

# 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, December 15<sup>th</sup>, 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

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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.**

### -- CONSENT ITEMS --

**Items 5-13** 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.

**5. Minutes of the Regular Board Meeting on November 17<sup>th</sup>, 2025**

These minutes are the official permanent record of the District Board of Directors Regular Meeting held on November 17<sup>th</sup>, 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **2-8**

Approve and file the November 17<sup>th</sup>, 2025, Regular Meeting of the Board Minutes.

**6. Review of Variance Report, Balance Sheet, Revenue and Expense Report**

These reports disclose the District's financial statements and variances for the month of October 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **16-20**

Receive and file the Financial Statements for the month of October 2025.

**7. Accounts Receivable Report**

This report discloses the District's Accounts Receivable for the month of October 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **16-20**

Receive and file the Accounts Receivable Report for the month of October 2025.

**8. PVCSD Security Report**

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

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **21-29**

Receive and file the Security Division Report.

**9. Solar Project Phase Two**

This item includes the legal agreements to complete Phase Two of the Solar Project, including the loan agreement through Collective Sun, the Addendum to the Public Works Contract with Sattler Solar Incorporated, and the applicable Performance Bond cost update.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **30-43**

Receive and file the Solar Project Phase Two documents.

**10. Comprehensive Cost-of-Service Final Draft Reports**

These reports are the official final drafts resulting from the recent comprehensive Cost-of-Service Analysis across all divisions.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **44-148**

Receive and file the Cost-of-Service final draft reports.

**11. On-Call Technical Services Agreement with Hansford Economic Consulting**

This agreement authorizes continued technical support from the analyst who conducted the recent Cost-of-Service (COSA) Analysis that will ensure accurate and effective implementation of the newly approved rates.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **149-152**

Receive and file the On-Call Technical Services Agreement with Hansford Economic Consulting.

**12. Annual Reimbursements Disclosure Report Exceeding One Hundred Dollars**

The Annual Reimbursements Disclosure Report includes Reimbursements made to the Board of Directors and staff on any amount over one hundred dollars, pursuant to Government Code §53065.5.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **153**

Receive and file the Annual Reimbursements Disclosure Report.

**13. Fully Executed Indemnification Agreement with the Pauma Valley Roadway Association**

This is the fully executed Indemnification Agreement with the Pauma Valley Roadway Association approved at the last Regular Meeting of the Board on November 17<sup>th</sup>, 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE 154

Receive and file the fully executed Indemnification Agreement with the Pauma Valley Roadway Association.

**-- ACTION ITEMS --**

**14. Financial Audit Report for the Fiscal Year Ending June 30<sup>th</sup>, 2025**

The Board of Directors will consider accepting the financial audit report and presentation prepared by Nigro and Nigro for the fiscal year ending June 30<sup>th</sup>, 2025.

Staff Recommendation:

VICE PRESIDENT COLLINS, PAGE 6

1. Approve the financial audit report for the fiscal year ending June 30<sup>th</sup>, 2025.
2. Discuss and take other action as appropriate.

**15. Appeal to the Board of Directors Pursuant to Ordinance Fifty: Sewer Rules & Regulations**

The Board of Directors will consider an appeal pursuant to Ordinance Fifty concerning the Equivalent Dwelling Unit (EDU) determination made by the Board of Directors at the October 27<sup>th</sup>, 2025, Regular Meeting.

Staff Recommendation:

VICE PRESIDENT COLLINS, PAGES 7-8

Discuss and provide direction to the General Manager.

