

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

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

NOTICE OF REGULAR MEETING

DATE: Monday, April 28th, 2025
TIME: 10:00 AM – **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.”

AGENDA

1. **Call to Order**
2. **Pledge of Allegiance**
3. **Roll Call**
4. **Public Comment Period**

Any person may address the Board at this time upon any subject not identified on this Agenda, but within the jurisdiction of the District; however, State law precludes the Board of Directors from taking action on or engaging in extended deliberations concerning items of business which are not on the agenda. Any matter not on the agenda that requires action will be referred to staff for a report and action at a subsequent Board meeting. As to matters on the agenda, an opportunity will be given to address the Board when the matter is considered.

Please note, individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon by the presiding officer.

-- CLOSED SESSION --

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

A. PUBLIC EMPLOYMENT PERFORMANCE EVALUATION

Title: General Manager

Authority: Government Code section 54957

B. PUBLIC EMPLOYEE APPOINTMENT

Title: General Manager

Authority: Government Code Section 54957

Conference with Labor Negotiator

District Representative: Vice President Rich Collins

Employee: General Manager

Authority: Government Code Section 54957.6

6. Open Session

A. Reportable Actions.

-- ACTION ITEMS --

7. Amendment to the General Manager's Employment Contract

The Board of Directors will consider approving an additional Amendment to the General Manager's Employment Contract.

Staff Recommendation:

PRESIDENT NELSON, PAGE 6

Discuss and take action as appropriate.

-- CONSENT ITEMS --

Items 8-14 appearing on the Consent Calendar may be voted on 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 removed will be considered separately for action by the Board.

8. Minutes of the Special Board Meeting on March 31st, 2025

These minutes are the official permanent record of the PVCSD Board of Directors Special Meeting held on March 31st, 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **14-18**

Approve and file March 31st, 2025, PVCSD Board of Directors Special Meeting Minutes.

9. Minutes of the Special Board Meeting on April 15th, 2025

These minutes are the official permanent record of the PVCSD Board of Directors Special Meeting held on April 15th, 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **19**

Approve and file April 15th, 2025, PVCSD Board of Directors Special Meeting Minutes.

10. Review of Balance Sheet, Revenue and Expense Report

These reports disclose the PVCSD financial statements for the month of March 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **20-23**

Receive and file the PVCSD Financial Statements for the month of March 2025.

11. Accounts Receivable Report

This report discloses the PVCSD Accounts Receivable for the month of March 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **24-27**

Receive and file the PVCSD Accounts Receivable Reports for the month of March 2025.

12. PVCSD Security Report

This report discloses the Security Division activity for the month of March 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **28-37**

Receive and file the Security Division Report for the month of March 2025.

13. Disclosure of Reimbursements for Fiscal Year Ending 2024 Pursuant to Gov. Code § 53065.5

This report discloses reimbursements of \$100 or more to employees or board members, as required by Government Code § 53065.5.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **38**

Receive and file the Employee and Board Member Reimbursement Disclosure Report for Fiscal Year 2023-2024, pursuant to Gov. Code § 53065.5.

14. Five Star Bank Credit Card Application

This is the Business Credit Card Application between the PVCSD and Five Star Bank.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **39-53**

Receive and file the Business Credit Card Application with Five Star Bank

-- DISCUSSION ITEMS --

15. Solar Project Update

GENERAL MANAGER STEINLICHT

16. Local Agency Formation Commission (LAFCO) Update

GENERAL MANAGER STEINLICHT

17. Rancho Pauma Mutual Water Company Ad-Hoc Committee Update

PRESIDENT NELSON

18. Security Policy Ad-Hoc Committee Update

SECRETARY ESPARZA

19. Strategic Planning Timeline Update

GENERAL MANAGER STEINLICHT

-- ACTION ITEMS --

20. Introduction of Amendment to Ordinance Fifty-Four

The Board of Directors will consider approving an amendment to Ordinance Fifty-Four, which reclassifies the obligation of sewer lateral pipes.

Staff Recommendation:

GENERAL MANAGER STEINLICHT, PAGE 7

1. Introduce the Amended Ordinance Fifty-Four.
2. Direct staff to place the amended ordinance on a future agenda for approval.
3. Discuss and take other action as appropriate.

21. Formation of Budget Review Ad-Hoc Committee for Fiscal Year 2025-2026

The Board of Directors will consider approving an Ad-Hoc Committee for the review and oversight of the proposed fiscal year 2025 to 2026 budget.

Staff Recommendation:

GENERAL MANAGER STEINLICHT, PAGE 8

1. Approve the creation of a Budget Review Ad-Hoc Committee for Fiscal Year 2025-2026.
2. Discuss and take other action as appropriate.

