

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

Held on March 27, 2023

Directors Present: Jodie Lawston, Michael Esparza, Richard Collins, & Betty Potalivo

Directors Absent: Roland Skumawitz

Also Present: Residents: Tom Cerruti, Charles Mathews; Barron Willis with LAFCO; Treasurer of RPMWC Bruce Knox, Secretary of RPMWC Laurie Kariya, Director of RPMWC Linda Shoaff, General Manager Eric Steinlicht, Office Manager Amber Watkins, and Administrative Assistant Marissa Fehling

1. Call to Order: Regular Meeting was called to order at 10:00 a.m. by President Lawston.

2. Pledge of Allegiance: President Lawston led the Pledge of Allegiance to the flag.

3. Roll Call: Fehling verified that a quorum was present.

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, 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 – Barry Willis with LAFCO informed the Board why he was requesting PVCSD's vote to be on the LAFCO Board for another term and explained his history with LAFCO.

--CONSENT ITEMS--

Items 5-11 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.

5. Minutes of the Regular Board Meeting of January 23, 2023

6. Review of Balance Sheet, Revenue and Expense for January through February 2023

7. Accounts Receivable Report for January through February 2023

8. Notice of Violations Issued

9. PVCSD Security Report

10. Expense Reimbursement Report

11. Employee Benefits Summary

Esparza inquired on item 11, asking whether any changes had been made to the employee benefits. Steinlicht informed that an Employee Assistance Program was added allowing employees two mental health visits. Upon a motion by Director Esparza, seconded by Director Collins, and a unanimous vote, items 5-11 were approved as presented.

--ACTION ITEMS--

12. AB 557 – Extend Authorization of Emergency Remote Meetings (Vice President, Mike Esparza)

The board will vote if they would like the General Manager to submit a letter supporting the bill AB 557 to extend Authorization of Emergency Remote Meetings.

Staff Recommendation:

Authorize the General Manager to dispatch a letter in support of AB 557.

Potalivo asked what would define an emergency in these scenarios. Esparza explained the details of AB 557. Steinlicht informed that this was set to expire in January of 2024 and noted a draft letter of support was included with the packet materials. Upon a motion by Director Esparza, seconded by Director Lawston, and unanimous vote, the Board authorized the General Manager to dispatch a letter in support of AB 557.

--DISCUSSION ITEMS--

13. Strategic Planning Facilitation Services

Item was tabled.

14. Cost of service analysis –

Steinlicht explained that he obtained three proposals for the Cost of Service Analysis and gave a brief background of each of the bidders. Steinlicht informed that the fiscal impact for these services would range anywhere from \$15,000 to \$41,000. Potalivo requested that an explanation be given to the public on why this item was on the agenda. Steinlicht explained this analysis would be beneficial to the community as the data collection will help determine the amount needed to maintain critical infrastructure. Esparza informed that he was in support of this analysis and requested that Steinlicht come back to the board at the next meeting with recommendations. Collins questioned whether the board could increase rates as needed. Esparza informed them they could but backing it up with analysis would be best. Cerruti requested that the stormwater issues be included in this analysis.

15. Potential Loan for District –

Steinlicht informed that he recently met with a certified public accountant and explained their recommendations to build the reserves. Steinlicht mentioned that CSDA offers low-interest rate loan options. Steinlicht also mentioned that Paul Kaymark sent over some additional resources that help with Special District loans. Potalivo stated that she would like to investigate going with a line of credit vs a loan. Knox inquired about the amount being explored. Steinlicht informed \$250,000.

16. Legislative Updates Regarding Board Meetings –

Watkins informed that as of February 28, 2023, AB 361, the emergency declaration has expired. Watkins noted that AB 2449 began in January 2023 and that this is in addition to the Standard Brown Act Teleconferencing which predates COVID. Esparza informed that a key thing to note would be that at least three board members would need to be present for the meetings and if you are going to participate via Zoom, and that an agenda must be posted at your home and it must be accessible to the public. Lawston inquired about Zoom requirements. Steinlicht informed that when a board member wants to participate via Zoom due to an emergency, the Zoom link must also be provided to the public.

