PAUMA VALLEY COMMUNITY SERVICES DISTRICT
33129 Cole Grade Road
Pauma Valley, CA 92061
PHONE: (760) 742-1909 | FAX: (760) 742-1588

SPECIAL MEETING
SUPPLEMENTAL MATERIALS PACKET

DATE: Tuesday, December 1st, 2026

TIME: 4:00PM – **Open Session**

VENUE: Board Room, Pauma Valley Community Services District
33129 Cole Grade Road, Pauma Valley, CA 92061

Pauma Valley Community Services District Mission

"The mission of the Pauma Valley Community Services District is to protect the public health and environment of its community by providing effective wastewater management and stormwater drainage control, life safety assistance, security services, and exceptional customer care."

SUPPLEMENTAL MATERIALS PACKET POSTED: November 25th, 2026

December 1, 2026

Pauma Valley Community Services District
Attn: General Manager and Board of Directors

Subject: Documentation for inclusion in the Special Meeting

Subject: Relocated Storm Drain located at 32326 Cahuka Court (APN 132-370-41)

Dear Eric and Board Members,
We are pleased to bring the Fontane Storm Drain issue to rest and look forward to a favorable Board vote. Over the past 4 months, we have worked diligently to complete the requirements set forth in the 090426 Position Statement. For the most part, we have accomplished this goal, however some items were just not achievable due to the length of time between the original installation and today and the fact that they were never clearly defined. Other barriers were the inability to find and hire a Civil or Survey Engineer, although we do have one outstanding request via PVCSD to Styzl (below).

Attached is:

1. A CPL Crawler analysis.pdf, which is a sketch of the CPL summary, indicating the depth of the storm drain pipe along its route from the origin to its point of discharge at the headwall.
2. A Storm Drain route.docx, with photos with descriptions of the CPL's Crawler Analysis, showing the location of storm drain pipe route and its integrity.

On 11/24, I mentioned to Eric that as far as I know, the main item to discuss today will be any negotiated agreement between Pat, Jeff and Carol.

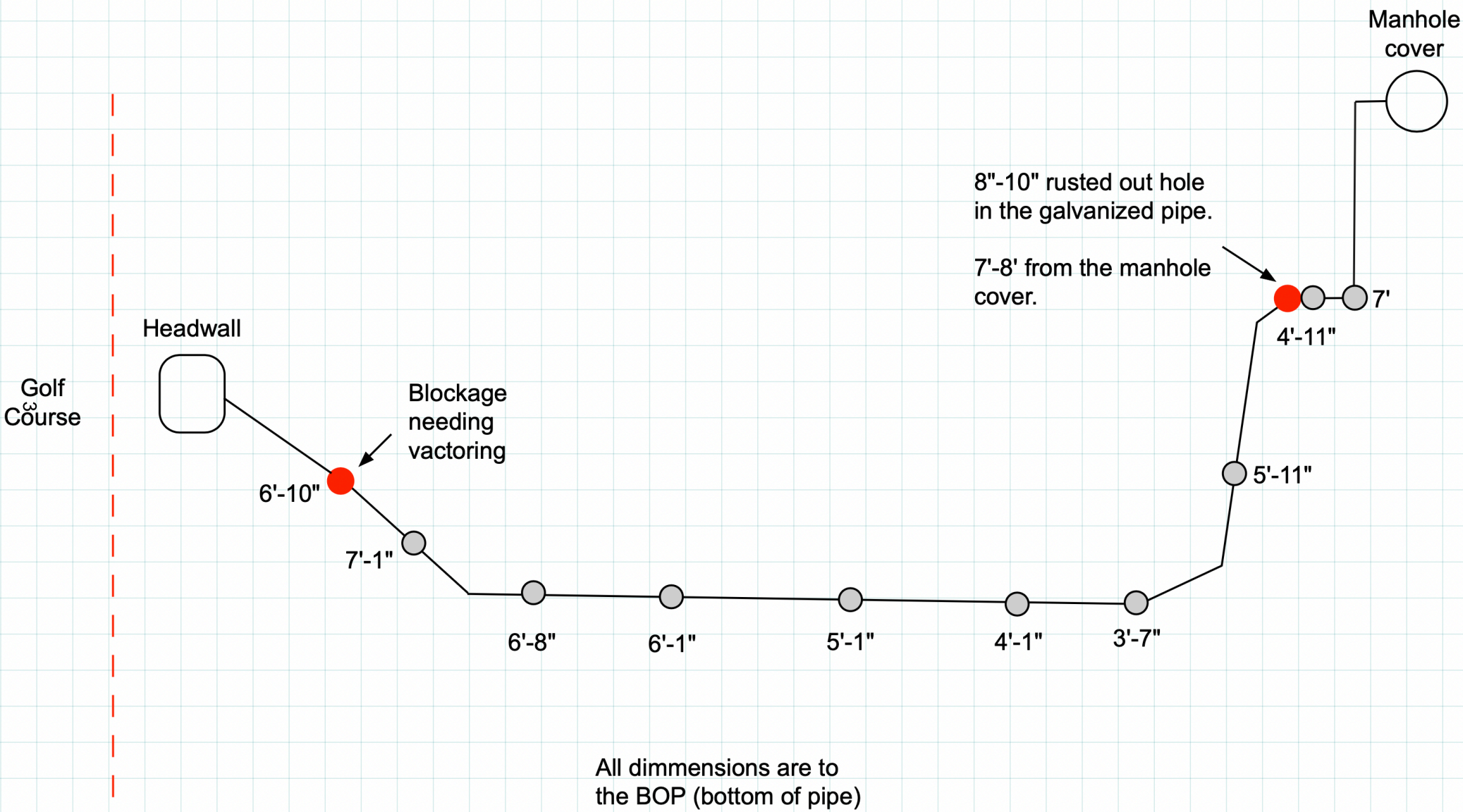
I also mentioned to Eric that if the issue of a slope report was required by a Civil Engineer or a Surveyor, we could not include this for the reasons stated above.
ps…..I made one final attempt to contact a PVCC Civil Eng'r on 11/21 and asked him if his company could provide this. There's been no response.

