

Minutes of a Special Meeting of the Board of Directors of the
PAUMA VALLEY COMMUNITY SERVICES DISTRICT (PVCSD)

Held on September 06, 2022

Directors Present: Michael Martello, Michael Esparza, Jodie Lawston, Betty Potalivo, and Roland Skumawitz
Also Present: RPMWC Director Bruce Knox, Residents: Charles Matthews, Bill Jacobs, Pam Martello, Janet Scott, Others Present: Dave, JM, Francis DiGiacco of Hillier DiGiacco LLP, General Manager Bobby Graziano, Office Manager Amber Watkins, and Administrative Assistant Marissa Fehling

- 9.1 Call to Order: Special Meeting was called to order at 10:02 a.m. by President Martello.
- 9.2 Roll Call: Fehling verified that all directors were present at that time, to constitute a quorum.
- 9.3 Open for Public Comments:
a. 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, 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– Knox reported that he received an email from Larry Taylor informing him that he was misled by Matthews. Knox read from the recent Rancho Pauma Mutual Water Company (RPMWC) draft minutes. Knox officially requested a joint meeting with PVCSD Board. Matthews informed he has not spoken to Mr. Taylor on this matter. Matthews informed that during the RPMWC Board meeting, he inquired about Mr. Taylor’s resignation from the RPMWC Board of Directors and quoted Mr. Knox’s statement, stating that if Mr. Taylor disagreed with the meeting he would resign. Knox disagreed with Mathews’ statement and left the meeting at 10:07 am.
- 9.4 Consent Calendar: All items 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.
a. AB 361 – Hybrid Meetings
- Esparza motioned to approve the consent calendar, seconded by Skumawitz and upon a unanimous vote was adopted.
- A request was made by Martello to move item 9 on the agenda to be discussed now. A motion was made, seconded and unanimously approved to move this agenda item.
- 9.9 Rancho Pauma Service Agreement Discussion
a. The Board President will update the Board and the public on recent discussions and demands made by the Rancho Pauma Mutual Water Company and the Board will discuss potential studies or changes in the future- Martello presented and explained a timeline of recent conversations and events that happened between PVCSD and RPMWC. Martello informed the Board of a conversation he and Knox had just prior to today’s meeting in regards to Knox’s disagreements with some items on the timeline handout. Martello reported that he will seek an opinion from FPPC on voting matters. Martello informed that he has primarily dealt with Chuck Bandy and Laurie Kariya from the RPMWC Board. Martello informed that he intends on sending the RPMWC Board a response letter to their letter dated September 1, 2022. Esparza inquired whether the RPMWC Board decision on discontinuing their portion of the GM’s pay was due to performance

or a business decision. Martello explained that they expressed their vote was due to zero confidence in the GM and do not want to continue paying for him. Potalivo inquired on whether personnel issues would be discussed today. Martello informed that personnel discussions have nothing to do with RPMWC. Potalivo mentioned that she is assuming that they would be seeking counsel in regards to the all the decisions needing to be made in regards to human resources. Martello informed that they need to begin searching for new counsel. Lawston noted her concerns about process of how this is all unfolding and if it were legal/illegal and/or doable. Lawston stated that she doesn't believe that the Board has been given a clear response based on rhetoric that hits board members on the streets. Martello noted that Knox has now stated RPMWC never had any interest in leaving, just reorganizing. Martello also confirmed that this is the only item received in writing by RPMWC. Potalivo informed that she would like to know what is legal vs illegal and the normal protocol. It was noted that it would be best to refrain from inflammatory language, to deescalate this issue. Skumawitz explained that the letter from RPMWC informed that they are wanting to replace the GM with Office Manager Amber Watkins. Skumawitz informed that one concern was that the Board has been reaching out to staff and explained his experience with running a business. Esparza mentioned that we are a Government agency and need a GM. Esparza noted that if RPMWC has a personal concern we should be aware of it and engage as soon as possible to discuss the issues as a Board and assist in directing the President with these matters. Lawston stated that the last correspondence they received from RPMWC was that they stop paying their portion of the GM's salary as of October 1, 2022. Jacobs stated that it boils down to RPM wanting to fire the GM. He was corrected by the Board stating they will not be paying his salary, but they can not fire the GM. Jacobs informed that if they want to run their business in a different manner and they have a problem with PVCSD they can formally terminate the relationship and go on their own. Jacobs noted that the employees are PVCSD employees. Mathews informed that with so many moving parts the community wants a clear structure with good service. Mathews mentioned that PVCSD and RPMWC have an advanced SCADA system that could cause major damage if not secured. Potalivo inquired on what computer system he was referring to. Graziano informed that our SCADA system monitors and controls all elements of our water and wastewater system. Graziano reported that in 2014 both entities paid to create the SCADA system. Graziano informed that the system triggers alarms if any issues arise. Graziano informed that Jake Oehlert resigned from PVCSD and explained how SCADA will be handled now that Jake is not a CSD employee. Potalivo inquired on who has access to SCADA; Graziano explained who the 6 individuals were. Potalivo inquired on whether any of the individuals who have access to SCADA could sabotage the system. Graziano informed what the process would be if that were to happen. Jacobs reminded that SGMA issues are a whole separate issue to consider as far as who will continue to represent and so on. Martello informed that he will be submitting a letter to RPMWC Board on behalf of PVCSD asking them to rescind their letter stating they are going to breach and will note that PVCSD is open to discussing the changing relationship. Lawston asked that the Board have input on the letter prior to it going out. Martello informed he would bring it back to the Board at the next meeting. Lawston left the meeting at 11:15 am.