17. Update on Solar Project –

Steinlicht informed that the solar project has been a slow process and mentioned that he has reached out to a few different companies to get project bids to complete this project. Steinlicht noted that several contractors have been hesitant about touching the solar project. Steinlicht informed that he does have a proposal from Carollo Engineering Firm for about \$86,000 to complete the Solar Project. Watkins was asked to provide the remaining balance on the terminated contract with Century Sun and Solar, Watkins informed roughly \$65,000 Steinlicht noted that it is key to get the solar up and running before the NEM 2.0 deadline. Mathews inquired whether there had been any communication with the previous contractor. Steinlicht informed that there were no responses or communications, therefore their contract was terminated. Mathews questioned whether PVCSD would be pursuing any legal claims against them. Steinlicht informed that unfortunately the previous contract with Century Sun and Solar was written in the contractor's favor and legal also informed that pursuing litigation would not be in the District's favor for this matter.

19. Carollo Engineering Firm Introduction and Information –

Steinlicht informed that Carollo is interested in taking part in completing our Solar Project. Steinlicht also mentioned that he and Jake met with Carollo recently and noted they are a large firm. Steinlicht noted that a takeaway from that meeting was that SCADA should be able to be turned on remotely. Steinlicht added that he believes Carollo would be a great help to PVCSD with their knowledge and professionalism. Knox asked if PVCSD was looking to outsource sanitation. Steinlicht informed them they are looking to get assistance in all areas, adding that they will also be able to help get us on a good alarm system which he believes is critical. Lawston asked the Board if they would like Carollo to come out to meet them. Potalivo thought that would be a good idea.

18. Sanitation Operational Report –

Steinlicht informed that the treatment plant currently has zero concerns and added that there has been a large amount of flow recently due to the rain. Steinlicht reported that San Diego Stormwater Solutions, Inc. has been selected to complete the Year 1 sewer line cleaning outlined in the 10 year maintenance plan developed last year. Steinlicht informed that this contractor beat Downstream's pricing and gave us some options on the infrastructure and pipe issues. Steinlicht informed that they are currently working on taking care of the hot spot cleanings as well. Steinlicht noted that a new grease interceptor inspection form was created for El Rey's grease interceptor and Utility Supervisor, Jake will be monitoring it monthly.

20. Recruitment Effort for Additional Utility Worker –

Steinlicht informed that we currently have three applicants, noting that one of them used to work for PVCSD as a Patrol Officer, and the job is still posted on a few different websites. Steinlicht mentioned that all three applicants have a Water Distribution Grade 1 certification. Lawston noted that she thought that the Rancho Pauma Mutual Water Company ("RPMWC") board was asking for them to have a Grade 2 certification. Knox provided comment that if they could get someone with a Grade 2 that would be preferable, if not they are willing to give them a probational period for them to get their Grade 2 certifications. Collins asked if RPMWC would be involved in the interviewing process. Knox informed that the RPMWC Board is not authorized to hire or interview employees by PVCSD. Kariya asked whether these applicants

were still available since it had been some time since they had applied. Steinlicht informed that he has not reached out to find out recently. Esparza stated that the General Manager is the hiring person and that the Board does not need to be involved in the interviewing process. Esparza mentioned that he believes that at the last meeting, the Board authorized the General Manager to post the position and if within the budget to make an offer. Potalivo suggested talking to the RPMWC Board regarding salary, budgets, and financial assistance. Esparza suggested allowing Steinlicht to handle the hiring for this position and if adjustments to the cost share with RPMWC are needed, we can do so at a future meeting. Steinlicht informed that PVCSD's budget allows us to hire at a Grade 1 level. Steinlicht recommended putting together an ad-hoc committee for further discussion and decision-making. Mathews questioned why the board was dancing around to figure out how to do this. Esparza stated that the board wants to make sure they are doing this properly. Potalivo informed that they are operating under a contract between a government agency and a private company. Potalivo confirmed they would get an ad-hoc committee together to determine a fair cost share between the PVCSD and RPMWC. Knox mentioned that he and Kariya would join to assist.