Finally, I pointed out that it's blatantly obvious that there's a significant pipe slope. If the slope calcs are critical, I recommended that he (Eric) contact his Civil Engineer (Gary Styzl) and have him measure the slope of the walkway. Knowing that the pipe is x ft below, it's only logical to assume that the pipe is relatively the same slope as the walkway. Eric was going to reach out to Styzl.

All other documentation has been previously submitted.

Sincerely,
Bill Jacobs

CPL CRAWLER ANALYSIS

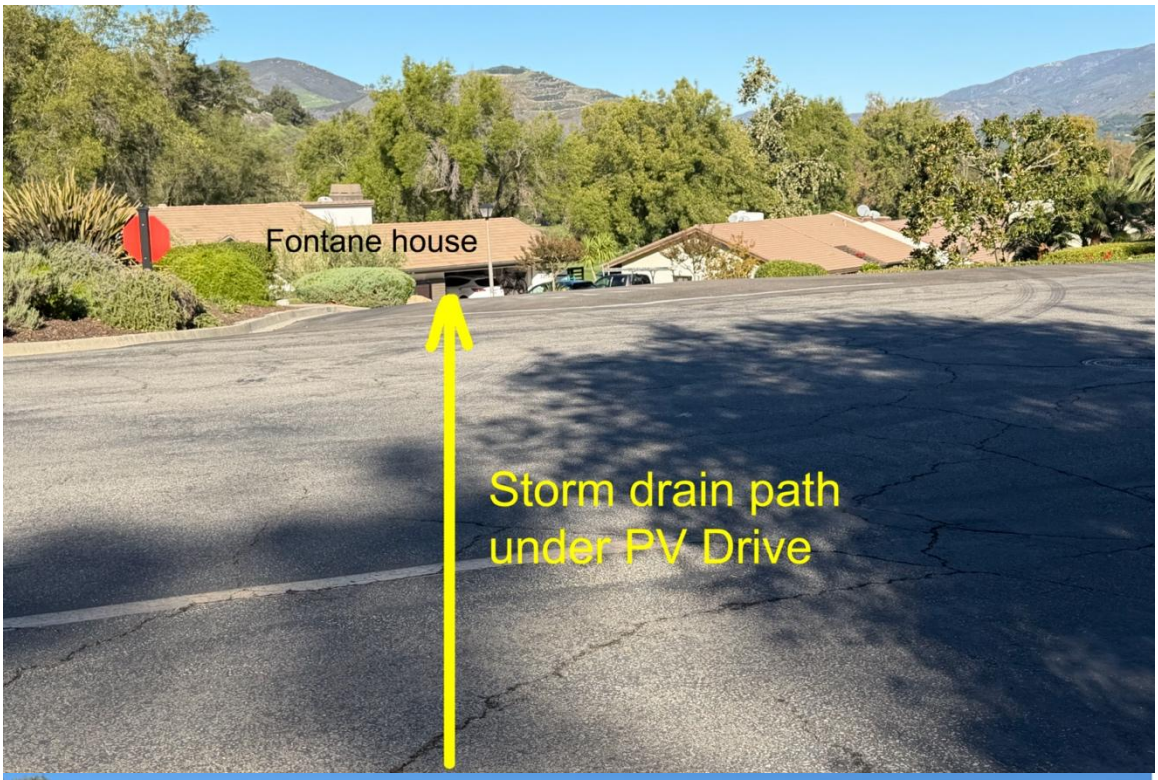


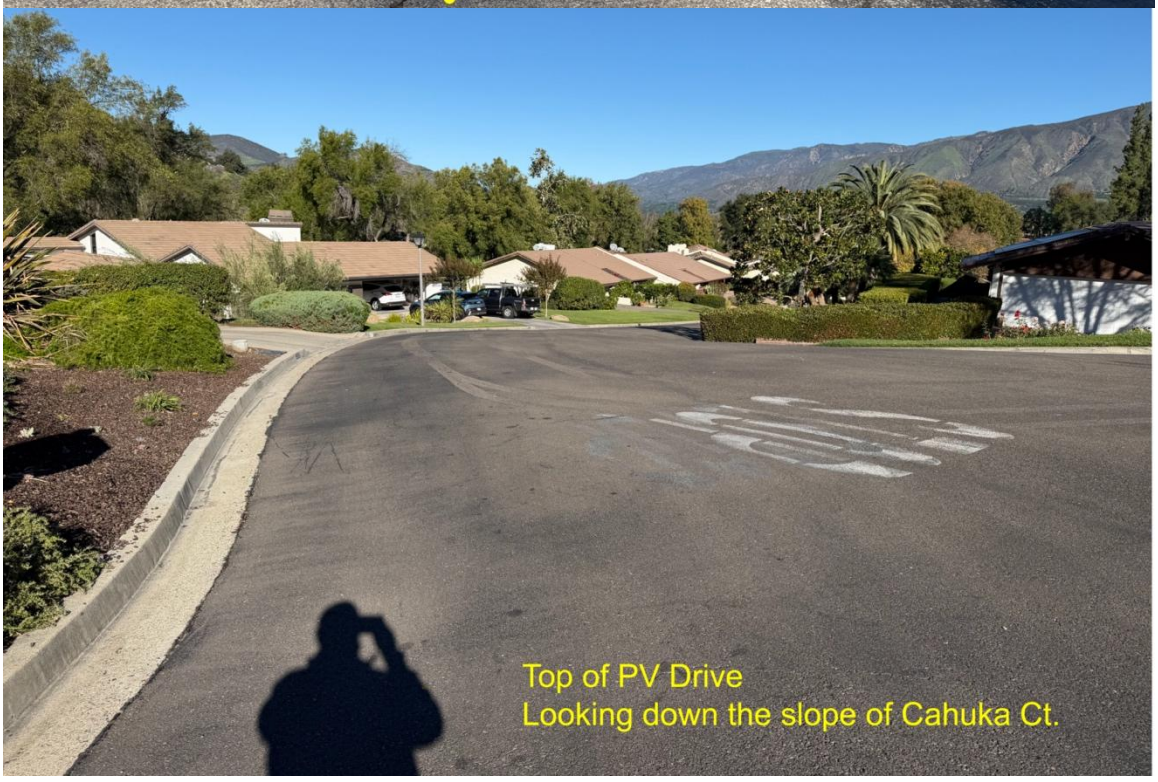
All dimmensions are to the BOP (bottom of pipe)

Recreated from the 11/04/26 CPL survey


Inlet from hillside
to the storm drain
(across PV Drive)


Storm drain
on PV Drive


Fontane house
Storm drain path
under PV Drive


Top of PV Drive
Looking down the slope of Cahuka Ct.


Fontane storm drain manhole cover
Looking back up Cahuka Ct to PV Drive


Storm drain manhole cover.
Looking down hill at the garage.
Green flags mark the corroded galvanized pipe.


Location of corroded galvanized pipe


SD Manhole cover
Retaining wall and another view up Cahuka Ct.


Storm drain pipe path

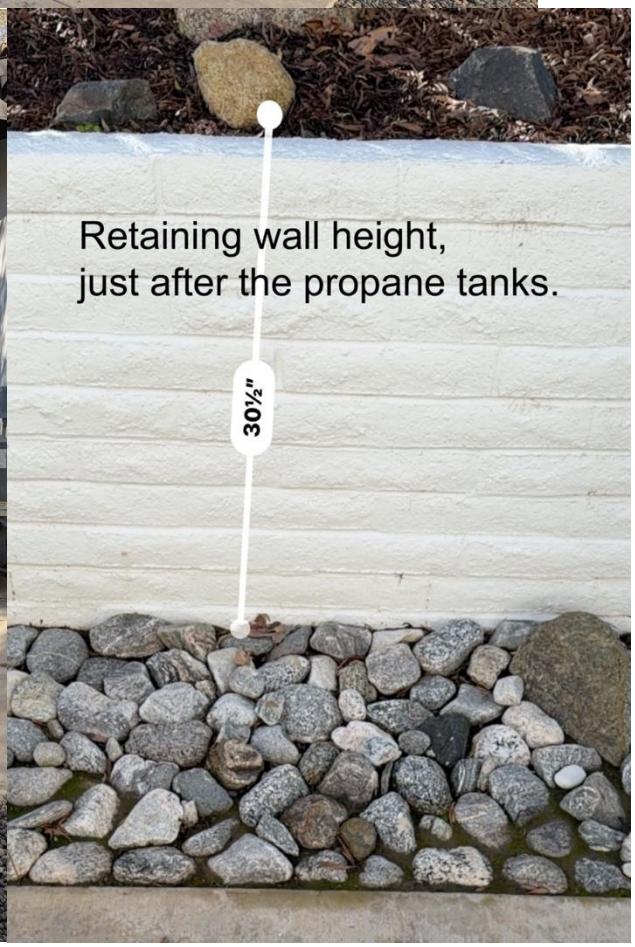

Back of garage and pipe path.


Rounding the corner behind the garage
and down to the headwall.


3' 2"
Retaining wall height at the corner
before the propane tanks.


Pipe path


Storm drain path
Adjacent to walkway.


Retaining wall height,
just after the propane tanks.
30½"


House
Garage
Walkway between house and garage.


Blockage needing vactoring
Path to the headwall


Path to headwall.


Headwall
18" Pipe
Overflows to
golf course

FONTANE STORM DRAIN PHOTOS




Headwall
discharge point

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

AMENDMENT 4

This Amendment is made and entered into this 16th day of November 2026, by and between the Pauma Valley Community Services District (District) and Eric Steinlicht (Employee) as per the contract dated December 19, 2022 for at-will employment services, encompassing all terms and conditions contained therein as well as Amendment 1 adopted on November 27, 2023, Amendment 2 adopted on April 28, 2025, and Amendment 3 adopted on March 23, 2026, except as specifically modified and additional terms herein.

The above-described contract shall be amended as follows:

1. Page 1, Section 2-A, Term and Notice of Non-Renewal

   A. This Amendment is effective as of November 16, 2026, and the Employee's term of the employment contract will be extended by 2 years, making the term of the employment agreement to expire on December 31, 2031.

