

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

Held on February 24, 2025

Directors Present: Richard Collins, Michael Esparza, Zan Villanueva, and Lolo Levy
Directors Absent: Fred Nelson
Also Present: Resident Charles Mathews, Kevin Darroch, Jeff Morris of DPMC, General Manager Eric Steinlicht, and Office Manager Marissa Fehling

1. Call to Order: Regular Meeting was called to order at 10:03 AM BY Collins.
2. Pledge of Allegiance: The Pledge of Allegiance was led by Esparza.
3. Roll Call: Fehling verified that a quorum was present.
4. Public Comment Period: None

--CONSENT ITEMS--

Items 5-9 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 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.

5. Minutes of the Special Board Meeting on January 27th, 2025.
6. Review of Balance Sheet, Revenue and Expense Report
7. Accounts Receivable Report.
8. PVCSD Security Report
9. VC3 Master Service Agreement

Mathews requested to have items 5 and 6 pulled for further discussion. Collins pulled item 5 for further discussion. Mathews noted that the January 27, 2025, meeting minutes did not disclose the members of the Ad Hoc Committee that were approved and formed. Esparza requested that the minutes be revised to disclose the members of the Ad-Hoc Committee, identified as himself and Villanueva. Darroch expressed frustration with the ongoing gate malfunctions. Collins acknowledged the concerns and stated that staff are actively working with new gate contractors to address the issues. Darroch provided the name of a Pauma Valley Country Club (PVCC) member as a potential contact for obtaining a quote for future gate repairs. Darroch also shared his experience with the DwellingLIVE software and stated that he believes the gate attendants have not been adequately trained in its functions. Esparza suggested that any concerns regarding gate operations be reported directly to the General Manager for a resolution. Collins recommended exploring additional training opportunities for gate attendants. Darroch further suggested that training videos, if available, be shared with residents to assist them in using the system. Darroch inquired about the possibility of implementing an RFID reader at the Airport Gate and provided reasoning for its potential benefits.

Motion: Collins moved to approve consent items 7-9 as presented. The motion was seconded by Esparza and the motion was carried by the following roll call vote:

Result: Approved (Unanimous)

Moved by: Collins

Seconded by: Esparza

Ayes: Villanueva, Esparza, Levy, Collins

Collins requested a follow-up update on the Solar Project. Levy suggested including a follow-up task list in board meeting minutes to ensure ongoing items remain tracked.

Steinlicht noted that Office Manager Fehling recently attended the CSDA Board Secretary/Clerk Conference, where it was emphasized that verbatim minutes are not recommended for best governance practices.

Mathews inquired about the Balance Sheet net liability amount and the CalPERS obligations owed by Rancho Pauma Mutual Water Company (RPMWC). Collins stated that this matter is still under review and updates will be provided as necessary.

Motion: Esparza moved to approve consent items 5 and 6 with the changes made herein to item 5. The motion was seconded by Collins and the motion was carried by the following roll call vote:

Result: Approved (Unanimous)

Moved by: Esparza

Seconded by: Collins

Ayes: Villanueva, Esparza, Levy, Collins

--DISCUSSION ITEMS--

10. Cost-of-Service Analysis Update –
Steinlicht provided an update regarding the Cost-of-Service Analysis, noting that new rate recommendations are anticipated to be available around September or October.
11. Storm Drainage Update –
Steinlicht provided an update on storm drainage efforts. Levy commended the cleanup work on the 8th fairway, noting that it was left in excellent condition. Steinlicht recognized Utility Worker Joe Clear for his outstanding work, and Esparza expressed appreciation for Clear’s positive attitude and dedication on behalf of the Board.
12. Solar Project Update –
Steinlicht provided an update, noting that legal is currently reviewing several items related to the project.
13. No Trespassing Signage Initiative –
Esparza discussed the importance of proper “No Trespassing” signage and shared that he has reached out to other communities for insight on best practices. Steinlicht notified that staff will proceed with installing signage at the gates where we are legally permitted while ensuring they look presentable.
14. Strategic Plan Update –
Steinlicht informed the Board that he has received an updated proposal from Jeff Armstrong to finalize the Strategic Plan project and will present it at the next Board meeting. Levy inquired whether any preliminary materials had already been provided for the Board’s review. Esparza suggested that staff develop a survey for both the community and employees to gather input on key priorities for future planning.