-- CLOSED SESSION --

22. 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)

B. CONFERENCE WITH LEGAL COUNSEL

Potential/Threatened/Anticipated Litigation

Significant Exposure to Litigation Pursuant to Government Code Section 54956.9(b)
(Two (2) Matters)

23. Open Session

- B. Reportable Actions.

-- INFORMATIONAL ITEMS --

24. General Manager's Report

GENERAL MANAGER STEINLICHT, PAGE 9

25. Miscellaneous Items

- A. Requested items for future agendas (**Directors and Staff Only**)
 - a) Salary and Total Compensation Study
 - b) Critical Spare Part Inventory/Replacement Program and CMMS
 - c) LAFCO Service Area Annexation
- B. Board Comments
- C. Announcements
- D. **Next Regular Meeting of the Board:**
 - a) **Monday, May 27th, 2025, at 10:00 AM**

26. Adjournment

Pursuant to California Government Code Section 54954.2, this agenda is published on the District's website and at the designated meeting location listed above. This posting occurs no less than seventy-two (72) hours prior to the specified date and time of the meeting, except in the case of a Special Meeting where the posting period is no less than twenty-four (24) hours. All public records relating to each agenda item, including those distributed earlier than the above posting timeframes, will be made accessible at the office of the District Secretary, located at 33129 Cole Grade Road, Pauma Valley, CA.

To request a disability-related modification or accommodation regarding agendas or attendance, please contact the District's Office Manager, Marissa Fehling, at Marissa.Fehling@PaumaValleyCSD.ca.gov at least forty-eight (48) hours in advance of the meeting.

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 7

Date: April 28th, 2024

From: General Manager, Eric Steinlicht

Issue: Amendment to the General Manager’s Employment Contract

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

Discuss and take action as appropriate.

BACKGROUND

The Pauma Valley Community Services District (District) Board of Directors appointed the current General Manager on December 19th, 2022, and subsequently entered an Employment Contract with the General Manager for one year. An Amendment to this contract was formally approved on November 27th, 2023, effective January 2024.

DISCUSSION

The District Board of Directors will consider approving an additional Amendment to the General Manager’s Employment Contract, attached to this Board Letter.

FISCAL IMPACT

The fiscal impact is to be determined by the Board of Directors.

THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:

Discuss and take action as appropriate.

Attachments

Supplemental Materials Packet Page Number/s

- | | |
|--|------|
| 1. 2025 Amendment to GM Employment Contract | 2-4 |
| 2. 2022 Employment Contract & 2023 Amendment | 5-13 |

Prepared by: General Manager, Eric Steinlicht

Reviewed by: Office Manager, Marissa Fehling

Approved by: General Manager, Eric Steinlicht

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 20

Date: April 28th, 2025

From: General Manager, Eric Steinlicht

Issue: Introduction of Amendment to Ordinance Fifty-Four

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Introduce the Amended Ordinance Fifty-Four.
2. Direct staff to place the amended ordinance on a future agenda for approval.
3. Discuss and take other action as appropriate.

BACKGROUND

In March 2019, the Pauma Valley Community Services District (District) Board of Directors adopted Ordinance Fifty-Four (54). Ordinance 54 stipulates that the District is responsible for the “Public Sewer Lateral”. The Public Sewer Lateral is the section of pipe that begins at a Pauma Valley Country Club Estates (PVCCE) resident’s property line and connects to the District wastewater collection main pipeline.

DISCUSSION

In 2021, the District’s wastewater rates increased by four dollars and forty cents (\$4.40) per Equivalent Dwelling Unit (EDU), which was the first increase since 2014 – a seven-year gap. Due to inconsistent rate adjustments and the absence of a formal analysis prior to accepting the obligation to maintain the “Public Sewer Lateral”, staff recommends that the Board of Directors approve the attached amended Ordinance 54, assigning responsibility for lateral maintenance and repair to the respective property owner while ensuring that they adhere to the California Plumbing Code.

Without a thorough assessment, the District assumed a costly obligation without a sustainable funding mechanism and is currently meeting that mandate without adequate reserves. Since 2023, there have been three public sewer lateral failures. One incident alone cost Thirty-One Thousand and Five Hundred Dollars (\$31,500), exceeding the total wastewater collection system maintenance budget for fiscal year 2024, which was Twenty Thousand and Eight Hundred and Sixty-Eight Dollars (\$20,868).

Lastly, the ordinance is not applied uniformly throughout the District, creating additional liability. The wastewater collection system has historically been underfunded, evident in deferred maintenance and lack of support for critical needs throughout such as maintenance hole repair, pipeline rehabilitation, compliance training, Geographic Information System (GIS) maintenance, and Closed-Circuit Television (CCTV) review. Given the District’s current financial condition and absence of prior analysis, this obligation is not sustainable, and staff recommend that this amendment take effect immediately.