**-- DISCUSSION ITEMS --**

**16. Pauma Valley Country Club Equivalent Dwelling Unit (EDU) Assignment**

GENERAL MANAGER STEINLICHT, SUPPLEMENTAL MATERIALS PAGES 221-226

**17. El Rey Restaurant EDU Assignment and Reconstruction of El Rey**

GENERAL MANAGER STEINLICHT, SUPPLEMENTAL MATERIALS PAGE 227

**18. Strategic Plan Timeline**

GENERAL MANAGER STEINLICHT, SUPPLEMENTAL MATERIALS PAGE 228

**19. Local Agency Formation Commission (LAFCO) Update**

GENERAL MANAGER STEINLICHT

**20. Upcoming Mid-Budget Review**

GENERAL MANAGER STEINLICHT

**21. Employee Recognition Luncheon**

GENERAL MANAGER STEINLICHT

**22. Rancho Pauma Mutual Water Company Ad-Hoc Committee Update and EDU Assignment**

VICE PRESIDENT COLLINS

**23. Form 700 Update**

OFFICE MANAGER FEHLING, SUPPLEMENTAL PAGE 9

-- ACTION ITEMS --

**24. End-of-Year Employee Appreciation Stipends**

The Board of Directors will consider providing staff with a position-based end-of-year appreciation stipend.

Staff Recommendation:

GENERAL MANAGER STEINLICHT, PAGE 10

1. Approve an end-of-year employee stipend.
2. Discuss and take other action as appropriate.

**25. Heavy Cleaning of the Year Three Wastewater Collection System**

The Board of Directors will consider approving heavy cleaning of the Year Three Wastewater Collection System by Downstream, which currently has severe corrosion that risks potential spills and limits the discharge capacity of the pipe.

Staff Recommendation:

GENERAL MANAGER STEINLICHT, PAGE 11

1. Approve the proposal provided by Downstream to commence the remedial work as soon as possible.
2. Discuss and take other action as appropriate.

**26. Board Member Code of Ethics and Conduct Policy**

The Board of Directors will consider approving a new Board Member Code of Ethics and Conduct Policy, a best practice for government agencies, and a required item for the District to obtain the Transparency Certificate of Excellence from the California Special Districts Association (CSDA).

Staff Recommendation:

GENERAL MANAGER STEINLICHT, PAGE 12

1. Approve the new Board Member Code of Ethics and Conduct Policy.
2. Discuss and take other action as appropriate.

-- INFORMATIONAL ITEMS --

**27. General Manager's Report**

GENERAL MANAGER STEINLICHT, PAGE 13

**28. Miscellaneous Items**

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

- a) Salary and Total Compensation Study (Agendized)
- b) Critical Spare Part Inventory/Replacement Program and Computerized Maintenance Management System (CMMS) (In Progress)
- c) Employee Satisfaction Survey (Agendized)
- d) Administrative Staff Work Schedule Consideration (9/80 or 4/10)

B. Board Comments

C. Announcements

D. **Next Regular Meeting of the Board:**

- a) **Monday, January 26<sup>th</sup>, 2026, at 10:00 AM**

-- CLOSED SESSION --

**29. 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

**C. 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)

**D. CONFERENCE WITH LEGAL COUNSEL**

**Potential/Threatened/Anticipated Litigation**

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

(Two (2) Matters)

**30. Open Session**

A. Reportable Actions.

**31. 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](mailto: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: 14**

Date: December 15<sup>th</sup>, 2025

From: General Manager, Eric Steinlicht

**Issue: Financial Audit Report for the Fiscal Year Ending June 30<sup>th</sup>, 2025**

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**STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve the financial audit report for the fiscal year ending June 30<sup>th</sup>, 2025.
2. Discuss and take other action as appropriate.

**BACKGROUND**

The Pauma Valley Community Services District (District) is required by law to retain a qualified accounting firm to perform a financial audit each and every fiscal year to ensure the accountability and transparency of the District.

**DISCUSSION**

The District General Manager, Office Manager, and District accounting consultant have worked closely with Nigro and Nigro during this auditing process to ensure both compliance and transparency. A representative from Nigro & Nigro is in attendance today, who will present the fiscal year 2025 financial audit conclusions for the Board of Directors to consider. The Board of Directors will consider the approval of the financial audit covering the fiscal year July 1<sup>st</sup>, 2024, through June 30<sup>th</sup>, 2025.

**FISCAL IMPACT**

*Within Budget* ✓

The accounting firm, Nigro & Nigro charges a flat rate fee of Ten Thousand and Five Hundred Dollars (\$10,500.00) for the complete audit, preparation of the annual financial reports and presentation to the Board of Directors.

**THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve the financial audit report for the fiscal year ending June 30<sup>th</sup>, 2025.
2. Discuss and take other action as appropriate.

**Attachments**

*Supplemental Materials Packet Page Number/s*

- |                             |         |
|-----------------------------|---------|
| 1. Presentation             | 155-157 |
| 2. Communication Letter     | 158-166 |
| 3. Draft Audited Financials | 167-209 |

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**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: 15**

Date: December 15<sup>th</sup>, 2025

From: Eric Steinlicht, General Manager

**Issue: Appeal to the Board of Directors Pursuant to Ordinance Fifty: Sewer Rules & Regulations**

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**STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

Discuss and provide direction to the General Manager.

**BACKGROUND**

The Pauma Valley Community Services District (District) underwent a prior comprehensive Cost-of-Service Analysis (COSA) in December of 2021; this analysis was conducted by Vivian Housen and Associates. This comprehensive analysis included an in-person inspection of the property known as the “Pauma Building” located at 16160 CA-76, Pauma Valley, CA 92061. The formal memorandum received by the District in accordance with Ordinance Fifty (50) recommended an allocation of 14.0 Equivalent Dwelling Units (EDUs) for this particular property.

At the July 22<sup>nd</sup>, 2024, Regular meeting of the Board, the District Board of Directors selected a new COSA consultant, Ms. Catherine Hansford of Hansford Economic Consulting LLC, to conduct a new comprehensive COSA. Staff have worked continuously with Ms. Hansford to deliver new rate recommendations, which included an Equivalent Dwelling Unit (EDU) audit.

All EDU assignment discussions related to this item are solely related to wastewater.

**DISCUSSION**

After the COSA findings were published, a meeting was coordinated by the General Manager with Ms. Catherine Hansford and the owners of the “Pauma Building” located at 16160 CA-76, Pauma Valley, CA 92061. It was reported by the owners of the Pauma Building that their EDUs for the wastewater rates were set at 4.75 after the 2021 inspection due to factors such as: water use, size of the building, number of private sanitary assets (toilets, sink, etc.) and overall floor plan which separates areas in the building by “suites”, rather than rooms.

The representative owners, Mr. Andy Lyall and Mr. Tim Lyall, stated their position is that the allocation should remain the same, as their utilization of the sewer system is not proportional to the EDU allocation being recommended in the recent COSA report at 13.75 EDUs. Mr. Andy Lyall and Mr. Tim Lyall then provided a follow-up email and floor plan after the meeting. I then asked Ms. Hansford to consider all information presented and provide a follow-up recommendation for EDU allocation tied to this specific property.

Ms. Hansford completed her assessment and recommended that the Pauma Building be assigned 7.0 EDUs as a fair and equitable solution based on all new data received, or alternatively 8.5 EDUs. After communicating this new recommendation to the representative owners of the Pauma Building, opposition was relayed. The representative owners (Mr. Andy Lyall) have requested that the District Board of Directors consider a waiver of the Ordinance and maintain that the assignment of EDUs remain at their current allocation of 4.75, or lower.

At the Regular Meeting of the Board on October 27<sup>th</sup>, 2025, the Board of Directors considered a waiver request from the representative owner of the Pauma Building concerning Ordinance Fifty (50) as interpreted by the 2021 COSA consultant, in addition to the current 2025 COSA consultant. The Board of

Directors unanimously rejected the request to reduce the EDUs to a level lower than what was recommended by the 2025 COSA consultant. Pending this, the representative owners paid \$100 as per Ordinance 50 to appeal this decision. Staff seek Board direction on the EDU assignment of the “Pauma Building” pending appeal consideration.

**FISCAL IMPACT**

The table below illustrates the fiscal impact specifically for Fiscal Year 2026.

