PAUMA VALLEY COMMUNITY SERVICES DISTRICT

Minutes of a Regular Meeting of the Board of Directors

Held on September 28th, 2026

Directors Present: Fred Nelson, Richard Collins, Lolo Levy, Zan Villanueva and Michael Esparza, via Zoom
Directors Absent: None
Staff Present: General Manager Eric Steinlicht, Administrative Assistant Maritza Chaloux
Also Present: Scott Shinner

1. Call to Order: The Regular Meeting was called to order at 10:00 a.m. by Director Nelson.

2. Pledge of Allegiance: The Pledge of Allegiance was led by Director Nelson.

3. Roll Call: Administrative Assistant Maritza Chaloux conducted roll call and confirmed that a quorum was present.

4. Approval of the Agenda: The agenda was reviewed. No changes to the agenda were requested by the Board.

5. Public Comment Period:
   There were no public comments.

– CONSENT ITEMS –

Items 6-8 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 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 July 27th, 2026
7. Rancho Pauma Mutual Water Company Settlement Agreement and General Release of All Claims
8. Security Division Report

Motion: Approve and file Consent Calendar Items 6-8
Result: Approved
Moved by: Director Collins
Seconded by: Director Nelson

– DISCUSSION ITEMS –

9. Pauma Valley Country Club Walkway Access Issue- Requested by Mr. Alan Metz
   A requested agenda participant was absent. The Board agreed to set this matter aside and hear the person if he arrived later. The minutes were to show he did not appear.

10. Agriculture Theft and Access Points within the Pauma Valley Country Club Estates
    The Board discussed agricultural theft near Palm Heights, security's response, and concerns regarding multiple access points within Pauma Valley Country Club Estates. Discussion included the Knox/green maintenance gate being left open and procedures for reporting observed criminal activity to law enforcement. Scott and the General Manager were asked to investigate the gate's use and access rights and evaluate monitoring and automated access options.

11. Security Division Ad-Hoc Committee Update and the Pauma Valley Roadway Association Gate Damages
    The Board discussed damage to gate wiring during road paving and the contractor's dispute over responsibility for the District's $3,100 repair cost. Directors expressed concern about the community bearing the expense and supported pursuing reimbursement from the contractor. District counsel will review the paving contract once obtained and send a renewed demand to the contractor and Roadway Association, addressing responsibility for the damage and possible restrictions on future property access until the matter is resolved.

12. Community Safety and Wellness Fair Ad-Hoc Committee Update
    The Board discussed preparations for the November 7 wellness fair, including bottled water and possible booth giveaways. The General Manager will contact Chuck to confirm whether Rancho will provide water and arrange for District-purchased water if needed.

13. Rancho Pauma Mutual Water Company Ad-Hoc Committee Update
    The Board received an update on the documents needed to dismiss the lawsuit, with filing by District counsel pending. Discussion addressed counterpart signature pages, and directors requested that all executed documents be preserved with the minutes and public record. The master lease and addendum were noted as included in the July agenda packet and consent materials.

14. District Sponsored Community Survey
    The Board discussed a proposed community survey to support the security division's strategic plan and gather residents' input on current services, desired improvements, and willingness to support additional spending. Directors emphasized including cost and household assessment impacts. The Board supported developing the survey in phases, with the General Manager to circulate the final draft for Board input before distribution, anticipated in mid-October.

15. Financial Audit and Accounting Software Update
    The Board received an update on the audit delay following the Office Manager's resignation and the transition to QuickBooks Online. The audit was tentatively anticipated in October or November, with scheduling still pending. Discussion addressed directors' access to financial records and reports, distinguishing financial oversight from transaction authority and its related policy, bonding, and insurance considerations. Staff and the financial consultant were preparing a custom actual-to-budget report and correcting budget line-item discrepancies.

16. Solar Project Billing Update
    The Board discussed SDG&E's continued delay in correcting the allocation of solar credits. Approximately $40,000 in credits had accumulated on the Airpark account while other District accounts continued to incur regular charges. Staff reported repeated follow-up efforts, including an escalation email. The General Manager will allow another one to two months for resolution before involving Jeff and Bob if the issue remains unresolved.

17. San Diego Local Agency Formation Commission (LAFCO) Annexations Update
The Board received an update that engineering work for the three annexation areas is complete. The General Manager will address outstanding application questions and submit the complete package to LAFCO. Once the application is deemed complete, payment will be requested, and the matter will proceed to LAFCO Board consideration. The process is estimated to take six to ten months if no issues arise. Engineering fees have been paid and exceeded the initial estimate.

18. Board of Directors Term Details and Upcoming General Election
The Board discussed the close of the candidate filing period, upcoming director departures, and vacancies that could leave the Board without a quorum. Discussion addressed the County Board of Supervisors' appointment authority if quorum is lost. The General Manager is working with District counsel to evaluate options for filling vacancies and maintaining quorum. Counsel will research the matter and provide a memorandum outlining next steps.

