

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

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

NOTICE OF SPECIAL MEETING

DATE: Monday, March 31st, 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.

-- ACTION ITEMS --

5. Financial Audit Report for the Fiscal Year Ending in June of 2024

The Board of Directors will consider accepting the financial audit report and presentation prepared by Mr. Paul Kaymark of Nigro and Nigro for the fiscal year ending in June of 2024.

Staff Recommendation:

VICE PRESIDENT COLLINS, PAGE 6

1. Accept the financial audit report for the fiscal year ending in June of 2024.
2. Discuss and take other action as appropriate.

-- CONSENT ITEMS --

Items 6-11 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.

6. Minutes of the Regular Board Meeting on February 24th, 2024

These minutes are the official permanent record of the PVCSD Board of Directors meeting held on February 24th, 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **56-59**

Approve and file February 24th, 2025, PVCSD Board of Directors Meeting Minutes.

7. Review of Balance Sheet, Revenue and Expense Report

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

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **60-62**

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

8. Accounts Receivable Report

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

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **63-65**

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

9. PVCSD Security Report

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

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES **66-75**

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

10. Resolution Number One Hundred and Twenty-Seven, Cyber Grant Authorization

Resolution Number One Hundred and Twenty-Seven was previously adopted on February 24, 2025.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGE **76**

Receive and file Resolution Number One Hundred and Twenty-Seven.

11. Professional Services Agreement with Platinum Strategies Incorporated

This is the Professional Services Agreement between the PVCSD and Platinum Strategies Incorporated.

Staff Recommendation:

SUPPLEMENTAL MATERIALS PAGES 77-103

Receive and file the Professional Services Agreement with Platinum Strategies Incorporated.

-- DISCUSSION ITEMS --

12. Vacant Lot Readily Available Sewer Connection Monthly Fee Correction

GENERAL MANAGER STEINLICHT, SUPPLEMENTAL MATERIALS PAGES 104-107

13. Cost-of-Service Analysis Update

GENERAL MANAGER STEINLICHT

14. Local Agency Formation Commission (LAFCO) Parcel Annexation

GENERAL MANAGER STEINLICHT

15. Solar Project Update

GENERAL MANAGER STEINLICHT

-- ACTION ITEMS --

16. Supervisory Control and Data Acquisition (SCADA) Proposal Acceptance

The Board of Directors will consider authorizing the General Manager to approve the Freedom Automation Incorporated (FAI) SCADA proposal to upgrade the current SCADA system.

Staff Recommendation:

GENERAL MANAGER STEINLICHT, PAGES 7-8

1. Authorize the General Manager to approve the Freedom Automation Incorporated proposal.
2. Discuss and take other action as appropriate.

17. Newly Updated Strategic Plan Proposal

The Board of Directors will consider reauthorizing the execution of the updated Strategic Plan Proposal facilitated by Mr. Jeff Armstrong as part of the new fiscal year 2026 budget.

Staff Recommendation:

SECRETARY ESPARZA, PAGE 9

1. Authorize the General Manager to approve the updated Strategic Plan Proposal for the fiscal year 2025 through 2026.
2. Discuss and take other action as appropriate.

-- CLOSED SESSION --

18. 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

Existing Litigation

Pursuant to Government Code Section 54956.9(a)

San Luis Rey Indian Water Authority v. Pauma Valley Groundwater Sustainability Agency,
et. al., (SDSC No. 37-2022-00029027-CU-WM-NC)

E. CONFERENCE WITH LEGAL COUNSEL

Potential/Threatened/Anticipated Litigation

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

(Two (2) Matters)

19. Open Session

A. Reportable Actions.

-- INFORMATIONAL ITEMS --

20. General Manager's Report

GENERAL MANAGER STEINLICHT, PAGES 10-11

21. 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, April 28th, 2025, at 10:00 AM**

22. 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: 5

Date: March 31st, 2025

From: General Manager, Eric Steinlicht

Issue: Financial Audit Report for the Fiscal Year Ending June of 2024

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Accept the financial audit report for the fiscal year ending June of 2024.
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. Mr. Paul Kaymark of Nigro and Nigro is in attendance today and will present the fiscal year 2024 financial audit conclusions for the Board of Directors to consider. Should the Board of Directors approve of the financial audit, the Board of Directors will then vote to approve of the financial audit covering the fiscal year July of 2023 to June of 2024.

