

PAUMA VALLEY COMMUNITY SERVICES DISTRICT
Minutes of a Special Meeting of the Board of Directors

Held on April 15th, 2024

Directors Present: Roland Skumawitz, Michael Esparza, Larry Curtis & Richard Collins
Directors Absent: Jodie Lawston
Also Present: Bruce Knox Treasurer of RPMWC, Zann Villanueva, Charles Mathews, CPA of Nigro & Nigro Paul Keymark, Ralph Hicks of DPMC, General Manager Eric Steinlicht, and Office Manager Marissa Fehling

1. Call to Order: Regular Meeting was called to order at 10:00 a.m. by President Skumawitz.
2. Pledge of Allegiance: The Pledge of Allegiance was led by Director Curtis.
3. Roll Call: Fehling verified that a quorum was present.
4. Public Comment Period:
Knox mentioned that he would like to have item 11 pulled from the consent calendar.

Esparza motioned, seconded by Curtis, to move Item 19 for discussion before entering Closed Session (Item 5). The motion carried unanimously.

--CLOSED SESSION--

5. The Board of Directors Will Meet in a Closed Session to Discuss
 - A. **CONFERENCE WITH LEGAL COUNSEL**
Potential/Threatened/Anticipated Litigation
Significant Exposure to Litigation
Pursuant to Government Code Section 54956.9(b)
(Two (2) Matters)
 - B. **CONFERENCE WITH LEGAL COUNSEL**
Existing Litigation
Pursuant to Government Code Section 54956.9(d)(1)
Rancho Pauma Mutual Water Company vs Pauma Valley Community Services District
(San Diego Superior Court Case No. 37-2023-00038164-CU-BC-NC)

The Board proceeded into closed session at 10:28 a.m.

6. Open Session
 - A. Reportable Actions

The meeting was resumed in open session at 11:19 a.m., and there were no reportable actions to be disclosed.

--CONSENT ITEMS--

Items 7-17 appearing on the Consent Calendar may be voted on by 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 removed will be considered separately for action by the Board.

7. Minutes of the Regular Board Meeting January 22nd, 2024
8. Minutes of Special Board Meeting of February 29th, 2024
9. Minutes of the Special Board Meeting of March 7th, 2024
10. Minutes of the Special Board Meeting of March 19th, 2024

11. Review of Balance sheet, Revenue, and expense Reports for December of 2023, and January and February of 2024
12. Accounts Receivable Reports
13. PVCSD Security Reports
14. Expense Reimbursement Report
15. Employee Benefits Summary
16. Professional Services Agreement (PSA) Amendment
17. Professional Services Agreement with "Flow Right"

Mathews requested corrections on item 7, the Regular Board Meeting Minutes of January 22nd, 2024. Upon a motion by Esparza, seconded by Curtis and a unanimous vote, items 8 through 10, and 12 through 17 were adopted as presented. Knox informed that the income statement shows the income that was not intended for PVCSD and was payable to RPMWC. Steinlicht informed Knox of the process that was taken to resolve the mistake. Upon a motion by Collins, seconded by Esparza, and a unanimous vote, items 7 and 11 were approved with the corrections made herein.

--ACTION ITEMS--

18. Constituent Challenge of Ordinance 50,54 and Request for Reimbursement
The Board of Directors will consider Mr. Zann Villanueva's challenge of Ordinances 50 and 54. Additionally, Mr. Villanueva is requesting that the District Board of Directors authorize reimbursement to him for the cost of his privately hired plumber to investigate an obstruction within his sewer lateral pipe.

Staff Recommendation:

1. Discuss and take action as appropriate.

Steinlicht provided a summary of the challenge the District is currently facing with a customer regarding Ordinances 50 and 54. Mr. Villanueva explained his issue with costly expenses due to a root intrusion and the sewer lateral that conveys wastewater from his home to the District Public Sewer Lateral and Main. Mr. Villanueva informed that he was present for educational purposes regarding Ordinances 50 and 54. Steinlicht explained the ordinances.