--ACTION ITEM--

15. Cost of Living Salary Schedule Adjustment
The Board of Directors will consider approving a Cost-of-Living Adjustment (COLA) for all District Staff, in addition to a three percent (low) and ten percent (high) adjustment to the Salary Schedule.

Staff Recommendation:

1. Authorize the General Manager to implement Option One as the Cost-of-Living Adjustment.
2. Authorize the General Manager to adjust the Salary Schedule for all job classifications by three and ten percent via the approval of Resolution Number One Hundred and Twenty-Six.
3. Discuss and take other actions as appropriate.

Steinlicht presented the details and rationale for the COLA request and the proposed Salary Schedule adjustments. Levy inquired about budget projections and specific line items where cost savings have been realized. General Manager Steinlicht provided the requested financial information.

Motion: Esparza moved to approve Option One as the Cost-of-Living Adjustment and authorize the General Manager to adjust the Salary Schedule for all job classifications by three and ten percent via the approval of Resolution One Hundred and Twenty-Six. The motion was seconded by Villanueva and the motion was carried by the following roll call vote:

Result: Approved (Unanimous)

Moved by: Esparza

Seconded by: Villanueva

Ayes: Villanueva, Esparza, Levy, Collins

16. State and Local Cybersecurity Grant Program Resolution of Acceptance

The Board of Directors will consider signing Resolution Number One Hundred and Twenty-Seven officially authorizing the Pauma Valley Community Services District to accept the recently awarded Cybersecurity Grant.

Staff Recommendation:

1. Approve and Sign Resolution number One Hundred and Twenty-Seven.
2. Discuss and take other action as appropriate.

Steinlicht provided an update on a recent meeting with IT representatives from Rainbow Municipal Water District and grant writer Maria Kennedy regarding SCADA-related cybersecurity needs. Levy inquired whether the grant funds could be allocated toward SCADA costs. Steinlicht stated that he is confident that all services managed by VC3 qualify under cybersecurity-related expenditures. He also confirmed that legal counsel has reviewed the contract with VC3.

Motion: Levy moved to approve and accept Resolution One Hundred and Twenty-Seven officially authorizing the district to accept the recently awarded Cybersecurity Grant. The motion was seconded by Villanueva and the motion was carried by the following roll call vote:

Result: Approved (Unanimous)

Moved by: Levy

Seconded by: Villanueva

Ayes: Villanueva, Esparza, Levy, Collins

--CLOSED SESSION--

17. The Board of Directors Will Meet in a Closed Session to Discuss:

A. 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 entered closed session at 11:15 AM.

18. Open Session
A. Reportable Actions.

The meeting resumed in open session at 11:41 AM with the following reportable action:

Motion: Esparza moved to appoint President Nelson and Vice President Collins to form an Ad Hoc Committee with RPMWC to address outstanding items. The motion was seconded by Villanueva and the motion was carried by the following roll call vote:

Result: Approved (Unanimous)

Moved by: Levy

Seconded by: Villanueva

Ayes: Villanueva, Esparza, Levy, Collins

--INFORMATIONAL ITEMS--

19. General Manager's Report-
Steinlicht provided the General Manager Report. Esparza inquired about website translation capabilities. Levy inquired about the process of approving Zoom meetings. Esparza mentioned a newly required annual legislative report on employee recruitment and retention and requested that staff look into the requirements.
20. Miscellaneous Items
- A. Requested items for future agendas (Directors and Staff Only)
- a) Salary and Total Compensation Study
 - b) Critical Sparer Part Inventory/ Replacement Program and CMMS
 - c) LAFCO Service Area Annexation
- B. Board Comments- None
- C. Announcements- None
- D. Next Meeting of the Board:
- a) Special Meeting on Monday, March 31st, 2025, at 10:00 AM
21. Adjournment
- With nothing further to discuss, the meeting adjourned at 11:18 AM.

Marissa Fehling

Marissa Fehling, Recording Secretary