, and attendance was as follows:

Board of Directors

Present: Jennifer DeMeo, Member/President  
Dave Baxter, Member/Vice President  
Ken Endter, Member

Don McDougal, Member  
Charley Wolk, Member  
Absent: None

General Counsel/District Staff

Present: Jack Bebee, General Manager  
Nicholaus Norvell, General Counsel  
Dave Shank, Assistant General Manager/CFO  
Jason Cavender, Operations Manager  
Aaron Cook, Engineering Manager  
Mick Cothran, Engineering Technician II  
Noelle Denke, Public Affairs Specialist  
Soleil Develle, Engineering Technician III  
Owni Toma, Chief Plant Operator  
Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Craig Balben and Cynthia Young.

PLEDGE OF ALLEGIANCE

President DeMeo led the Pledge of Allegiance.

General Counsel Norvell announced that President DeMeo 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 DeMeo 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 DeMeo would then call on each Director to see if there were questions for staff regarding their presentation. After the round of questions, President DeMeo would then ask for a motion and request that each Director identify themselves when making a motion or seconding a motion. Next, President DeMeo would call on each Director to see if there were any comments. General Counsel de Sousa announced all votes would be done by roll call.

APPROVAL OF AGENDA

MOTION: Director McDougal moved to approve the agenda as presented;  
Director Wolk seconded. Motion passed; 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.*

President DeMeo asked the Board Secretary if there were any members of the public who would have liked to be heard, or if any written in person public comment speaker slips for non-agenda items had been received in person, via mail, email, or deposit. President DeMeo then requested that members of the public, who wished to speak on non-agenda items, raise their hand via Zoom Webinar by clicking on the "Raise Hand" button and via phone by pressing star nine.

There were no public comments on non-agenda items.

### A. YEARS OF SERVICE

1. Soleil Develle – 15 years

The Board recognized Soleil Develle, Engineering Technician III, for this 15 years of service to the District.

### B. NEW EMPLOYEE ANNOUNCEMENTS

1. Justin Amaro – Instrumentation, Electrical and Controls Technician
2. Michael Barranon – Plant Operator II
3. Alex Dagondon – Valve Maintenance Utility Worker
4. Yelena Giannuzzi – Accounting Technician
5. Devin Rodriguez – Utility Worker I
6. Chad Wodarczyk – Utility Worker II

The Board welcomed Justin Amaro as Instrumentation, Electrical and Controls Technician, Michael Barranon as Plant Operator II, Alex Dagondon as Valve Maintenance Utility Worker, Yelena Giannuzzi as Accounting Technician, Devin Rodriguez as Utility Worker I, and Chad Wodarczyk as Utility Worker II.

## 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.*

There were no public comments on Consent Calendar items.

### C. CONSIDER APPROVAL OF MINUTES

1. September 27, 2021 Regular Meeting

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

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

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

NOES: None

ABSTAIN: None

ABSENT: None

**III. INFORMATION----- (ITEMS D–E)**

**D. PROCESS FOR SETTING CY 2022 RATES AND CHARGES**

*Presented by: Dave Shank, Assistant General Manager/CFO*

There were no public comments on agenda item D.

AGM/CFO Shank reviewed the process for setting calendar year 2022 rates and charges with the Board, which will be reviewed at the December 2021 Board meeting. He noted 2022 would be the last year of the five year plan adopted in 2017.

**E. REVIEW OF WATER DEMAND TRENDS**

*Presented by: Mick Cothran, Engineering Technician II*

There were no public comments on agenda item E.

Engineering Technician II Cothran presented a slideshow reviewing water demand trends, including the variable that affect the demand trends. He reported water demand has been trending downward for some time.

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

**F. CONSIDER UPDATE ON APPLICATION TO LAFCO TO SWITCH WHOLESALE WATER SUPPLIERS**

*Recommendation: Staff supports Board direction.*

There were no public comments on agenda item F.

General Manager Bebee presented a slideshow providing an update on the application to LAFCO to switch wholesale water suppliers, including a projected

future timeline for the application process. General Manager Bebee also provided a high-level summary of Dr. Hanemann's draft report. Dr. Hanemann is the consultant LAFCO retained to evaluate water supply reliability, revenue impacts to SDCWA, and potential exit fees. He reported there was a link to the full draft report included in the Board memo.

General Manager Bebee provided the Board with three potential actions, including authorizing the General Manager to withdraw the application to LAFCO, taking no action, or authorizing the General Manager to engage additional resources as needed to try and successfully complete the reorganization process with LAFCO.

Director Wolk requested that General Manager Bebee alert the Board of any action he takes, but not to wait until the next Board meeting to take the necessary action.

Vice President Baxter reiterated the Directors' responsibility is to represent the needs of the ratepayers, and there would be a great financial impact of this detachment to the ratepayers.

Director Endter stated the District has been paying for infrastructure it has not used for many years.

Director McDougal noted it is the Directors' obligation to fight for fairness to the ratepayers.

MOTION: Director Wolk moved to authorize the General Manager to engage additional resources, as needed, to try and successfully complete the reorganization process with LAFCO; Director Endter seconded. Motion passed; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

G. CONSIDER AWARD OF GREEN CANYON FORCE MAIN REPLACEMENT PROJECT

Recommendation: That the Board authorize the Green Canyon Force Main Replacement Project to the lowest responsible bidder, Blue Pacific Engineering & Construction.

There were no public comments on agenda item G.

Engineering Manager Cook provided a brief overview of the project, reporting this would bring the sewer line from Green Canyon to Overland Trail.