19. Financial Audit Report for the Fiscal Year Ending June of 2023
The Board of Directors will consider accepting the financial audit report and presentation prepared by Mr. Paul Kaymark of Nigro & Nigro for the fiscal year ending June 2023.

Staff Recommendation:

1. Accept the financial audit report for the fiscal year ending 2023.
2. Discuss and take other action as appropriate.

Kaymark presented the Financial Audit Report for the fiscal year ending June 2023. Kaymark explained Nigro & Nigro's scope of work and their purpose in the financial audit. Kaymark informed that the ROI explains how to make the district better. The change in USLRGMA was explained and it reflects as a negative due to Yuima's billing timing and moving forward this will not be the case. Kaymark explained the sewer system deletions. Mathews inquired about RPMWC's 90% reimbursement towards USLRGMA investment. Kaymark explained that it is trued up at yearend and explained in the footnotes. Mathews inquired about the CalPERS obligation shown on the Balance Sheet. Kaymark explained. Skumawitz moved to accept and file the Audit Report for the year ending June 30, 2023, seconded by Collins and upon a unanimous vote was adopted.

20. Pump Station Condition Assessment and Redundancy Report

The Board of Directors will consider authorizing the General manager to approve Carollo’s proposal to perform a field-level condition assessment and overall analysis of the lift stations to deliver an actionable plan to better respond to pump station failures, as well as incapacity.

Staff Recommendation:

1. Authorize the General Manager to approve Carollo’s proposal.
2. Discuss and take other action as appropriate.

Steinlicht explained current issues and why he is requesting the Board approve Carollo’s proposal to perform a Pump Station Condition Assessment and Redundancy report. Collins questioned if it is possible to look through the manholes to avoid these expenditures. Steinlicht informed that this is already being done by staff. Curtis asked if this expense was within budget, and Steinlicht informed them that it would put the District over budget in this area.

The item was tabled for a future meeting.

21. Authorization of an Emergency Support Services Agreement with Yuima Municipal Water District

The Board of Directors will consider authorizing an Emergency Support Services Agreement with Yuima Municipal Water District (Yuima) to allow the District to access Yuima’s potable water system via local hydrants in the Oak Tree Community for routine and emergency maintenance activities as it related to the wastewater collection system.

Staff Recommendation:

1. Authorize the Emergency Support Services Agreement with Yuima Municipal Water District
2. Discuss and take other action as appropriate.

Knox asked Steinlicht why he chose to reach out to Chuck Bandy, President of RPMWC regarding a utility issue. Steinlicht explained that there were numerous outstanding emails with no response from RPMWC’s Administrative Manager. Collins requested additional details before approving this item. Esparza asked for a recap of the recent events that led to this approach, which Steinlicht provided. Collins motioned to authorize the Yuima Emergency Support Services Agreement with Yuima Municipal Water District as a backup, only to be used when Rancho Pauma Mutual Water Company is unable to provide services. The motion was seconded by Esparza and unanimously approved.

22. Employee Handbook Update

The Board of Directors will consider approving an amended Employee Handbook developed by former legal counsel, review by current general counsel, which governs several policies for all District Employees.

Staff Recommendation:

1. Approve the amended Employee Handbook.
2. Discuss and take other action as appropriate.

Steinlicht provided historical information and detailed updates made to the Employee Handbook. Upon a motion by Esparza, seconded by Collins, and a unanimous vote the Employee Handbook approved the amended Employee Handbook.

23. Revised Salary Schedule for the Position of “Office Clerk”

The current salary schedule for the position of “Office Clerk” is non-compliant with San Diego’s minimum wage and must therefore be updated to reflect this new minimum wage. Additionally, retaining key talent for this position has been difficult within the range of compensation provided.

Staff Recommendation:

1. Approve the revised salary schedule “Exhibit B” via resolution.
2. Discuss and take other action as appropriate.

Steinlicht provided the current salary schedule ranges for the Office Clerk position explaining the importance of increasing the ranges to retain key talent. Upon a motion made by Esparza, seconded by Curtis, and a unanimous vote, the revised Salary Schedule “Exhibit B” was approved for adoption.

