

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

MINUTES

**MONDAY, AUGUST 21, 2023
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

Vice President DeMeo called the August Regular Meeting of the Board of Directors of the Fallbrook Public Utility District to order at 4:00 p.m.

A quorum was established, and attendance was as follows:

Board of Directors

Present: Jennifer DeMeo, Member/Vice President
Dave Baxter, Member
Ken Endter, Member
Don McDougal, Member (*arrived on Zoom at 4:03 p.m.*)

Absent: Charley Wolk, President

General Counsel/District Staff

Present: Jack Bebee, General Manager
Paula de Sousa, General Counsel (*arrived at 5:16 p.m.*)
David Lloyd, Acting General Counsel
Dave Shank, Assistant General Manager/CFO
Jodi Brown, Management Analyst
Devin Casteel, Systems Operations Supervisor
Isabel Casteran, Safety and Risk Officer
Aaron Cook, Engineering Manager
Kyle Drake, Collections Supervisor
Noelle Denke, Public Information Officer
Jorge Ibarra, Utility Worker II
Adam Lowen, Instrumentation, Electrical & Controls Tech 1
Steve Stone, Field Services Manager
Donald Parker, Construction Supervisor
Eddie Rodriguez, System Services Supervisor
Jesse Perez, Chief Plant Operator

Lauren Eckert, Executive Assistant/Board Secretary

Also present were others, including, but not limited to: Mark Mervich, Barry Willis, Craig Balben, Jim Mendelson, Rosie Redmond, and Elana Sterling

PLEDGE OF ALLEGIANCE

Vice President DeMeo led the Pledge of Allegiance.

APPROVAL OF AGENDA

MOTION: Director Baxter moved to approve the agenda, as presented; Director Endter seconded. Motion carried; VOTE:

AYES: Directors Baxter, DeMeo, and Endter

NOES: None

ABSTAIN: None

ABSENT: Directors McDougal and Wolk

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.

Barry Willis stepped to the podium to speak on detachment as a SD LAFCO Commissioner.

There were no public comments on agenda items A through D.

- A. EMPLOYEE OF THE QUARTER FOR AUGUST 2023
1. Bryan Wagner

The Board congratulated Bryan Wagner for being selected as the Employee of the Quarter for August 2023.

- B. EMPLOYEE PROMOTION
1. Jorge Ibarra, Utility Worker II

The Board congratulated Jorge Ibarra for his promotion to Utility Worker II.

- C. YEARS OF SERVICE
1. Aaron Cook – 5 Years

The Board recognized Engineering Manager Cook for his five years of service to the District.

D. NEW CERTIFICATIONS

1. Adam Lowen, CWEA Electrical & Instrumentation Technologist I

The Board recognized Adam Lowen for receiving his CWEA Electrical & Instrumentation Technologist I certification.

II. **CONSENT CALENDAR**----- (ITEMS E-I)

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. July 14, 2023 Special Meeting
2. July 24, 2023 Regular Meeting
3. August 11, 2023 Special Meeting

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

F. CONSIDER PUBLICATION OF ANNUAL FINANCIAL STATEMENT

Recommendation: *That the Board approve the draft financial statement developed by staff for publication in the Village News in accordance with Section 6066 of the Government Code.*

G. COMMUNITY BENEFIT WATER USERS FY 2022-23 ANNUAL REPORT

Recommendation: *This item is for information purposes, no action is required.*

H. ANNUAL STATUS REPORT OF PARCELS WITH DEFERRED WATER AVAILABILITY / STANDBY CHARGES

Recommendation: *This item is for information only; no action is required of the Board.*

I. CONSIDER ADVANCE APPROVAL TO ATTEND MEETINGS

Recommendation: *That the Board authorize and approve, in advance, Directors' attendance to the CSDA Annual Conference, scheduled for August 28-31, 2023 in Monterey, California.*

There were no public comments on Consent Calendar items.

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

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

III. **INFORMATION**-----**(ITEMS J-L)**

J. COMMUNITY BENEFIT PROGRAM COMMITTEE UPDATE

Presented by: *Community Benefit Program Committee*

There were no public comments on agenda item J.

Representatives from the Community Benefit Program Committee, Jim Mendelson, Elana Sterling, and Rosie Redmond provided the Board with an update on the Committee's progress since formation. This update included an overview of the documents and procedures the Committee has adopted thus far. The Committee also reported they would be holding a workshop on October 2, 2023 to go over the application and the application process with the public.

Director Baxter asked if applications had been received yet. Committee Chair Mendelson responded that the application will not go live until after the October 2nd workshop.

The Board thanked the Community Benefit Program Committee for the work they have done. The Committee thanked the Board and staff for their support.

K. ENGINEERING & OPERATIONS KEY PERFORMANCE INDICATORS PRESENTATION

Presented by: *Carl Quiram, Operations Manager*
Aaron Cook, Engineering Manager

There were on public comments on agenda item K.