2. Page 2, Section 3-A, Compensation and Performance Evaluation

   A. Effective the pay period to include January 1, 2027, the District agrees to pay Employee in an annual base salary of **$179,195 (Base Salary),** payable over twenty-six two week pay periods, at the same time as salary is paid to other District employees. This base pay represents employees merit and cost-of-living (COLA) adjustment for 2027. Effective January 1, 2027, employee shall receive COLA's at a rate and effective date consistent with that provided to other district employees. The COLA for all employees was passed by the Board on November 16, 2026, for 2% COLA effective for the pay period January 1, 2027. The Base Salary of Employee shall be subject to deduction and withholdings of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by State, federal or local law. The District shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 4 of this Agreement. The Board agrees to annually evaluate the compensation of the Employee, taking into consideration the Employees performance, and other economic and responsibility matters relevant for Employees compensation, and, in its sole discretion, make adjustments in accordance with such annual evaluation.

      e.

IN WITNESS WHEREOF, the parties have entered into this Amendment 4 as of the day and year first written above, November 16, 2026.

By: _____
Fred Nelson, President of the Board of Directors

By: _____

Michael Esparza, Secretary of the Board of Directors

By: _____
Eric Steinlicht, General Manager

APPROVED AS TO FORM:

By: _____
Jeffery Morris, General Counsel

Docusign Envelope ID: A1D0D7F4-8647-4180-81F2-EF7464275495

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

AMENDMENT 3

This Amendment is made and entered into this 23rd day of March 2026, by and between the Pauma Valley Community Services District (District) and Eric Steinlicht (Employee) as per the contract dated December 19, 2022 for at-will employment services, encompassing all terms and conditions contained therein as well as Amendment 1 adopted on November 27, 2023, and Amendment 2 adopted on April 28, 2025, except as specifically modified and additional terms herein.

The above-described contract shall be amended as follows:

1. Page 2, Section 3-A, Compensation and Performance Evaluation

   A. Retroactive to January 1, 2026, the District agrees to pay Employee in an annual base salary of **$162,904 (Base Salary),** payable over twenty-six two week pay periods, at the same time as salary is paid to other District employees. This base pay represents employees merit adjustment and a cost-of-living adjustment (COLA) for 2026. Effective January 1, 2027, employee shall receive COLA's at a rate and effective date consistent with that provided to other district employees. The Base Salary of Employee shall be subject to deduction and withholdings of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by State, federal or local law. The District shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 4 of this Agreement. The Board agrees to annually evaluate the compensation of the Employee, taking into consideration the Employees performance, and other economic and responsibility matters relevant for Employees compensation, and, in its sole discretion, make adjustments in accordance with such annual evaluation.

   B. Effective the first pay-period after this Amendment is approved and adopted by the Board at a public meeting, the Employee shall receive a one-time performance compensation in a lump sum in the amount of $15,000. The District and Employee agree this shall not be considered regular or special compensation and therefore shall not be reportable to CALPERS as such and will not be part of the calculation of the Employee's retirement allowance.

2. Page 1, Section 1: Duties and Authority (New)

   B. The District and Employee agree, subject to IRS provisions for an Exempt Administrative Employee, the position of General Manager, the Employee will be expected to participate in managing, leading, assisting or providing field work duties when it is in the best interest to provide timely and effective services to the community.

3. Page 2, Section 3-F, Certification Pay Scale Increase (New)

   d. Obtain and maintain the State of California basic "Guard Card" Certification
      i. One-time $1,500 bonus

Docusign Envelope ID: A1D0D7F4-8647-4180-81F2-EF7464275495

4. Section 4: Employee Benefits

   e. Effective July 1, 2026, Employee will be eligible to receive the district sponsored Vision and Dental insurances with the District paying 80% of the premium for individual and eligible family members of employee.

   f. Effective July 1, 2026, Employee will receive matching contributions up to $100 monthly into the Districts Deferred Compensation (457) Plan. The matching contribution will increase annually in July up to the limit of $400 monthly on July 1, 2029. Employee must maintain a "Satisfactory" work performance rating to maintain the matching contributions.

   g. At the Discretion of the District Board, Employee may be provided a District Cellular Phone to conduct District business in leu of the standard monthly cell phone allowance provided to District employees.

IN WITNESS WHEREOF, the parties have entered into this Amendment 3 as of the day and year first written above, March 23, 2026.

By: _____
Fred Nelson, President of the Board of Directors

By: _____
Michael Esparza, Secretary of the Board of Directors

By: _____
Eric Steinlicht, General Manager

APPROVED AS TO FORM:

By: DocuSigned by: _____
AA97938105 9C496...
Jeffery Morris, General Counsel

EMPLOYMENT AGREEMENT

General Manager

THIS AGREEMENT is made and entered into this 19th day of December 2022, by and between the PAUMA VALLEY COMMUNITY SERVICES DISTRICT ("PVCSD"), an independent community services district of the State of California, hereinafter referred to as "DISTRICT", and Eric Steinlicht, the GENERAL MANAGER OF THE PAUMA VALLEY COMMUNITY SERVICES DISTRICT, hereinafter referred to as "Employee", and both, hereinafter referred to as "Parties", whom understand as follows;

RECITALS

A) Pauma Valley Community Services District is duly organized and existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California.
B) Employee desires to serve in the capacity of the PVCSD General Manager.
C) Employee understands, acknowledges, and agrees to serve at the will and pleasure of the PVCSD Board of Directors, and expressly agrees that the District Board is the appointing authority.
D) The District desires to have Employee serve in the position of General Manager.
E) The District and Employee mutually agree that this form of Agreement reflects the terms and conditions under which the Parties intend and desire to continue Employee' s employment, and that upon execution of this Agreement, any prior oral, written, or implied Employee Agreements shall have no force or effect.
F) The District and Employee mutually agree that this Agreement is the sole and exclusive basis for an employment relationship between General Manager and the District.