	<b>14.0 EDUs</b> (2021 Recommendation)	<b>8.5 EDUs</b> (2025 Recommendation Alternative)	<b>7.0 EDUs</b> (2025 Recommendation & past EDU allocation)	<b>4.75 EDUs</b> (Current EDU Allocation as of 2021)
<b>Monthly Revenue</b>	\$1,667.96	\$1,012.69	\$833.98	\$565.92
<b>Annual Revenue</b>	\$20,015.52	\$12,152.28	\$10,007.76	\$6,790.98

**\*\* Assumes the Pauma Building is within the District’s taxable area \*\***

The fiscal impact of charging 13.75 EDUs is consistent with rate recommendations that were noticed and are to be considered by the Board of Directors for approval in November of 2025. The impact of 7.0 EDUs compared to 14.0 represents a lost annual revenue of \$3,216.78, not reflected in the rate recommendations. Maintaining the 4.75 EDUs compared to 14.0 represents a lost annual revenue of \$13,224.54, not considered in the newly adopted rate recommendations (presumed 14 EDUs).

**THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

Discuss and provide direction to the General Manager.

**Attachments**

*Supplemental Materials Packet Page Number/s*

1. Appeal Letter Addressed to Secretary Esparza	210-211
2. 2021 Cost-of-Service Memorandum	212-219
3. 2025 Cost-of-Service Email: Recommendation on EDUs for the Pauma Building	220

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**Prepared by:** Eric Steinlicht, General Manager  
**Reviewed by:** Marissa Fehling, Office Manager  
**Approved by:** Eric Steinlicht, General Manager

**PAUMA VALLEY COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS**

**Item: 23**

Date: December 15<sup>th</sup>, 2025

From: Marissa Fehling, Office Manager

**Issue: Form 700 Update**

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**STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

This item is for informational purposes only.

**BACKGROUND**

Historically, the District’s Board Members and General Manager have filed Form 700s through the County of San Diego’s electronic filing system, with the County serving as the filing officer. Under the Political Reform Act, public officials are required to file annual Statements of Economic Interests (Form 700).

Senate Bill 852 (SB 852), effective January 1, 2026, expands the list of officials who must file Form 700s directly with the Fair Political Practices Commission (FPPC). The bill applies to officials who qualify as “public officials who manage public investments” under Government Code §87200 and FPPC Regulation 18700.3.

Following the County’s request for updated filer classifications, staff reviewed the District’s Investment Policy, which describes the Board and General Manager’s roles in approving the policy, directing investment actions, and overseeing monthly surplus cash decisions. These duties meet the regulatory definition of “management of public investments.”

**DISCUSSION**

As a result of this review, the District’s Board Members and General Manager have been designated as §87200 filers under SB 852. Beginning January 1, 2026:

- Board Members and the General Manager will no longer file Form 700s with the County of San Diego.
- Filings will instead be submitted directly to the FPPC through the State’s eDisclosure system.
- The FPPC will create user accounts and notify each filer with login instructions prior to the next filing deadline.
- Filing deadlines remain unchanged (assuming office, annual, and leaving office).
- District staff will continue to serve as the filing officer for all other designated employees whose positions are part of the District’s Conflict of Interest Code.

This change shifts filing responsibility for the Board and General Manager from the County to the FPPC but does not alter any disclosure categories or reporting obligations.

**FISCAL IMPACT**

There is no fiscal impact associated with this item.

**THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

This item is for informational purposes only.

**Attachments**

1. N/A

*Supplemental Materials Packet Page Number/s*

N/A

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**Prepared by:** Marissa Fehling, Office Manager

**Reviewed by:** Eric Steinlicht, General Manager

**Approved by:** Eric Steinlicht, General Manager

**PAUMA VALLEY COMMUNITY SERVICES DISTRICT**

**BOARD OF DIRECTORS**

**Item: 24**

Date: December 15<sup>th</sup>, 2025

From: Eric Steinlicht, General Manager

**Issue: End-of-Year Employee Appreciation Stipends**

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**STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve a one-time, end-of-year employee appreciation stipend.
2. Discuss and take other action as appropriate.

**BACKGROUND**

Each year, the District looks for responsible ways to recognize staff for their contributions, especially during periods of increased workload and operational demands. Staff reviewed several options and determined that a one-time appreciation stipend is the most fiscally conservative and transparent approach.

