

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

Held on November 27th, 2023

Directors Present: Jodie Lawston, Michael Esparza, Roland Skumawitz, Larry Curtis & Richard Collins
Also Present: Secretary of RPMWC Linda Shoaff, Vice President of RPMWC Laurie Kariya, Treasurer of RPMWC Bruce Knox, Charles Mathews, Fred Nelson, Ron Krohn, Rhonda Curtis, Tom Cerruti, Janet Scott, Jeff Armstrong, Greg Giles, General Manager Eric Steinlicht, Interim Office Manager Marissa Fehling

1. Call to Order: Special Meeting was called to order at 10:01 a.m. by President Lawston.
2. Pledge of Allegiance: The Pledge of Allegiance was led by President Lawston.
3. Roll Call: Fehling verified that a quorum was present.
4. Public Comment Period:
No public comments.

--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)
(Once (1) Matter)
 - 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)
 - C. **PUBLIC EMPLOYMENT PERFORMANCE EVALUATION**
Title: General Manager
Authority: Government Code section 54957
 - D. **PUBLIC EMPLOYEE APPOINTMENT**
Title: General Manager
Authority: Government Code Section 54957
Conference with Labor Negotiator
District Representative: President Jodie Lawston
Employee: General Manager
Authority: Government Code Section 54957.6

The Board entered closed session at 10:02 a.m.

6. Open Session
 - A. Reportable Actions

The meeting was reconvened to open session at 10:39 a.m. with no reportable actions.

--CONSENT ITEMS--

Items 7-13 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 of September 18, 2023
8. Minutes of the Special Board Meeting of October 5, 2023
9. Minutes of the Special Board Meeting of November 3, 2023
10. Review of Balance Sheet, Revenue, and Expense for July Through October 2023
11. PVCSD Security Reports
12. Mr. Larry Curtis's Notarized Oath of Office
13. Pauma Valley Country Club Storm Drain Maintenance Invoice

Esparza informed that he would like to have items 8 and 10 pulled for further discussion, Mathews informed that he would like to have item 8 pulled for further discussion, and Kariya requested to have items 7, 8, and 9 for further discussion. Kariya questioned a statement made by Crocker in the September Minutes and asked for the wording in item 7 of the September Minutes to be updated to include the Board President of RPMWC. Mathews requested that the wording be corrected to correctly state Director Curtis' term date in the October Minutes. Mathews inquired on why the depreciation was not reflected on the Revenue and Expense Report. Steinlicht explained the financial report changes and the corrections that were made to the financial statements and informed that the depreciation would be reported and shown on the financial statements at year-end. Upon a motion by Collins, seconded by Lawston and a unanimous vote items 7, 8, 9, and 10 were approved with the corrections made herein.

--DISCUSSION ITEM--

14. Long-Range Financial Plan Presentation Recap – General Manager Steinlicht
Steinlicht explained that Armstrong was there to give a recap of the Long-Range Financial Plan and the deficits within. Armstrong presented the recap of the Long-Range Financial Plan and explained the rate requirements for the appropriate revenue. Armstrong explained his recommended rate increases for the next three years for Security and Gate services. Esparza asked what Armstrong's thoughts were on the District's Reserve Policy, Armstrong stated that the reserve policy met the standard practices for Community Service Districts. Armstrong stated that QuickBooks tracking of the separate cost centers should have been tracked from day one.

--ACTION ITEMS--

15. Employment Contract of the General Manager
The Board of Directors will review and consider endorsing an amendment to the General Manager's employment contract.

Staff Recommendation:

Discuss and take other action as appropriate.

Esparza explained that the General Manager has been reviewed by the Board of Directors. Esparza informed that he had done some research on other districts' salary ranges for districts in San Diego county and informed that the PVCSD is not overpaying the General Manager as some community members have been indicating. Esparza proposed to accept the amendments presented with a five percent increase to the GM's salary effective January 1, 2024. Kariya inquired whether the comparatives Esparza provided were all for the same tenured employees. Esparza informed that he had not reviewed their length of experience. Upon

a motion by Skumawitz, seconded by Esparza and a unanimous vote, the amended Employment Contract of the General Manager was adopted.

16. Board of Directors Presidency Vacancy
President Lawston will step down as the current Board President.

Staff Recommendation:

1. Entertain a motion for the position of Board President.
2. Discuss and take other action as appropriate.

Lawston explained she was choosing to step down as the Board President. Curtis nominated Skumawitz for Board President, seconded by Lawston. Esparza informed he was interested in continuing to serve as the Vice President. Collins stated that he believed Skumawitz would do a fine job as the Board President. Upon a motion by Curtis, seconded by Lawston, and a unanimous vote, Skumawitz was elected to be the Board President.

