

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

**Held on May 28, 2024**

**Directors Present:** Roland Skumawitz, Michael Esparza, Larry Curtis & Richard Collins  
**Also Present:** Jeffery Morris of DPMC, Melissa Bellitire with NBS, Adina McCargo with NBS, Residents Fred Nelson, Tom Cerruti, General Manager Eric Steinlicht, and Office Manager Marissa Fehling

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1. Call to Order: Regular Meeting was called to order at 10:02 a.m. by President Skumawitz.
2. Pledge of Allegiance: The Pledge of Allegiance was led by Director Curtis.
3. Roll Call: Fehling verified that a quorum was present.
4. Public Comment Period:  
Nelson complimented staff on the preparation of the Board Meeting Packet, stating it was the best put-together packet he has seen in over 14 years. Nelson then inquired about the 8<sup>th</sup> Fairway drainage costs. He noted that PVCC used to be responsible for these costs and questioned why they are now the full responsibility of the District. Steinlicht informed that this topic would be further discussed later in the meeting.

**--CLOSED SESSION--**

5. The Board of Directors Will Meet in a Closed Session to Discuss
  - A. **CONFERENCE WITH LEGAL COUNSEL**  
Potential/Threatened/Anticipated Litigation  
Significant Exposure to Litigation  
Pursuant to Government Code Section 54956.9(b)  
(Two (2) Matters)
  - B. **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 10:05 a.m.

6. Open Session
  - A. Reportable Actions

The meeting was resumed in open session at 10:32 a.m., and there were no reportable actions to be disclosed.

**--CONSENT ITEMS--**

Items 7-10 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 Special Board Meeting April 15th, 2024
8. Review of Balance Sheet, Revenue and Expense Reports
9. Accounts Receivable Reports
10. PVCS D Security Reports

Upon a motion by Esparza, seconded by Curtis, and a unanimous vote, items 7 and 10 were approved as presented.

**--DISCUSSION ITEM--**

11. Utilizing Neste, Brudin and Stone (NBS) Services – General Manager Steinlicht  
McCargo from NBS provided a slideshow presentation detailing the company’s years of experience. She explained the advantages of transitioning to Tax Roll Billing including improved efficiency. McCargo also outlined the associated costs and fees of implementing this billing method along with the necessary steps that would need to be taken. Skumawitz inquired about delinquent accounts; McCargo explained how they handle delinquent accounts. Cindy from Eide Bailly joined the meeting via Teams and explained her support for adopting Tax Roll Billing for the District. Esparza gave consent for Steinlicht to move forward with the implementation of Tax Roll Billing.
12. Outsource Payroll and Human Resources Administrative Operations – General Manager Steinlicht  
This item was deferred.
13. Preliminary Budget Review and Discussion – General Manager Steinlicht  
Steinlicht presented the draft 2024/2025 FY Budget explaining key items. Collins requested to add a line item to reflect RPMWC’s rent payments.
14. Storm Drainage System Update Near 15805 Pauma Valley Drive – General Manager Steinlicht  
Steinlicht provided an update on this matter and informed what the plans to fund this would entail. Cerruti requested that his address be added to this matter.
15. Roadway Association Ad-Hoc Committee Update – President Skumawitz  
Skumawitz provided an update.

**--ACTION ITEMS--**

16. Resignation of Director Lawston  
The Board of Directors will consider appointment, or the deferment of appointment as a result of Director Lawston’s recent resignation, effective May 6<sup>th</sup>, 2024.

Staff Recommendation:

1. Discuss and take action as appropriate.

Skumawitz announced that Director Lawston resigned from the Board of Directors effective May 6<sup>th</sup>, 2024. He outlined the options available for appointing a new board member. Skumawitz also requested that staff send Lawston a token of appreciation on behalf of the District for her service on the Board. Collins moved to postpone the election of a new Board Director until the November General Elections. The motion was abstained by Esparza and carried by the remaining members.

17. Wiskon Way West Drainage System Bid Award  
The Board of Directors will consider the proposals acquired for the drainage system located off Wiskon Way West which drains into the channel along the 8<sup>th</sup> Fairway on the Pauma Valley Country Club.

Staff Recommendation:

1. Authorize the General Manager to approve Bart Dixon’s proposal limited to the 8<sup>th</sup> Fairway.
2. Discuss and take other action as appropriate.