NOW, THEREFORE, it is mutually agreed by and between the undersigned Parties as follows:

SECTION 1: Duties and Authority

A) District agrees to employ Employee as General Manager to exercise the powers and authority and to perform the functions and duties specified by the District and all relevant resolutions, codes, rules, regulations, policies, procedures, applicable job description(s) and state codes, as they currently or may in the future exist. Employee shall exercise such power and authority and perform such other functions and duties, not inconsistent with this Agreement, as Employer, by its District Board, may legally assign.

SECTION 2: Term and Notice of Non -Renewal

A) This Agreement shall become effective on January 1st, 2023 ("Effective Date"), and, is subject to the District's right to terminate Employee's employment at any time as provided for in this Agreement. The term of this agreement is 1 year from the Effective Date of the Agreement.
B) Any modification of this Agreement will be effective only if it is in writing and signed by the District and Employee.
C) This Agreement shall automatically be extended for one additional 12-month period unless the District Board notifies Employee of its intent not to extend the Agreement at least ninety (90) days prior to expiration of the original Term.
D) The District's election not to extend this Agreement shall not entitle Employee to Severance pursuant to *Section 7* of this Agreement.

SECTION 3: Compensation and Performance Evaluation

A) The District agrees to pay Employee an annual base salary of $115,000 ("Base Salary") over twenty-six two week pay periods. The Base Salary shall be subject to deductions and withholdings of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by current state, federal or local law. District shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 4 of this Agreement.

B) Future base salary adjustment is solely determined by the District Board. In considering the level of increase of Employee base salary, the District Board shall consider; (1) Employee overall performance (including, but not limited to, the attainment of Board directed goals and objectives; interaction with the Board, District staff, public and private agencies, and members of the public; and timely completion of projects specified by the Board). (2) The District shall also consider the District's current and anticipated fiscal position and any other relevant criteria. (3) Additional benefits or incentive pay may be awarded by the District Board solely at the discretion of the District Board.

C) The District, by the Board, and Employee may set mutually agreed upon goals and objectives for each year under this Agreement. The District, by the Board, may elect to conduct an evaluation of Employee' s performance at any time or times during the period in which this Agreement remains in effect. The District, by the Board, may assign goals, objectives or initiatives to the employee within the duties and responsibilities of a General Manager and existing law.

SECTION 4: Employee Benefits

A) Employee Benefits. Unless otherwise specified below in this Section of the Agreement, Employee shall receive the same benefits as are available to full time general employees of the PVCSD. Benefits may be paid separately from payroll or distributed equally over twenty-six two week pay periods.

B) Vehicle Allowance. Employee shall be entitled to $300.00 per month.

C) Health Reimbursement Arrangements (HRA). Employee shall be entitled to an additional $100 per month HRA benefit from the rate paid to general employees.

D) Employee leave and benefit balances shall accrue under the terms of applicable District policies provided to general employees of the PVCSD.

SECTION 5: General Business Expenses

A) District encourages the professional growth and development of Employee. District agrees to budget and pay for professional dues and membership of Employee necessary to maintain membership in the California Special District Association (CSDA), San Diego subdivision of the CSDA and the California Association of Sanitation Agencies (CASA).
B) District agrees to budget and pay for Employee attendance at the annual CSDA conference or CSDA Leadership conference.
C) Subject to approval of District Board and budget constraints, District agrees to budget and pay for attendance by Employee to other professional conferences, conventions, seminars, and or

short courses related to Employees professional growth and or District mission, goals and objectives.

D) District recognizes that Employee may incur expenses of a non -personal, job-related nature that are reasonably necessary to Employee's service to the District. District agrees to either pay such expenses in advance or to reimburse the expenses, so long as the expenses are incurred and submitted according to District's normal expense reimbursement procedures, or such other procedure as may be designated by the District Board. To be eligible for reimbursement, all expenses must be supported by documentation.

SECTION 6: At-Will Employment Relationship

A) Employee is appointed by and serves at the pleasure of the PVCSD Board. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the District to terminate this Agreement and the employment of Employee at any time, with or without Cause (as defined below), and with or without notice. There is no express or implied promise made to Employee for any form of continued employment.

B) Employee understands, acknowledges and agrees that employment "At-Will" status cannot be changed except in a writing signed by the president of the PVCSD Board after majority approval of the PVCSD Board.

C) The District shall pay Employee for all services through the Effective Date of termination and Employee shall have no right to any additional compensation or payment except as provided in Section 7, entitled Severance and benefit Payoff at Termination and General Release.

D) Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign from District employment, subject to the Employee providing a minimum of forty-five (45) calendar days prior written notice to the District Board President of the effective date of Employee's resignation. The forty-five day notification may be waived if mutually agreed upon by both the District and the Employee.

E) Upon termination or resignation of employment, Employee forfeits all compensation and benefits owing for the remainder of the term of this Agreement, as well as any potential "Severance" pay per Section 7 of this Agreement.