17. Public Hearing for Security and Gate Rate Increases
The Board of Directors schedules a public hearing prior to approving Security and Gate rate increases.

Staff Recommendation:

1. Conduct a Public Hearing.
2. Authorize staff to increase rates for Security and Gate charges.
3. Discuss and take other action as appropriate.

Steinlicht explained the different alternatives and what the outcomes would be from a financial standpoint. Steinlicht explained that the Public Hearing was noticed properly. The Public Hearing was opened. Mathews inquired about the notice of the Public Hearing; Steinlicht informed where the notices were published and when. Shoaff inquired what additional services would be provided since the rates were being increased by over five percent. Scott inquired if the specific increase amounts were in the notice. Steinlicht informed that the notice just informed of a potential rate increase. The Public Hearing was closed.

Upon a motion by Collins, seconded by Esparza, and a unanimous vote the proposed and recommended Alternative #1 was adopted.

18. Approval and Adoption of the District Calendar
The Board of Directors will consider approving and adopting a designated District Calendar that includes scheduling details for Regular Board Meetings and observed holidays.

Staff Recommendation:

Discuss and take other action as appropriate.

Fehling presented two District Calendars for 2024 and explained the difference between the two with the proposed meeting dates. Esparza explained the historical meeting date scheduling for the District and informed that with so much going on he believes Option B was a better choice. Steinlicht explained why he was in favor of Option A. Upon a motion by Skumawitz, seconded by Curtis, with Esparza voting against, and the motion carried by majority vote, Option B of the District Calendar was adopted.

--DISCUSSION ITEMS--

19. Long-Range Financial Plan Presentation Recap – General Manager Steinlicht
Esparza explained that the District had planned on implementing a functional solar project with the intention of adding to our reserves and unfortunately, unforeseen challenges led to a change in our initial plans. Esparza noted how proud he was of the Board and General Manager.
20. Solar System Project Status Update – General Manager Steinlicht
Steinlicht gave an update on the Solar System Project Status Update. Steinlicht explained that he is requesting that the contractor provide a Power Purchase Agreement. Curtis inquired how current panels are being valued. Steinlicht explained. Esparza requested that Steinlicht report back with a few recommendations.
21. AED Compliance and County Guidelines – Vice President Esparza
Esparza explained the AED program.
22. PVCSD and RPMWC Status Update – Board President
Skumawitz informed there was no update at this time and that mediation was still in progress.
23. PVCSD and PVRA Ad-Hoc Committee Update – Treasurer Collins
Collins informed that the Ad-Hoc Committee has possibly come to an agreement and the details are still in the works and is hoping to be able to give more information at the next meeting. Esparza informed that as a government agency, they must be in line with the law.

--INFORMATIONAL ITEMS--

24. General Manager's Report
Steinlicht thanked the Board of Directors and Staff and presented the GM report. Steinlicht reported that Water Quality Specialist (WQS) stepped in on October 1st, 2023, and things have been very cohesive. Steinlicht since WQS started, labs were switched, and redundant testing has been eliminated. Steinlicht gave an update on SCADA and IT. Collins requested some pricing on replacing QuickBooks with a program that would be more suitable for the District. Steinlicht reported that the CalPERS errors are still in the works. Esparza stated that he believes RPMWC should be responsible for fifty percent of the costs to get these errors corrected. Esparza recommended considering doing something for employee recognition next year. Steinlicht gave commendations to Interim Office Manager, Marissa Fehling, Security Supervisor, Todd Albert, Utility Supervisor, Jake Oehlert, and Officer Dale Easter.
25. Miscellaneous Items
 - A. Requested items for future agendas (Directors and Staff Only)
 - a) Email List
 - b) Website Revamp and Transparency Update
 - c) Cost of Living Adjustment for 2023
 - d) Employee Handbook Revisions
 - e) Agreement with RPMWC for SGMA
 - f) CHP Satellite Office and RPMWC
 - g) Tasers for Security
 - h) Analysis for Outsourcing Security and Gate Services
 - i) Salary Survey

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- j) Updates on District Policy Handbook
 - k) Criteria for Restricting RFID Access to Dangerous Individuals
 - l) Critical Spare Part Inventory Replacement Program
 - m) Computerized Management Maintenance System
 - n) Treatment Plant Rehabilitation and Improvement
- B. Board Comments – None
 - C. Announcements – None
 - D. Next Regular Meeting TBD by the Board of Directors.

26. Adjournment

With nothing further to discuss, a motion was made by Director Esparza to adjourn at 11:56 a.m., seconded by Director Curtis, and unanimously approved.

Marissa Fehling

Marissa Fehling, Recording Secretary