Steinlicht explained the issues the District is experiencing with the Wiskon Way West drainage system. Collins recommended that staff request financial assistance from PVCC for the maintenance costs. Esparza reported that legal counsel reviewed the properties not owned by the District and confirmed that, due to our easement rights on these properties, their drainage maintenance is our responsibility. Steinlicht affirmed this understanding.

Collins moved to authorize the General Manager to approve Bart Dixon’s proposal for the clean-up of the area limited to the 8<sup>th</sup> Fairway, and to discuss cost-sharing with PVCC. The motion was seconded by Esparza and unanimously approved.

18. Solar System and Electric Vehicle Charging Stations Completion Bid Award

The Board of Directors will consider authorizing the General Manager to approve a proposal that will complete the Solar System Project.

Staff Recommendation:

1. Authorize the General Manager to approve Sattler Electric Inc. Proposals
2. Discuss and take other action as appropriate.

Steinlicht reviewed the options available for completing the Solar System Project and discussed the provided proposal from Sattler Electric Inc. Collins asked if Steinlicht recommended proceeding with Sattler Electric, to which Steinlicht confirmed his recommendation. Collins expressed concern about allowing PVCC members to use the charging stations for free. Steinlicht explained the initial rationale behind this approach.

Esparza motioned to authorize the General Manager to approve Sattler Electric Inc.’s proposal, seconded by Curtis and unanimously approved.

19. Cost of Living and Salary Schedule Adjustment

The Board of Directors will consider a four percent cost-of-living adjustment (COLA) for fiscal year 2025 (not granted in fiscal year 2024), in addition to amending the salary schedule via Resolution 119 to accurately reflect staff pay rate ceilings (reflected in fiscal year 2025 upcoming budget discussion).

Staff Recommendation:

1. Authorize staff to execute a COLA, and approve salary Schedule A
2. Discuss and take other action as appropriate.

Fehling provided an explanation for why staff was seeking the Board’s authorization to implement a Cost of Living Adjustment (COLA) for all staff members and to approve the presented Salary Schedule Exhibit A. Curtis made a motion to approve the request and authorize staff to execute the COLA for staff, as well as adopt Resolution 119, approving Salary Schedule Exhibit A. Collins seconded the motion, and it was unanimously approved.

20. CalPERS Corrections Cost and Invoicing the Rancho Pauma Mutual Water Company (RPMWC)

The Board of Directors will consider authorizing staff to dispatch payment to CalPERS due to incorrect submittals followed by an invoice to the RPMWC for their portion of the cost.

Staff Recommendation:

1. Authorize the payment to CalPERS and issue an invoice to the RPMWC.
2. Discuss and take other action as appropriate.

Steinlicht elaborated on the CalPERS corrections that were presented, along with the associated costs from Eide Bailly for rectifying these issues. Steinlicht then disclosed the amount owed by RPMWC for their share of the corrections, as the errors occurred during the period when RPMWC shared employee payroll-related expenses for Administration and Utility staff members. Esparza made a motion to authorize staff to issue the CalPERS payment and to issue an invoice to RPMWC for their portion. The motion was seconded by Curtis and unanimously approved.

21. Ordinance 55 Amendment

The Board of Directors will consider approving the newly amended ordinance 55 that has been vetted by the District's General Counsel, as well as the General Manager to accurately define the District's authority and obligations.

Staff Recommendation:

1. Approve amended Ordinance 55.
2. Discuss and take other action as appropriate.

Steinlicht provided an overview of the updates incorporated into Ordinance 55. Esparza commended Steinlicht for the improvements made, expressing he was very pleased. Collins then moved to approve the amendments to Ordinance 55, seconded by Esparza, and unanimously approved.

**--INFORMATIONAL ITEMS--**

22. General Manager's Report

Steinlicht provided the General Manager's Report.

23. Miscellaneous Items

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

- a) District Newsletter
- b) Salary Survey
- c) Updates on the District Policy Handbook
- d) Critical Spare Part Inventory Replacement Program (CMMS)

B. Board Comments

C. Announcements

D. Next Regular Meeting of the Board:

- a) ~~Monday, June 24<sup>th</sup>, 2024, at 10AM: CANCELLED~~
- b) Special Meeting Scheduled: Thursday, June 20<sup>th</sup>, 2024, at 10 AM

24. Adjournment

Collins commended staff for their great efforts. With nothing further to discuss, a motion was made by Director Esparza to adjourn at 12:28 pm, seconded by Director Curtis, and unanimously approved.

*Marissa Fehling*

Marissa Fehling, Recording Secretary