The Board went on break at 11:15 am.

The meeting reconvened at 11:22 am. Lawston joined the meeting via Zoom.

9.5 Wastewater Treatment Plant Contract – GM Graziano

a. The Board will consider replacing Dudek, Inc. with Water Quality Specialist, Inc for management, operation, and regulatory responsibility of the wastewater treatment plant. – Graziano explained the treatment plant process and the certs required for treatment plant operators. Graziano explained that there are two companies in the area that can provide contract of the wastewater treatment plant: Dudek and Water Quality Specialist, Inc. He informed how

difficult it is to staff the wastewater treatment plant with the appropriate levels of certificates. Graziano informed that he had multiple discussions with Dudek and Water Quality Specialist (WQS) about the needs of our district and explained their responses. Graziano recommended that the Board accept the proposal from WQS to fulfill the duties of the Chief Plant Operator and staff the plant with the appropriate levels of certified Operators for \$5,950. Graziano informed that the proposed start date would be 60 days from the date of notification and requested authorization to provide the 120 written notice to terminate the current service contract with Dudek. Martello clarified what the disengaging process with Dudek would be with Graziano. Graziano notified that the Utility staff department would not need to be increased nor decreased with these changes. Esparza informed that according to the District's Purchase Policy, we would need to follow and do an RFP and informed that he would be uncomfortable moving forward without doing so. Graziano mentioned that this was a unique situation since it is a change in operating expense. Potalivo inquired on whether Graziano has written bids. Graziano informed that he has a written bid from WQS. Martello inquired on whether Graziano would handle getting an RFP if needed; Graziano confirmed. Lawston stated that she would like to see us go through an RFP process also. Lawston asked if we previously were under contract with WQS, and if so, why we terminated with them. Lawston also noted that she would be more comfortable keeping Dudek during the transition. Mathews commented that since PVCSD is currently not in compliance there is an urgency to get this taken care of. Graziano noted that WQS would expand the oversight that we currently have by taking responsibility for sampling, reporting, and interactions with the State Board as it pertains to our permit. Mathews asked for clarification of the cost and what it includes. Graziano explained the options. Esparza inquired on whether this would affect the administrative staff. Graziano informed that Administrative staff hours would be cut back by 7.5 hours per week. Esparza informed that he would like to get an organized tour of the treatment plant. Esparza explained a graph that Dudek provided and suggested that we provide the same type of graphs. Esparza suggested starting off with a 3 month contract to evaluate their work at that time. Mathews informed that while the district had been satisfied with the sewer management service provided by WQS that the arrangement with them was terminated because RPMWC, with whom the WQS service was shared, wanted a higher level of service than WQS was able to provide. Martello requested that Graziano bring back three bids at the next meeting and also find out if WQS could come in immediately due to compliance issues. Potalivo strongly suggested setting up a strategic meeting. Esparza agreed. Martello moved to table the remaining undiscussed items to the next regular meeting, seconded by Skumawitz, upon discussion, a majority of the Board was in favor of conducting the Closed Session today, only items 6,7 and 8 were unanimously approved to be moved to the next meeting.

- 9.6 General Manager's Report – GM Graziano – Item Tabled
- 9.7 Meetings of the Board Policy
 - a. The Board will discuss the Meetings of the Board Policy – Item Tabled
- 9.8 Strengths, Weaknesses, Opportunities, Threats (SWOT) Analysis
 - a. The Board will discuss the value of a SWOT Analysis – Item Tabled
- 9.10 Other Business –
 - a. Requested items for next or future agendas (Directors and Staff Only) – None
 - b. Board comments – None.

- 9.11 Closed Session – Public Employee Performance Evaluation –
 - a. In accordance with Government Code Sections 54954.5(e), and 54957 the Board will discuss the performance of the General Manager – The Board entered closed session at 11:59 a.m.

- 9.12 Open Session –
 - a. Reportable actions from Closed Session – The meeting reconvened to Open Session at 12:37 p.m. No reportable actions reported.

- 9.13 Announcements/Adjournment –
 - a. Regular Meeting on September 26, 2022, at 10:00 a.m. – The next meeting date is scheduled for September 26, 2022, at 10:00 a.m. With nothing further to discuss, motion was made by Martello to adjourn at 12:37p.m., seconded and unanimously approved.

Marissa Fehling

Marissa Fehling, Recording Secretary