MOTION: Director Baxter moved to authorize the Green Canyon Force Main Replacement Project to the lowest responsible bidder, Blue Pacific Engineering & Construction, in the amount of \$248,000; Director Endter seconded. Motion passed; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

H. CONSIDER WATER SUPPLY RELIABILITY PROJECT UPDATE AND EQUIPMENT PROCUREMENT (JOB 3117)

*Recommendation:* The Board authorize a services agreement with Intuitech for an amount not to exceed \$370,450 for the lease of pilot treatment equipment.

There were no public comments on agenda item H.

Engineering Manager Cook provided the Board with a brief update on the water supply reliability project, explaining we are looking for ways to utilize our recycled water. He explained we have more recycled water than we have customer demand for recycled water and have had challenges finding additional customers.. Engineering Manager Cook reported this project has been underway slowly over the last couple of years.

Engineering Manager Cook noted there were regulatory challenges that come along with this project associated with delivering the Fallbrook recycled supplies via live stream discharge to the base. Because of this, we are focused on utilizing recycled supplies on base to discharge to the infiltration basin on Camp Pendleton. The next step in this project is to lease pilot equipment to give us the additional data and parameters to fully understand future costs and develop a framework for moving forward with project implementation Camp Pendleton. We would expect to receive the equipment in February, which would then require a four month test after the equipment is received.

MOTION: Director Endter moved to authorize a services agreement with Intuitech for an amount not to exceed \$370,450 for the lease of pilot treatment equipment; Director Baxter seconded. Motion passed; VOTE:

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

NOES: None

ABSTAIN: None

ABSENT: None

I. CONSIDER AWARD OF RECYCLED AIRVAC & DRAIN REPLACEMENT PROJECT (JOB 3150)

*Recommendation:* The Board authorize the Recycled Airvac & Drain Replacement Project to the lowest responsible bidder, CHI Construction.

There were no public comments on agenda item I.

Engineering Manager Cook explained this project is part of the planned capital project for the recycled system. He reported there were old valves in disrepair and in underground vaults. The plan is to remove and replace them, installing to current District standards. Engineering Manager Cook explained there was \$100,000 budgeted for this specific project, and the expected cost of the project will likely be between \$120,000 and \$125,000, however other recycled system capital jobs have been trending under budget.

Director Wolk asked staff that, as other recycled projects are completed under budget, to keep track until the \$125,000 is met. Staff agreed to provide details on the recycled projects completed and the total costs.

MOTION: Director Baxter moved to authorize the Recycled Airvac & Drain Replacement Project to the lowest responsible bidder, CHI Construction, in the amount of \$112,000; Director Endter seconded. Motion passed; VOTE:

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

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

*Recommendation:*

1. That the FPU D 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 FPU D 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 J.

MOTION: Director Endter 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 distance 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

K. CONSIDER PROPOSED HIRING BONUS AND RELOCATION PROGRAM TERMS

*Recommendation: Staff recommends the Board approve the proposed relocation hiring bonus and relocation program terms. The terms will be incorporated into the District's personnel regulations.*

There were no public comments on agenda item K.

Director McDougal reported that staff brought to the Personnel Committee the issue of finding candidates to fill open positions due to industry demand. The ability to offer a hiring bonus, at the discretion of the General Manager, as incentive to recruit candidates was proposed, as well as the possibility of paying relocation costs would help in recruiting efforts.

Director Endter reported he appreciated the employee referral bonus aspect of this program.

MOTION: Director Endter moved to approve the proposed relocation hiring bonus and relocation program terms. The terms will be incorporated into the District's personnel regulations; Director McDougal seconded. Motion passed; VOTE:



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

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

1. General Counsel
  - General Counsel Norvell provided an update on SB 323. He also reported the state is adopting standards under AB 1668 for water use deficiency, to be put into effect in 2024.
  - General Counsel Norvell provided a general update on the legislative session, including that 2,776 bills were introduced this year, of which 1,100 were of interest to BB&K practices, 836 bills of which were passed, and 66 were vetoed.
2. SDCWA Representative Report
  - General Manager Bebee provided an overview of the written report provided in the Board packet.
3. General Manager
  - a. Engineering and Operations Report
    - General Manager Bebee reported we are having to put in additional storm water detention structures at the water reclamation plant.
    - General Manager Bebee also reported we received an APCD notice of violation for the Overland Trail project. He explained this is the contractor's doing, but the violation also came to the District.
    - Director Wolk questioned the actual versus budget lines for the Engineering and Operations charts in the packet. General Manager Bebee noted the CIP update would be provided to the Board in January.
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 provided in the Board packet.
5. Public Affairs Specialist
  - Public Affairs Specialist Denke reported on the various community events the District has participated in. She also reported on the Town Hall meeting taking place on November 17<sup>th</sup>.
6. Notice of Approval of Per Diem for Meetings Attended
  - Notification of Approval for Director's attendance at the Farm Bureau – Farmer of the Year Banquet on October 14, 2021 in Escondido, CA.
    - President DeMeo announced she approved Directors to attend the Farm Bureau Farmer of the Year Banquet on October 14, 2021.
7. Director Comments/Reports on Meetings Attended

8. Miscellaneous

ADJOURN TO CLOSED SESSION

The Board of Directors adjourned to Closed Session at 6:18 p.m. following an oral announcement by General Counsel Norvell of Closed Session Item VI.1

General Counsel Norvell announced that members of the public were welcome to continue to stay on the teleconference 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 Item 1.

**VI. CLOSED SESSION----- (ITEM 1)**

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE TO LITIGATION PER GC § 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 6:50 p.m.

REPORT FROM CLOSED SESSION

There was no reportable action taken in Closed Session.

**VII. ADJOURNMENT OF MEETING**

There being no further business to discuss, the October Regular Meeting of the Fallbrook Public Utility District was adjourned at 6:50 p.m.



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

ATTEST:



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