

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

**Held on Sept 23<sup>rd</sup>, 2024**

**Directors Present:** Michael Esparza, Larry Curtis & Richard Collins  
**Directors Absent:** Roland Skumawitz  
**Also Present:** Resident Lolo Levy, Charles Mathews, Jeff Morris of DPMC, General Manager Eric Steinlicht, and Office Manager Marissa Fehling

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1. Call to Order: Regular Meeting was called to order at 10:21 a.m. by Vice President Esparza.
2. Pledge of Allegiance: The Pledge of Allegiance was led by Esparza.
3. Roll Call: Fehling verified that a quorum was present.
4. Public Comment Period:  
No public comments were made.

**--CLOSED SESSION--**

5. The Board of Directors Will Meet in a Closed Session to Discuss
  - A. **CONFERENCE WITH LEGAL COUNSEL**  
**Existing Litigation**  
Pursuant to Government Code Section 54956.9(d)(1)  
Rancho Pauma Mutual Water Company vs Pauma Valley Community Services District  
(San Diego Superior Court Case No. 37-2023-00038164-CU-BC-NC)

The Board proceeded into closed session at 10:22 a.m.

6. Open Session
  - A. Reportable Actions

The meeting was resumed in open session at 10:38 a.m. with no reportable actions:

**--CONSENT ITEMS--**

Items 7-16 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.

7. Minutes of the Regular Board Meeting July 22<sup>nd</sup>, 2024
8. Minutes of Special Board Meeting on August 19<sup>th</sup>, 2024
9. Review of Balance Sheet, Revenue and Expense Report
10. Accounts Receivable Report
11. PVCSD Security Report
12. Professional Services Agreement and Amendment with Carollo Engineers
13. Professional Services Agreement with Hansford Economic Consulting LLC
14. Contract for Deposit of Monies with Five Star Bank
15. Conflict of Interest Code Biennial Review
16. Memorandum of Understanding, Lease Agreement, Addendum and Amendment to the Lease Agreement, and Tolling Agreement between the District and Rancho Pauma Mutual Water Company (RPMWC)

Mathews requested that item 9 be pulled for further discussion. Levy requested to have items 9 and 10 pulled for further discussion. Curtis noted a correction to the July 22<sup>nd</sup>, 2024 Regular Meeting Minutes. Upon a motion by Curtis, seconded by Collins, and a unanimous vote, items 7-8, and 10-16 were approved as presented. Mathews raised concerns regarding the financial statements, noting that depreciation was not reflected and

indicating the District is currently operating in a deficit. Esparza responded, mentioning that the ongoing Cost-of-Service analysis would address these concerns. Levy commented on the Aging Report totals, and Fehling clarified that the report was run to date. Upon a motion by Curtis, seconded by Collins, and a unanimous vote, item 9 was approved as presented.

**--DISCUSSION ITEM--**

17. Storm Drainage Systems Updates – General Manager Steinlicht  
Steinlicht provided an update on ongoing storm drainage matters.
18. District Banking Relationship Update – General Manager Steinlicht  
Steinlicht informed that the District has opened a new account with Five Star Bank.
19. Solar Project Update- General Manager Steinlicht  
Steinlicht provided a brief update on the Solar Project.
20. Strategic Planning Update- General Manager Steinlicht  
Collins recommended postponing the start of the Strategic Planning process until the newly elected Board members are seated. Esparza suggested adding this item to the agenda for the next Board Meeting to ensure timely planning.
21. New Security Service: Extended Resident Leave Enhanced Patrol Request- General Manager Steinlicht  
Steinlicht informed the Board that this topic had been previously brought to his attention by Esparza and provided a brief explanation of how the added security service feature operates.

**--ACTION ITEMS--**

22. New Payment Method for District Constituents  
The Board of Directors will consider authorizing the General Manager to provide an additional method of payment to District constituents via Automated Clearing House (ACH) transactions.

Staff Recommendation:

1. Authorize the General Manager to implement a new ACH payment method.
2. Discuss and take other action as appropriate.

Esparza explained that the staff researched the possibility of offering Automated Clearing House (ACH) payment options for Pauma Valley Community Services District (PVCSD) customer. Fehling provided additional details on the proposed payment method. Curtis moved to authorize the General Manager to implement a new ACH payment method, seconded by Collins and unanimously approved.

23. Halloween Event Authorization and Logistics at the Pauma Valley Country Club Estates 2024  
The Board of Directors will consider authorizing a guest entry Halloween event for the Pauma Valley Country Club Estates.

Staff Recommendation:

1. Discuss and take other action as appropriate.

Collins moved to authorize staff to permit guests to enter the Pauma Valley Country Club Estates Halloween trick-or-treating, in accordance with the guidelines discussed, seconded by Curtis, and unanimously approved.

24. Employee Handbook Revisions

The Board of Directors will consider approving the Employee Handbook revisions as recommended by staff to enhance understanding of District policy amongst all staff.

Staff Recommendation:

1. Approve the proposed Employee Handbook revisions.
2. Discuss and take other action as appropriate

Steinlicht provided the updates made. Collins moved to approve and adopt the revised Employee Handbook, seconded by Esparza and unanimously approved.

25. SmartCover Systems Maintenance Hole Installation

The Board of Directors will consider authorizing the General Manager to purchase a single SmartCover device to monitor a critical high liability location.

Staff Recommendation:

1. Authorize the General manager to purchase a SmartCover device.
2. Discuss and take other action as appropriate.

Steinlicht outlined the benefits of installing a SmartCover device in a high-liability location and provided a detailed explanation supporting the recommendation. Esparza suggested including the cost of a SmartCover device in future budgets as necessary. Collins requested a performance update on the device prior to budgeting for it in the next fiscal year. Esparza moved to authorize the General Manager to purchase a SmartCover device, seconded by Curtis and unanimously approved.

**--INFORMATIONAL ITEMS--**

26. General Manager's Report

Steinlicht provided the General Manager's Report.

27. Miscellaneous Items

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

a) Salary and Total Compensation Study-

Esparza explained findings that were provided by previous Board Members.

b) Critical Spare Part Inventory Replacement Program CMMS

B. Board Comments-

Esparza requested that the next Agenda include an item regarding LAFCO. Collins informed he would like to make sure Vendor RFIDs are being updated as necessary. Collins commended the General Manager and staff for their excellent performance in service to the District.

C. Announcements- None

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

- a) Monday, November 25, 2024, at 10 AM

28. Adjournment

With nothing further to discuss, a motion was made by Collins to adjourn at 12:05 pm, seconded by Curtis, and unanimously approved.

*Marissa Fehling*

Marissa Fehling, Recording Secretary