SECTION 7: Severance and benefit Payoff at Termination and General Release

A) Termination Without Cause. If Employer terminates this Agreement (thereby terminating Employee's employment) Without Cause, prior to the expiration of the Terms of this Agreement, as determined by the affirmative votes of a majority of the members of the District Board at a Board meeting, and the Employee is willing and able to perform duties under this Agreement, Employee shall be entitled to a cash payment of compensation equal to six (6) months base salary or the number of months left in the Agreement whichever is less. . Employee shall also be entitled to continued medical insurance coverage for six (6) months or the number of months left in the Agreement whichever is less, but in no case shall the District's contribution for insurance exceed the contribution rate provided to the Employee prior to termination. The payment of any such severance benefit shall be conditioned upon Employee executing a general release agreement containing a general release of all claims Employee may have against Employer, in a form that is reasonably required by Employer's attorney. Such severance shall not be payable unless and until Employee executes such general release.

B) Employee shall be entitled to cash compensation for accrued vacation benefits of the District.

C) In accordance with Government Code Section 53260(a), in no event shall Employee receive a cash settlement that is greater than the monthly Base Salary of Employee multiplied by the number of months left on the unexpired term of the Agreement.

D) In the event of Employee is unable to perform the duties and functions consistent with the position of General Manager due to serious illness, injury, impairment, or physical or mental condition for a period of three (3) consecutive months, beyond Employees full use of any provided or earned leave, the Employee may be terminated due to incapacity. Upon termination due to incapacity, Employee shall be entitled to three (3) months base salary minus any District provided disability insurance proceeds received by the Employee.

E) Termination With Cause. If the District terminates this Agreement (thereby terminating Employee' s employment) with Cause, as determined by the affirmative votes of a majority of the members of the District Board at a meeting of the PVCSD Board, Employee shall not be entitled to any additional compensation or payment, including Severance and any District contribution towards medical insurance. If the District Board intends to terminate with Cause, based on reason or reasons set forth below, the Board shall first, in good faith and effort, deliver to Employee a written Notice of Intent to Terminate, stating the reason or reasons for the proposed termination, and providing a thirty (30) day period for Employee to cure. If, in the Boards independent judgment, Employee cures the identified reason or reasons for Cause termination, Employee shall not be terminated. Therefore, as used in this Agreement, Cause shall only mean any of the following:

a. Conviction or plea of nolo contendre to of a felony;
b. Conviction or plea of nolo contendre of a misdemeanor arising out of Employee' s duties under this Agreement and involving a willful or intentional violation of law;
c. Conviction or plea of nolo contendre of any crime involving an "abuse of office or position," as that term is defined in Government Code Section 53243.4;
d. Actions of fraud, embezzlement, bribery, or other similar serious acts in connection with Employee's employment with Employer.
e. Conviction or plea of nolo contendre to any crime or offense which is likely to have a material adverse impact on the District, excepting minor traffic violations or minor infraction offenses;
f. Continued failure of Employee to observe or perform any duties and obligations of General Manager, if after notice by the District Board, that failure continues after receipt of notice by the District Board President specifying acts or omissions deemed to amount to that failure;
g. Willful abandonment of duties; including failure or inability to perform Employee's duties in a competent manner;
h. Abandonment of job; defined as Employee failing to report to work for three continuous work days without Employee making satisfactory arrangements and notification to the President of the District Board;
i. Repeated failure to carry out a directive or directives of the PVCSD Board of Directors as a body;
j. Any dishonest acts or grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of Employer or its organizational units; (b) is detrimental to employees or public safety or (c) violates properly established policy, rules or procedures of Employer.

SECTION 8: Records

A) All books, files, records, charts, agreements, documents, emails and other written or electronic data, and any other similar items relating to the operations of the District, whether prepared by Employee or otherwise coming into Employee or District possession shall remain the property of the District.

B) In the event this Agreement is terminated, Employee agrees to immediately surrender to the District property of the District. Such items included but not limited to the items referenced above and all written or printed writings containing information relating to the conduct of District business prepared, owned, used or retained by Employee regardless of physical form or characteristics; and any and all passwords, equipment, tools, or other materials of whatever nature provided to Employee by the District.

SECTION 9: Employee's Obligations and Hours of Work

A) Employee shall devote Employee's full energies, interests, abilities and productive time to the performance of this Agreement and utilize Employee's best efforts to promote the District's interests. Employee' s duties may involve expenditures of time in excess of the regularly established workday or in excess of a forty (40) hour workweek and may also include time outside normal office hours, including attendance Board or Community meetings.

B) Employee' s Base Salary includes compensation for all hours worked and Employee shall be classified as an exempt employee for purposes of overtime and shall not be entitled to any form of compensation for overtime.

C) Employee is permitted to exercise a flexible work schedule. However, consistent with this flexibility and Employee' s participation in activities out of the office, Employee will generally be expected to keep office hours at District Office, Monday through Friday, during normal business hours, sufficient to fully discharge Employee's duties under this Agreement. Employee shall keep the Administration Office Staff aware of his office schedule.

D) Employee shall provide written notice to the District Board President when Employee anticipates an absence from the work office for two or more business days.

E) Employee may engage in outside employment, but only to the extent that such activities do not interfere with the Employee's duties set forth in this agreement. As determined by the District Board, Employee shall not engage in any employment, activity, consulting service or enterprise for compensation, or otherwise, which is, actually or potentially, inconsistent, incompatible, in conflict, inimical to or which materially interferes with Employee' s duties and responsibilities to District. (GOV § 1125 - 1129) In order to avoid perceived or actual conflicts of interest that may arise from outside employment, Employee must obtain written approval from the Board of Directors prior to undertaking any outside employment. Thereafter, Employee shall advise the Board annually during the month of January of any such continued previously approved employment. The District Board reserves the right to rescind such previously approved outside employment based on criteria set forth in this section of the Agreement.