24. Utilize Neste, Brudin and Stone (NBS) to Collect Dues Via the Tax Roll

The Board of Directors will consider authorizing the General Manager to approve the contract with NBS to collect District dues via the tax roll.

Staff Recommendation:

1. Authorize the General Manager to approve NBS for the collection of dues via the tax roll.
2. Discuss and take other action as appropriate.

Steinlicht provided an overview of the advantages of utilizing NBS to collect customer dues via Tax Rolls. Skumawitz requested clarification regarding the feasibility of customers establishing monthly payment plans. Steinlicht clarified that such arrangements would need to be set up within the property tax invoicing. Fehling elaborated on the existing invoicing procedures for monthly customer billing and explained the protocol for addressing delinquent accounts. Curtis expressed a need for further clarification regarding available payment alternatives for customers before approving this proposal. Upon a motion by Skumawitz, seconded by Esparza, and a unanimous vote, Item 24 was tabled for further discussion.

25. Outsource Payroll

The Board of Directors will consider authorizing staff to engage an external company for payroll services aiming to improve efficiency, enhance Human Resources, and allocate staff time more effectively.

Staff Recommendation:

1. Authorize the General Manager to outsource payroll operations.
2. Discuss and take other action as appropriate.

Steinlicht explained the advantages of outsourcing payroll and human resource operations. Curtis recommended investigating options through QuickBooks Enhanced Payroll. Skumawitz requested staff provide a comparison of several options at a future meeting.

26. Website Revamp and Compliance Implementation

The Board of Directors will consider an immediate or a budgeted effort to revamp the district website in addition to including all mandated compliance requirements for Public Agencies via streamline.

Staff Recommendation:

1. Authorize the General Manager to engage Streamline immediately.
2. Discuss and take other action as appropriate.

Esparza recommended that staff investigate grant opportunities. Upon a motion by Curtis, seconded by Esparza, and a unanimous vote, the General Manager was authorized to engage Streamline immediately to revamp the District's website.

--DISCUSSION ITEM--

27. Storm Drain Channel Along the Eighth Fairway Update and Report- General Manager Steinlicht
This item was discussed earlier in the meeting.
28. Solar System Project Status Update – General Manager Steinlicht
Steinlicht provided a brief update on the Solar System Project Status.
29. “Kennedy Communications” Discussions- General Manager Steinlicht
Steinlicht informed that he is working with Kennedy Communications regarding a SCADA program for the District.
30. Roadway Association Ad-Hoc Committee Update- Vice President Esparza
This item was tabled.

--INFORMATIONAL ITEMS—

31. General Manager's Report
Steinlicht provided the General Manager's Report.
32. Miscellaneous Items
 - A. Requested items for future agendas (Directors and Staff Only)
 - a) Email List (via Survey)
 - b) District Newsletter
 - c) Website Revamp and Transparency Update
 - d) Cost of Living Adjustment and Salary Survey
 - e) Employee Handbook Revisions
 - f) Agreement with RPMWC for SGMA
 - g) Analysis for Outsourcing Security and Gate Services and Sanitation
 - h) Updates on District Policy Handbook
 - i) Criteria for Restricting RFID Access to Dangerous Individuals
 - j) Critical Spare Part Inventory Replacement Program
 - k) Computerized Management Maintenance System (CMMS)
 - l) Treatment Plant Rehabilitation and Improvement
 - m) Lift stations and Wet Well Redundancy and Analysis
 - n) Amend Ordinance 54 (quantify cost) and 55
 - B. Board Comments – N/A
 - C. Announcements – N/A
 - D. **Next Regular Meeting of The Board of Directors:**
 - a.) **Monday, June 24th, at 10 AM**
33. Adjournment

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With nothing further to discuss, a motion was made by Director Skumawitz to adjourn at 12:27 p.m., seconded by Director Esparza, and unanimously approved.

Marissa Fehling

Marissa Fehling, Recording Secretary