FISCAL IMPACT

Within Budget ✓

The accounting firm, Nigro and Nigro charges a flat rate fee of Ten Thousand and Five Hundred Dollars (\$10,500.00) for the complete audit investigation and report to the Board of Directors.

THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Accept the financial audit report for the fiscal year ending June of 2024.
2. Discuss and take other action as appropriate.

Attachments

Supplemental Materials Packet Page Number/s

1. Financial Audit Report

2-55

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: 16

Date: March 31st, 2025

From: General Manager, Eric Steinlicht

Issue: **Supervisory Control and Data Acquisition (SCADA) Proposal Acceptance**

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Authorize the General Manager to approve the Freedom Automation Incorporated proposal.
2. Discuss and take other action as appropriate.

BACKGROUND

The Pauma Valley Community Services District (District) Board of Directors approved and subsequently executed a Memorandum of Understanding (MOU) with the Rancho Pauma Mutual Water Company (RPMWC) in March of 2024. This MOU declared that the jointly utilized Supervisory Control and Data Acquisition (SCADA) system is solely owned by the RPMWC and that the District will take the necessary steps to obtain its own independent SCADA system within the term of the lease that followed the MOU.

DISCUSSION

I have obtained three competitive formal proposals for the upgrade of our current SCADA system:

- **Freedom Automation Incorporated (FAI)**
- **Southland Water Technologies LLC (SWT)**
- **SmartCover (SC)**

Staff recommend moving forward with FAI for this critical upgrade. FAI is a well-known provider of SCADA System Project services and is a leader in the field. FAI has a great deal of experience in the public utility arena and is currently utilized by Rainbow Municipal Water District, as well as other public agencies in San Diego County. We have received very positive feedback and reviews of FAI, and they have been very attentive to the District's needs. The planned upgrades to the District's SCADA system will provide critical enhancements that the current control structure cannot provide such as allowing for independent management and alarming of critical wastewater assets as well as to follow the MOU and bring effective and independent control back to the District.

FISCAL IMPACT

The fiscal impact is as follows:

Company	Total Cost	Recurring Cost (excludes maintenance)	Key Points
FAI	\$122,551.00 Or \$90,551.00	None	<ul style="list-style-type: none">• \$32,000 was added to this cost that will likely not need to be spent (utilizing existing infrastructure).• Highly reliable reputation.
SWT	\$55,073.90 Or \$44,783.47	\$2,961.00/Year Or \$2,253.60/Year	<ul style="list-style-type: none">• Recurring costs remain indefinitely.• Cellular based and no customization.• Either \$29,610, or \$22,536 for every 10 years of service.
SC	\$103,313.00	None	<ul style="list-style-type: none">• Offers leasing option.• Future integration with SmartCover device.• Expected future costs to personalize the Graphical User Interface.

THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Authorize the General Manager to approve the Freedom Automation Incorporated proposal.
2. Discuss and take other action as appropriate.

Attachments

Supplemental Materials Packet Page Number/s

1.	Freedom Automation Incorporated Proposals	108-112
2.	Southland Water Technologies Proposals	113-119
3.	SmartCover Proposals	120-126

PAUMA VALLEY COMMUNITY SERVICES DISTRICT

BOARD OF DIRECTORS

Item: 17

Date: March 31st, 2025

From: General Manager, Eric Steinlicht

Issue: Newly Updated Strategic Plan Proposal

STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Authorize the General Manager to approve the updated Strategic Plan Proposal for the fiscal year 2025 through 2026.
2. Discuss and take other action as appropriate.

BACKGROUND

The Pauma Valley Community Services District (District) Board of Directors approved Mr. Jeff Armstrong’s proposal in May of 2023, and once more again in January of 2024 as a result of Board of Director changes.

DISCUSSION

Mr. Jeff Armstrong has requested his formerly approved proposal to provide services to the District for the development of a Five-Year Strategic Plan. This will ensure that all goals of the current Board of Directors are addressed and therefore incorporated into this plan. It is recommended that the proposal be approved for the following fiscal year. This will also allow staff to consider the new rate recommendations following the Cost-of-Service Analysis tentatively scheduled for completion in October of this year.

FISCAL IMPACT

The fiscal impact of the proposal is a flat rate of Twenty Thousand Dollars (\$20,000). This proposal is not within the current budget but could be covered under the “Contingency” line item with a current balance of \$25,000. If the Board of Directors so chooses, this could be incorporated into the next fiscal year’s budget.