SECTION 10: Other Terms and Conditions of Employment

A) District may fix other terms and conditions of employment, as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or applicable law.

B) No Party's failure to enforce any provision or provisions of this agreement will be construed in any way as a waiver of any such provision or provisions, or prevent that party thereafter from enforcing each and every other provision of this agreement.

C) The District Board can exercise its own discretion in imposing discipline short of termination when, in the Boards sole discretion, deems it appropriate. Nothing in this provision is intended to change or alter Employee's at-will status.

SECTION 11: Indemnification

A) To the extent mandated by the California Government Code, the District shall defend, hold harmless, and indemnify Employee against any tort, professional liability, claim or demand, or other legal action arising out of an alleged act or omission occurring in the performance of employee' s services under this Agreement. This section shall not apply to any intentional tort or crime committed by Employee, to any action outside the course and scope of the services provided by employee under this Agreement, or any other intentional or malicious conduct or gross negligence of Employee. (GOV § 810, 825, 995, et. seq.)

B) Notwithstanding the foregoing, and consistent with Sections 53243 through 53243. 3 of the Government Code, Employee shall be required, if convicted of a crime involving an abuse of Employee' s office or position, to fully reimburse the District for: (1) any paid leave salary offered by the District to the Employee; (2) any funds provided for the legal criminal defense of the Employee; (3) any cash settlement related to the termination that Employee may receive; and (4) any other payments received by Employee from City that in any way relate to the foregoing

SECTION 12: Non-Discrimination

A) In the performance of Employee's functions and duties, Employee agrees to uphold State and Federal non-discrimination laws to prevent workplace discrimination.

SECTION 13: Code of Ethics

A) Employee agrees to create excellence in local governance by developing and fostering professional local government management. To further this goal, Employee agrees to the following code of ethics:

a. Support the District Board approved mission, vision, values, goals and objectives of the District.

b. Understand that professional management is essential to efficient and democratic local government by elected officials.

c. Demonstrate, by word and action, the highest standards of ethical conduct and integrity in all public, professional, and personal relationships in order that the member may merit the trust and respect of the elected and appointed officials, employees, and the public.

d. Serve the best interests of the people.

e. Submit work product and proposals, including but not limited to, resolutions, ordinances, codes, policies, procedures, quality improvement/initiative proposals, to Board members; provide the Board with facts, and technical and professional advice about policy options; and collaborate with the Board in setting goals for the community and organization.

f. Recognize that elected representatives are accountable to their community for the decisions they make; Employee is responsible for implementing those decisions.
g. Refrain from all political activities which undermine public confidence in Board members or professional administrators. Refrain from political activities that involve the campaigning for or against persons of the office of the PVCSD Board.
h. Keep the community informed on local government affairs; encourage communication between the citizens and all District Board members; emphasize friendly and courteous service to the public; and seek to improve the quality and image of public service.
i. Handle all matters of personnel on the basis of merit so that fairness and impartiality govern Employee's decisions pertaining to appointments, pay adjustments, promotions, and discipline.
j. Public office is a public trust. Employee shall not leverage his or her position for personal gain or benefit.

SECTION 14: General Provisions

A) This Agreement shall constitute the exclusive entire agreement between the Employee and the District. Any prior discussions or representations by or between the Parties are rendered null and void. The Parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.
B) The foregoing notwithstanding, Employee acknowledges that, except as expressly provided in this Agreement, Employee's employment is subject to District's generally applicable codes, ordinances, policies, and rules pertaining to employment matters, such as those addressing equal employment opportunity, sexual harassment and violence in the workplace, as they currently or may in the future exist, and Employee' s employment is, and will continue to be, at the will of the District Board of Directors.
C) This Agreement shall be binding on the District and the Employee as well as their heirs, assigns, executors, personal representatives, and successors in interest.
D) This Agreement shall be interpreted and construed pursuant to and in accordance with the laws of the State of California and all applicable District Codes, Ordinances, Policies and Resolutions.
E) If any provision of this Agreement is held invalid or unenforceable, the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the dates reflected below each signature.

EMPLOYEE:

Eric Steinlicht Date: 12-19-2022

Eric Steinlicht

DISTRICT:

Michael Esparza Date: 12-19-22

Michael Esparza, Board Vice President

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

AMENDMENT 1

This Amendment is made and entered into this 27th day of November 2023, by and between the Pauma Valley Community Services District (District) and Eric Steinlicht (Employee) as per the contract dated December19, 2022 for at-will employment services, encompassing all terms and conditions contained therein, except as specifically modified herein.

The above-described contract shall be amended as follows:

1. Page 1, Section 2-A, Term and Notice of Non-Renewal
   A) This agreement shall become effective on January 1st, 2024 ("Effective Date"), and is subject to the District's right to terminate Employee's employment at any time as provided or in this Agreement. The term of this agreement is 3 years from the Effective Date of the Agreement.

2. Page 2, Section 3-A, Compensation and Performance Evaluation
   A) Effective January 1, 2024, the District agrees to pay Employee an annual base salary of $120,750 ("Base Salary") (to be voted on by the Board in public) over twenty-six two week pay periods. Employee shall receive any cost of living adjustments provided to all employees of the District during the term of this amendment. The Base Salary shall be subject to deductions and withholdings of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by current state, federal or local law. District shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 4 of this Agreement.