– ACTION ITEMS –

19. Reclassification of Office Manager to Administrative Services Supervisor and Approval of Revised Salary Schedule
The Board of Directors will consider reclassifying the current vacant Office Manager position to "Administrative Services Supervisor" and approving the corresponding amendment to the District's Salary Schedule

Staff Recommendation:

1. Approve the reclassification of Office Manager to Administrative Services Supervisor.
2. Adopt the revised District Salary Schedule and new Organizational Chart reflecting the new title
3. Discuss and take other action as appropriate

The Board approved reclassification of the Office Manager position to Administrative Services Supervisor and adopted the revised salary schedule and organizational chart reflecting the new title.

Motion: Approve the reclassification of the Office Manager position to Administrative Services Supervisor and adopt the revised District Salary Schedule and Organizational Chart reflecting the new title.
Result: Approved
Moved by: Director Esparza
Seconded by: Director Nelson

20. California Fair Political Practices Commission (FPPC) Required Conflict of Interest Code Update
The Board of Directors will conduct a public hearing prior to the approval of the required Conflict of Interest Code update to be submitted to the San Diego County Board of Supervisors for approval.

Staff Recommendation:

1. Conduct a public hearing.
2. Adopt Resolution number One Hundred Forty-Two approving the corrected Conflict of Interest Code.
3. Authorize the General Manager to submit the adopted code and signed resolution to the San Diego Board of Supervisors for Approval.
4. Discuss and take other action as appropriate.

A public hearing was conducted. No members of the public were in attendance, and no public comments were received.

Motion: Director Levy moved to approve the updated Conflict of Interest Code as presented. Director Collins seconded the motion.
Result: Approved
Moved by: Director Levy
Seconded by: Director Collins

21. Halloween Event Authorization and Logistics at the Pauma Valley Country Club Estates 2026
The Board of Directors will consider authorizing guest entry for the Halloween access event and the related logistics for the Pauma Valley Country Club Estates.

Staff Recommendation:

Discuss and take action as appropriate.

The Board discussed opening the gates for Halloween in the Luiseno and Wiskon Way East areas, with access near the tennis courts and Palm Valley Road. Staff will coordinate access arrangements and check for roadway or sewer work to avoid hazards for children.
Motion: Director Nelson moved to approve opening the gates for the 2026 Halloween event. Director Villanueva seconded the motion.
Result: Approved
Moved by: Director Nelson
Seconded by: Director Villanueva

22. Total Compensation Study for All Positions
The Board of Directors will consider approving one of three proposals for a District-wide "Total Compensation Study" that will review comparable compensation for every position, including the General Manager, for comparable compensation and draw from the Operating Reserves to fund the study.

Staff Recommendation:

1. Authorize the General Manager to execute the Cooperative Personnel Services Human Resources Consulting Proposal
2. Authorize the General Manager to utilize the District's Operating Reserves to fund the study.
3. Discuss and take other action as appropriate.

The Board discussed an independent compensation study to establish market comparisons and support employee recruitment and retention. Directors considered study costs, available public salary data, staffing needs, and the District's financial limitations.

Motion: Director Esparza moved to authorize a salary survey at a cost not to exceed $12,000, without using reserves. Director Nelson seconded the motion. The motion failed by the following vote:
Result: Failed
Ayes: Director Nelson, Director Esparza
Noes: Director Levy, Director Villanueva, Director Collins
Moved by: Director Esparza
Seconded by: Director Nelson

-- INFORMATIONAL ITEMS --

23. General Manager's Report

The General Manager provided updates on office and technology improvements, health-insurance changes, and potential federal solar funding. Sanitation and stormwater discussion covered maintenance, storm preparation, treatment-system concerns, and repair options. Directors requested that these efforts be highlighted in the District newsletter. Staff is investigating the removal of a communications tower that disrupted back-gate cameras and scanners and evaluating replacement connectivity options. Security coverage has been increased in the affected area.

24. Miscellaneous Items
    A. Requested Items for future agendas **(Directors and Staff Only)**
        a) Salary and Total Compensation Study (Presented Today)
        b) Critical Spare Part Inventory/Replacement Program and Computerized Maintenance Management System (CMMS) (In Progress)
        c) Employee Satisfaction Survey (In Progress)
    B. Next Regular Meeting of the Board:
        a) Monday, October 26th, 2026, at 10:00 a.m.

– CLOSED SESSION –

25. 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)
    (Three (3) Matters)

    The Board entered closed session at 12:28 p.m.

26. Open Session
    A. Reportable Actions.

    The Board reconvened to open session at 1:18 p.m. with no reportable actions.

27. Adjournment
    With nothing further to discuss, the meeting adjourned at 1:21 p.m.

Maritza Chaloux

Maritza Chaloux, Recording Secretary