THEREFORE, STAFF RECOMMENDS THE BOARD OF DIRECTORS:

1. Authorize the General Manager to approve the updated Strategic Plan Proposal for the fiscal year 2025 through 2026.
2. Discuss and take other action as appropriate.

Attachments

Supplemental Materials Packet Page Number/s

1. Mr. Jeff Armstrong’s Updated Proposal

127-129

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: March 31st, 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

We have experienced minor issues with Supervisory Control and Data Acquisition System (SCADA). These have since been corrected and the SCADA System is operating within acceptable parameters. Pump efficiency improvements have been noted by staff with these SCADA corrections. As we uncover additional SCADA shortfalls, staff looks forward to a more dependable and independent system.

The Cost-of-Service Analysis continues and the consultant with staff assistance has identified non-adherence to Resolution Number 105 “Adopting Rate Increases for Sewer Service Fees”. As discussed earlier today, this oversight has been corrected.

Security Operational Report

Security operations have continued with a noticeable reduction in downtime. This improvement is likely attributed to the various incremental replacement initiatives implemented by the District’s new Gate Repair contractor.

As of the last Regular Meeting of the Board, we have updated the Airpark Gate code, which also serves as an entry into the community. This code has not been changed for over a decade and shows the District’s effort at working towards enhanced security for the community.

In an effort to continue our public outreach efforts, Security Patrol Officer, Mr. Dale Easter, visited the Pauma Elementary School to speak with students about the importance of safety. Additionally, the Security team has since upgraded the phone system for essential communication. Previously, Patrol utilized a standard phone and now utilizes upgraded push-to-talk cellular based radios that can function on any cellular based network (AT&T, T-Mobile, etc.). This is also on a priority network specifically designed for first responders. Security has shown excitement in utilizing these new devices and they appear to have excellent network coverage. The cost increase from moving from one phone to multiple (4) phones is marginal, approximately sixty dollars. A small cost to pay for enhanced communication to ultimately render a greater level of community security.




Lastly, we’ve enhanced the security measures at the back gate generator, as well as the Oak Tree lift station, due to recent vandalism.



Information Technology (IT) Report

The District is now officially live with VC3. Their support is ongoing, and the timing could not be any better. Since onboarding, VC3 has identified log-in attempts from out of state, in addition to having several support tickets opened by staff pertaining to IT related issues. In fact, my own computer hard drive

just recently failed and VC3 is now working with me to correct the issue. This support extends to the Board of Directors in the event there is any issue with accessing email or conducting any digital related District business. They can be contacted by the methods mentioned above.

 Remote Support Connection URL portal.vc3.com	 Phone Number 1-800-481-4369 option 1
 Email service@vc3.com	 Desktop Support Click the VC3 icon on your desktop to submit a ticket 

General Manager Professional Development

I will be attending the California Water Environment Association (CWEA) Annual Conference located in Palm Springs from April 22nd through April 25th. As a CWEA San Diego Section Board Director, this is an important event to attend to continue networking efforts, championing the District, and learn about what's new in the industry. Due to budget constraints, I will unfortunately miss the General Manager's Summit via the California Special District Association (CSDA) this year. I hope to attend next year to continue my professional development and do plan to also attend the CSDA Annual Conference located in Monterey, California, on August 25th, through August 28th.

Roadway Statement on Authority

The statement on the District's authority on the Pauma Valley Country Club Estates Roadways has been published on the District website. It is accessible from the homepage by clicking the image icon on the right:

After clicking the icon to the right, the user will be taken to a page where the statement is available.



District Authority
Statement regarding the District's authority to provide traffic enforcement services
[READ MORE >](#)

New Accounting Firm

As a result of staff changes at Edie Bailly, the District has transitioned to a new accounting firm, Platinum Strategies Incorporated. This firm will provide equivalent service at a reduced cost. It is critically important that the District maintain an independent accounting firm to ensure accuracy of financial data. The new firm has provided valuable suggestions to improve the District's accounting process as well as providing essential training for key staff. We continue to strengthen our internal financial controls and apply the best practices for a public agency.

The rate for utilizing a partner at this firm is One Hundred and Forty Dollars (\$140) less per hour. This is, yet again, a big win for the District, as this is a critical and essential service that will ultimately benefit the constituents via this cost savings.

Attachments

Supportive Materials Packet Page Number/s

1. General Manager's Prioritization Schedule

Pages 130-138

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