3. Page 2, section 4-B, Vehicle Allowance
   A) Effective January 1, 2024, the District agrees to increase the vehicle allowance to $450 per month.

4. Page 3, Section 7-A, Severance and Benefit Payoff at Termination and General Release

   A) Termination Without Cause. If Employer terminates this Agreement (thereby terminating Employee's employment) Without Cause, prior to the expiration of the Terms of this Agreement, as determined by the affirmative votes of a majority of the members of the District Board at a Board meeting, and the Employee is willing and able to perform duties under this Agreement, Employee shall be entitled to a cash

payment of compensation equal to six (6) months base salary or the number of months left in the Agreement whichever is less. Employee shall also be entitled to continued medical insurance coverage for six (6) months or the number of months left in the Agreement whichever is less, but in no case shall the District's contribution for insurance exceed the contribution rate provided to the Employee prior to termination. The payment of any such severance benefit shall be conditioned upon Employee executing a general release agreement containing a general release of all claims Employee may have against Employer, in a form that is reasonably required by Employer's attorney. Such severance shall not be payable unless and until Employee executes such general release. The Employee shall not be removed during the ninety (90) days following any election for membership on the Board of Directors, or during the 90-day period following any change in membership of the Board of Directors.

Except as specifically modified herein, all of the terms and conditions of Eric Steinlicht's employee agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have entered into this Amendment as of the day and year first written above.

By: _____

Jodie Lawston, President of the Board of Directors

By: _____

Eric Steinlicht

APPROVED AS TO FORM:

By: _____

Jeffery Morris, General Counsel

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

AMENDMENT 2

This Amendment is made and entered into this 28th day of April 2025, by and between the Pauma Valley Community Services District (District) and Eric Steinlicht (Employee) as per the contract dated December19, 2022 for at-will employment services, encompassing all terms and conditions contained therein as well as Amendment 1 adopted on November 27, 2023, except as specifically modified and additional terms herein herein.

The above-described contract shall be amended as follows:

1. Page 1, Section 2-A, Term and Notice of Non-Renewal
   A) This agreement shall become effective on June 1st, 2025 ("Effective Date"), and is subject to the District's right to terminate Employee's employment at any time as provided for in this Agreement. The term of this agreement will expire December 31, 2029
2. Page 2, Section 3-A, Compensation and Performance Evaluation
   1. Effective June 1, 2025, the District agrees to pay Employee an annual base salary of $142,282.00 ("Base Salary") (to be voted on by the Board in public) over twenty-six two week pay periods. Employee shall receive any cost of living adjustments provided to all employees of the District during the term of this amendment. The Base Salary shall be subject to deductions and withholdings of any and all sums required for federal or state income tax, pension contributions, and all other taxes, deductions or withholdings required by current state, federal or local law. District shall also deduct sums Employee is obligated to pay because of participation in plans or programs described in Section 4 of this Agreement.
3. Page 2, Section 3-D, **One Time Moving Allowance (New)**

   D) Effective June 1, 2025, the District agrees to pay Employee a Onetime moving allowance as follows:

   a. Employee currently lives 24.4 miles away (46 min. drive)
   b. Eligibility ends on January 1, 2027. If move does not occur within that timeframe the moving allowance expires, and employee cannot obtain.
   c. $5,000 to have primary residence 16 driving miles or less to office.
   d. $10,000 to have primary residence 10 driving miles or less to office.
   e. $12,000 to have primary residence 5 driving miles or less to office.
   f. Should Employee voluntarily leave employment prior to contract expiration of 2029, Employee must pay back the allowance.

g. If Employee moves outside of the 16 or 10 mile driving criteria at any time during the term of the contract, the one-time moving allowance is to be repaid to Employer.

4. Page 2, section 3-E, **Longevity Pay (New)**
   a. Effective January 1, 2026 - $100 month ($1200 Annually)
   b. Effective January 1, 2027 - $200 month ($2400 Annually)
   c. Effective January 1, 2028 – $300 month ($3600 Annually)
   d. Effective January 1, 2029 - $400 month ($4800 Annually)
   e. Must maintain an overall "Satisfactory" or higher performance evaluation each year.
   f. Employee has the option to put longevity pay in District sponsored deferred compensation 457 plan.
5. Page 2, Section 3-F, S **Certification Pay Scale Increase *Effective July 1, 2026* (New)**
   a. Obtain and maintain California Wastewater Level II/ Level III Certification
      i. One time 1% pay scale bump for Level II
      ii. Additional One time 1% pay scale bump for Level III
      iii. Eligible for 2% pay one time scale bump should Employee skip level II and certify at level III
   b. Obtain and maintain California Collections Level III/ Level IV Certification
      i. One time 1% pay scale bump for Level III
      ii. Additional One time 1% pay scale bump for Level IV
   c. Obtain and maintain CSDA General Manager Certification
      i. One time 1% pay scale bump.

Except as specifically modified herein, all of the terms and conditions of Eric Steinlicht's employee agreement from December 19, 2022, and Amendment 1, from November 27, 2023, shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have entered into this Amendment 2 as of the day and year first written above, April 28, 2025.

By: _____ for Fred Nelson Fred Nelson

Fred Nelson, President of the Board of Directors
Rich Collins, Vice President of the Board of Directors

By: Eric Steinlicht

Eric Steinlicht

APPROVED AS TO FORM:

By: _____

Jeffery Morris, General Counsel