21. NBS Tax Roll Collection –

Watkins explained that PVCSD has been exploring the tax roll collection system for all PVCSD dues for some time now and informed that PVCSD currently sends delinquent accounts to the County's Tax Roll for collection. Watkins explained the benefits of utilizing NBS to collect PVCSD dues via the tax roll vs monthly invoicing. Kariya inquired about how properties in escrow would be handled. Watkins informed that this would not eliminate the way PVCSD processes escrow notifications. Mathews questioned what the impact on cash flow would be, knowing PVCSD currently has a steady monthly cash flow. Potalivo stated that a projected cash flow would be needed. Esparza stated that in his opinion if it frees up time for administrative employees to help with other projects it is a good idea.

22. RFID Access –

Steinlicht informed that PVCSD is the only entity that has the authority to turn off vehicle RFID tags due to delinquent dues. Collins explained that Pauma Valley Roadway Association had previously requested that PVCSD assist them in their collections process by turning off their delinquent member's RFID's. Potalivo suggested adding this topic to a future agenda if further discussion is requested.

23. General Manager's Report

Steinlicht presented the General Manager's Report. Steinlicht gave a summary of accomplishments, and challenges, and presented a prioritized list of items completed and currently being worked on. Potalivo inquired about the Computerized Maintenance Management System ("CMMS"). Steinlicht explained that this program would allow for task project management, making sure that projects get done in a timely manner and don't fall through the cracks. Kariya requested that Steinlicht add the hiring of a fourth Utility Worker to his priority list. Potalivo suggested that Steinlicht periodically send out a letter to the community informing them of any updates. Steinlicht informed that he has administrative staff currently cross-training and is currently working on updating the annual employee review sheets and new hire applications. Esparza suggested updating the review sheets and having them approved at the next meeting. Steinlicht suggested scheduling a Special Meeting to take care of this sooner. Watkins informed that employee reviews are typically done in

April as PVCSD gears up towards the budget presentation. Esparza suggested that they push the evaluations to May instead. Steinlicht gave commendations to all three departments.

24. Miscellaneous Items

A. Requested items for future agendas (Directors and Staff Only)

- i. Email List
- ii. Website Revamp and Transparency Update
- iii. Cost of Living Adjustment for 2023
- iv. Employee Handbook Revisions
- v. Service Agreement with Rancho Pauma Mutual Water Company (RPMWC)
- vi. Agreement with RPMWC for SGMA
- vii. CHP Satellite Office Update and Consideration
- viii. Tasers for Security
- ix. Analysis for Outsourcing Security and Gate Services
- x. Salary Survey
- xi. Update on Policy Handbook
- xii. Criteria for Restricting RFID Access to Dangerous Individuals
- xiii. Critical Spare Part Inventory Replacement Program
- xiv. Computerized Management Maintenance System
- xv. Treatment Plant Rehabilitation and Improvement

B. Board Comments – None

C. Announcements – None

D. Regular Meeting on May 22nd, 2023, at 10:00 AM

--CLOSED SESSION--

25. The Board of Directors will meet in a Closed Session to discuss:

- i. Public Employee Appointment – Title: Special Legal Counsel (CA Gov. Code: 54954.5, Section E, Paragraph 2)

The Board went into closed session at 11:32 am.

26. Open Session

A. Reportable Action: The meeting was reconvened to open session at 1:14 pm with no reportable actions.

27. Adjournment-

With nothing further to discuss, a motion was made by Director Lawston to adjourn at 1:15 p.m., seconded by Director Esparza unanimously approved.

Marissa Fehling

Marissa Fehling, Recording Secretary