A longevity-based method is not recommended because it can resemble an ongoing benefit, may create inequities, and is more difficult to justify during audits. Instead, staff developed a formula-based approach that applies consistently to all eligible positions. Fourteen employees qualify for this stipend; the General Manager is excluded, as GM compensation is addressed separately by the Board.

**DISCUSSION**

To provide the Board with clear options, staff prepared two stipend calculation exhibits. Exhibit A reflects stipends calculated at 40% of each employee’s weekly salary, and Exhibit B reflects stipends calculated at 30% of weekly salary. Both tables use the same percentage-based method to keep the stipends fair, proportional, and easy to understand.

This formulaic approach avoids the challenges of longevity-based or arbitrary dollar amounts and supports transparency in how the stipend totals were determined. The Board may select the percentage that best aligns with its goals and overall budget direction. The stipend would be issued as a one-time, non-PERSable payment with no ongoing financial liability.

**FISCAL IMPACT**

The total cost of the stipend, depending on the percentage selected and employer payroll taxes, is estimated between \$4,641 and \$6,187. This represents up to approximately 0.34% of the District’s annual operating budget and does not create any future salary, benefit, or pension obligation.

**THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve a one-time, end-of-year employee appreciation stipend.
2. Discuss and take other action as appropriate.

**Attachments**

*Supplemental Materials Packet Page Number/s*

- |                                       |     |
|---------------------------------------|-----|
| 1. Employee Stipend Table (Exhibit A) | 229 |
| 2. Employee Stipend Table (Exhibit B) | 230 |

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**Prepared by:** Eric Steinlicht, General Manager  
**Reviewed by:** Marissa Fehling, Office Manager  
**Approved by:** Eric Steinlicht, General Manager

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 25

Date: December 15<sup>th</sup>, 2025

From: General Manager, Eric Steinlicht

Issue: Heavy Cleaning of the Year Three Wastewater Collection System

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**STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve the proposal provided by Downstream to commence the remedial work as soon as possible.
2. Discuss and take other action as appropriate.

**BACKGROUND**

The Pauma Valley Community Services District (District) is required by the state to have a cleaning and inspection program for the wastewater collection system. Furthermore, these programs must be outlined in the District’s Sewer System Management Plan (SSMP). Year 3 cleaning and inspection was conducted in early 2025.

**DISCUSSION**

Upon completion, a series of meetings were held between the District General Manager and the project manager at Downstream for the work that was conducted. As a result of this Year 3 cleaning and inspection, multiple pipelines were observed with severe corrosion that has both created a jagged sidewall, increasing the risk of blockages and subsequent spills, in addition to a more limited discharge capacity with the corrosion “chocking down” the pipes.

This corrosion is the result of improper wastewater collection system management, and with the current cleaning program, sections of pipes are only cleaned and inspected once per 10 years. Pipeline rehabilitation measures are necessary to ensure the continuity of the sewer system and ultimately prevent failure, which leads to spills, fines as well as state regulatory agency scrutiny.

**FISCAL IMPACT**

*NOT Within Budget* ❌

The cost for Downstream to conduct this remedial work is **\$39,870.00** and is currently **not** within budget.

**THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve the proposal provided by Downstream to commence the remedial work as soon as possible.
2. Discuss and take other action as appropriate.

**Attachments**

*Supplemental Materials Packet Page Number/s*

1. Downstream Proposal	231-232
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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: 26**

Date: December 15<sup>th</sup>, 2025

From: Marissa Fehling, Office Manager

**Issue: Board Member Code of Ethics and Conduct Policy**

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**STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve the Board Member Code of Ethics and Conduct Policy.
2. Discuss and take other action as appropriate.

**BACKGROUND**

As part of the District’s effort to complete the District Transparency Certificate of Excellence through the Special District Leadership Foundation (SDLF), certain policies are required to be publicly adopted and posted. One of these required items is a Board Member Code of Ethics or Conduct Policy.