Staff presented a slide show on the Engineering and Operations key performance indicators, which included a discussion on capital improvement projects, wastewater and water operations, meter exchanges, wastewater collections, valve replacements, finance, safety, human resources, and customer service.

Vice President DeMeo asked how many total valves the District has. System Services Supervisor Rodriguez responded we have 6,821.

Director McDougal commended General Manager Bebee on his negotiations for the District's contract with Camp Pendleton.

L. FY 2022-23 YEAR-END BUDGET STATUS REPORT

Presented by: Dave Shank, Assistant General Manager/CFO

There were no public comments on agenda item L.

AGM/CFO Shank provided an overview of how the District performed financially for fiscal year 2022-23.

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

M. CONSIDER UPDATE OF EMERGENCY DECLARATION FOR PIPELINE REPLACEMENTS

Recommendation: That the Board continue emergency action to replace the failed pipelines.

There were no public comments on agenda item M.

General Manager Bebee reported this is a continuation of the emergency declaration that appears on the agenda each month until the emergency action is complete.

MOTION: Director Baxter moved to continue emergency action to replace the failed pipelines; Director Endter seconded. Motion carried; VOTE:

AYES: Directors Baxter, DeMeo, Endter, and McDougal

NOES: None

ABSTAIN: None

ABSENT: Director Wolk

N. CONSIDER APPROVAL OF ONE-TIME PAVING SERVICES AT 32 SITES

Recommendation: That the Board authorize a contract with Peter's Paving, in the amount of \$95,800, for one-time paving services at 32 sites throughout the District's service area.

Mark Mervich stepped to the podium to suggest the District make public affairs efforts to report more on this paving project. General Manager Bebee explained these were all small sites that have already been torn up that need to be repaired.

MOTION: Director McDougal moved to authorize a contract with Peter's Paving, in the amount of \$95,800, for one-time paving services at 32 sites throughout the District's service area; Director DeMeo seconded. Motion carried; VOTE:

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

O. CONSIDER REQUEST FOR PURCHASE OF A VACTOR TRUCK IN ACCORDANCE WITH THE FLEET AND HEAVY EQUIPMENT REPLACEMENT PLAN

Recommendation: That the Board direct staff to procure the Vactor Truck from Haaker Equipment Company in the amount of \$389,770.54.

There were no public comments on agenda item O.

General Manager Bebee reported this item went through the E&O Committee. He provided an overview of this purchase, including that our old Vactor Truck needs to be replaced.

General Manager Bebee also announced we have contracts with Rainbow, Valley Center, and Camp Pendleton to share the truck, which helps with our costs. Director Baxter asked what would happen with the old Vactor Truck. General Manager Bebee indicated that it would go to auction.

MOTION: Director Baxter moved to direct staff to procure the Vactor Truck from Haaker Equipment Company in the amount of \$389,770.54; Director Endter seconded. Motion carried; VOTE:

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

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

1. General Counsel
2. SDCWA Representative Report
 - General Manager Bebee provided an overview of the written report included in the packet.
 - Director Baxter asked how it plays out with SDCWA suing LAFCO. General Manager Bebee reported it tends to aggravate people when you sue them, and it tends to not look good when under further review.
3. General Manager
 - a. Engineering and Operations Report
 - b. Federal Funding Update

- General Manager Bebee announced we would have a federal funding update next month.
- 4. Assistant General Manager/Chief Financial Officer
 - a. Financial Summary Report
 - b. Treasurer's Report
 - c. Budget Status Report
 - d. Warrant List
 - e. Annual Disclosure of Reimbursements over \$100
 - AGM/CFO Shank provided an overview of the written reports included in the packet.
- 5. Public Information Officer
 - Public Information Officer Denke reported on the upcoming 100th Anniversary Book event. She also announced the front lobby is being revamped, and we are in the beginning stages of that.
- 6. Notice of Approval of Per Diem for Meetings Attended
- 7. Director Comments/Reports on Meetings Attended
 - Director Endter and Director DeMeo reported on their attendance at the August 17, 2023 San Diego CSDA Quarterly Dinner.
 - Director McDougal announced he would be at the September Board meeting in person.
- 8. Miscellaneous

ADJOURN TO CLOSED SESSION

General Counsel de Sousa announced the Board would be going into Closed Session to discuss item VI.1.

The Board adjourned to Closed Session at 5:25 p.m.

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 5:58 p.m.

REPORT FROM CLOSED SESSION (*as needed*)

There was no reportable action taken in closed session.

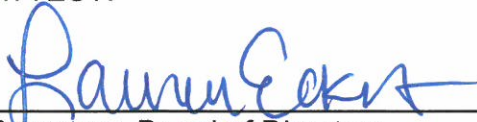
VII. ADJOURNMENT OF MEETING

There being no further business to discuss, Vice President DeMeo adjourned the August regular meeting of the Board of Directors of the Fallbrook Public Utility District at 5:58 p.m.



President, Board of Directors

ATTEST:



Secretary, Board of Directors