FISCAL IMPACT

The fiscal impact greatly varies and should be assessed via a comprehensive analysis.

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Introduce the Amended Ordinance Fifty-Four.
2. Direct staff to place the amended ordinance on a future agenda for approval.
3. Discuss and take other action as appropriate.

Attachments

	<i>Supplemental Materials Packet Page Number/s</i>
1. Graphical demonstrations of sewer laterals	54
2. Amended Ordinance 54	55-56
3. Current Adopted Ordinance 54	57-58

Prepared by: General Manager, Eric Steinlicht

Reviewed by: Office Manager, Marissa Fehling

Approved by: General Manager, Eric Steinlicht

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 21

Date: April 28th, 2025

From: General Manager, Eric Steinlicht

Issue: Formation of Budget Review Ad-Hoc Committee for Fiscal Year 2025-2026

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Approve the creation of a Budget Review Ad-Hoc Committee for Fiscal Year 2025-2026.
2. Discuss and take other action as appropriate.

BACKGROUND

The Pauma Valley Community Services District (District) Board of Directors Treasurer has expressed interest in the review and oversight concerning the fiscal year 2025-2026 budget.

DISCUSSION

For enhanced oversight and review, it is recommended that the Board of Directors consider the forming a Budget Review Ad-Hoc Committee for Fiscal Year 2025-2026. This will allow the two Board of Directors assigned to this Ad-Hoc Committee to work with staff during the preparation of the proposed fiscal year 2025-2026 budget.

FISCAL IMPACT

There is no fiscal impact associated with this item.

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Approve the creation of a Budget Review Ad-Hoc Committee for Fiscal Year 2025-2026.
2. Discuss and take other action as appropriate.

Attachments

1. N/A

Supplemental Materials Packet Page Number/s

N/A

Prepared by: General Manager, Eric Steinlicht

Reviewed by: Office Manager, Marissa Fehling

Approved by: General Manager, Eric Steinlicht

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 24

Date: April 28th, 2025

From: General Manager, Eric Steinlicht

Issue: General Manager’s Report

BACKGROUND

The purpose of the General Manager’s Report is to provide an executive-level overview of operations, administrative activities, challenges, and improvements that have occurred as of the last Regular Meeting of the Pauma Valley Community Services District (District) Board of Directors.

DISCUSSION

Sanitation Operational Report

Pump two at the Wastewater Treatment Plant (WWTP) main lift station experienced some ragging (wipes/rags), as did the Oak Tree lift station. The WWTP lift station pump was pulled and cleaned with the assistance of Water Quality Specialists. Service has also been scheduled for the Oak Tree lifts station. We’ve also experienced some problems with the air conditioning unit for one of the Variable Frequency Drives (VFDs). We are working with the manufacturer to resolve the matter. Other than these items, all operations are within parameters, including the assessment conducted by staff following the recent earthquake.

Security Operational Report

Security operations have been sustained without any issues. The new phones utilized by Patrol and the front gate continue to perform great, and communication has improved as a result. We are currently waiting for a major upgrade proposal from our new gate contractors.

Information Technology (IT) Report

Our new IT division has been heavily utilized since they have been onboard. Since they have been with the District, they have experienced XYZ number of tickets for IT-related staff issues. As a result, XYZ has been resolved and this allows staff to focus on more job appropriate matters. We are waiting to hear from our insurance broker whether having this team with rigorous cybersecurity measures will translate to a cheaper cyber liability insurance premium. Attached above is the best way to contact VC3 should the Board of Directors need their assistance for any IT District business related item.

The image shows four support options for VC3 arranged in a 2x2 grid. Each option is presented in a light gray rounded rectangle with a blue icon and text.
 1. Top-left: Remote Support Connection URL with a computer monitor icon and the URL portal.vc3.com.
 2. Top-right: Phone Number with a mobile phone icon and the number 1-800-481-4369 option 1.
 3. Bottom-left: Email with an envelope icon and the address service@vc3.com.
 4. Bottom-right: Desktop Support with a desktop monitor icon, the text 'Click the VC3 icon on your desktop to submit a ticket', and the VC3 logo (a blue 'V' over a '3').

General Manager Professional Development

I am once more reiterating that I will be attending the California Water Environment Association (CWEA) Annual Conference located in Palm Springs on April 22nd through April 25th.

Attachments

Supportive Materials Packet Page Number/s

1. General Manager’s Prioritization Schedule	Pages 59-62
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Prepared by: General Manager, Eric Steinlicht
Reviewed by: Office Manager, Marissa Fehling
Approved by: General Manager, Eric Steinlicht