This type of policy is considered a best practice for good governance. It helps clarify expectations for professionalism, respectful conduct, ethical behavior, and appropriate communication between Board members, staff, and the public. While many districts already maintain a similar policy, Pauma Valley CSD has not previously adopted a standalone version.

To meet the transparency certification requirements and support consistency in how the Board operates, staff have prepared a draft Code of Ethics and Conduct Policy for the Board’s review.

**DISCUSSION**

This policy helps set clear expectations for how Board members communicate, conduct themselves during meetings, and work with the General Manager and staff. It outlines basic standards such as professionalism, respect, following meeting procedures, and complying with laws like the Brown Act and FPPC requirements.

Adopting this policy will reinforce good governance practices and satisfy one of the requirements for earning the SDLF District Transparency Certificate of Excellence.

**FISCAL IMPACT**

There is no fiscal impact associated with this item.

**THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:**

1. Approve the Board Member Code of Ethics and Conduct Policy.
2. Discuss and take other action as appropriate.

**Attachments**

*Supplemental Materials Packet Page Number/s*

- |   |         |
|---|---------|
| 1. Draft Board Member Code of Ethics & Conduct Policy | 233-235 |
| 2. Draft Resolution 136 Adopting the Policy           | 236     |

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**Prepared by:** Marissa Fehling, Office Manager  
**Reviewed by:** Eric Steinlicht, General Manager  
**Approved by:** Eric Steinlicht, General Manager

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 27

Date: December 15<sup>th</sup>, 2025

From: Eric Steinlicht, General Manager

Issue: **General Manager’s Report**

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**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**

**Administrative Operational Report**

Administrative functions of late have focused primarily on prompt and recurring reminders regarding items such as the recent Flu Vaccine Event and upcoming rate changes. There have been ongoing conversations with the Pauma Valley Roadway Association (PVRA) in addition to ongoing conversations in relation to the findings of the Cost-of-Service Analysis (COSA).

Additionally, the District recently transitioned its employee health benefits out of California Choice and now administers its Health Net and Kaiser plans directly, with King Benefits still serving as the District’s employee benefits coordinator. This change results in an annual savings of \$480 in administrative fees. Lastly, we have received our first reimbursement check resulting from the recently awarded Cybersecurity Grant in the amount of **\$34,043.00!** A win for the District considering the obstacles along the way.

**Sanitation Operational Report**

All District sanitation operations continue without service disruption. We’ve had some ongoing issues with one of the pumps at the main lift station, but have since addressed the problem. A large item of focus has been in relation to the critical work needing to be conducted on Year Three’s section of pipe, which was also on today’s agenda as an action item.

Staff have met with a team that assists small agencies with compliance as it relates to the wastewater collection system. Additionally, a resident inquiry relating to future construction led to the discovery that a section of pipe that is owned by the District is not reflected in the District Geographic Information System (GIS). I have also had conversations with Downstream regarding a missing manhole (also known as a maintenance hole) that appears via the GIS to be located under the Pauma Valley Country Club’s snack stand (snack shop) building. The immediate issue is that the District must ascertain whether or not the GIS is accurate.

**Security Operational Report**

All gates were recently found to have inoperative Uninterruptible Power Supply (UPS) units. We have scheduled to have all these units replaced. The new sign at the front gate, “have driver’s license ready,” has assisted operations, and gates continue to function as expected, with again, reduced downtime.

**Supervisory Control and Data Acquisition (SCADA) and Information Technology (IT) Report**

The federal government shutdown has ended, and progress continues with SCADA. We continue communicating with the project manager to ensure grant reimbursements follow. With the recent two grant obstacles, the timeline has extended, but progress now continues.

A recent meeting has been conducted with VC3, regarding strategic recommendations as well as an overview of several tools VC3 has deployed to ensure the District’s cybersecurity remains strong.

**Attachments**

*Supportive Materials Packet Page Number/s*

1. General Manager’s Prioritization Schedule

237-245

**Prepared by:** Eric Steinlicht, General Manager

**Reviewed by:** Marissa Fehling, Office Manager

**Approved by:** Eric Steinlicht, General Manager