

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

Held on May 26, 2020

Directors Present: Sam Logan, William Schultz, Bill Jacobs, Heidi Person and Laurie Kariya;
Also Present: Residents Charles Mathews, Bill Winn, Jim Cipriano, Patsy Fritz, Ron Krohn, Mary Boehm and Michael Esparza, General Manager Bobby Graziano, Jeff Pape of Dudek, Office Manager Amber Watkins, Administrative Assistant Marissa Fehling,

- 5.1 Call to Order: Regular Meeting was called to order at 10:02 a.m. by President Logan. All participants joined the meeting via Zoom and were placed on mute by the host. Logan thanked everyone for attending the meeting and explained that because of COVID-19 this meeting was being held via teleconference. Logan gave a review of the guidelines and general instructions for the meeting.
- 5.2 Open for Public Comments: Cipriano complimented Fehling and Watkins for doing a great job on the May 8th, 2020 Minutes. Cipriano inquired on the status of the public comments request he made on May 8th that Logan said he would send out. Graziano informed that the PVCSD website is always a work in progress and that if the content on the website with regards to any topic is inaccurate staff make edits as needed. Cipriano inquired about the document package sent to all residents and why it was different than the one included in the April 27 packet. Graziano informed that the content was refined, clarified and minimized for the public. Fritz inquired on whether she would need to address the BOD with questions on items on the agenda at the time the item is up for discussion or if she should do so in open comments. Logan informed her that when we get to that item, she can make a public comment on that topic. Graziano informed that public comments are to be made on items not on the agenda. Krohn introduced himself as the owner of Lot 180 in Subdivision 3. He informed that he maintains the brow ditch behind his property and plans on continuing to do so and feels that his neighbors should do the same. Krohn stated that the prior Board from some years ago heard this issue and addressed it with decisive action. Krohn commented that it is improper for the current Board to reverse a decision that was studied in depth and acted on by a prior board. Krohn stated that the maintenance of the brow ditch within Subdivision 3 is the responsibility of the property owners. Logan informed that a property owner really pushed for this decision and explained that PVCSD would be happy to not have to take on the responsibility if all property owners agreed to maintain them themselves. Fritz stated that she feels this is an individual property owner responsibility matter and it would be inappropriate for the Board to move forward with spending the community's money on this. Logan informed that the Board will listen to all comments and concerns regarding this matter and take it all under consideration, adding that it may not even be legally allowed for the District to take on the responsibility of maintaining the brow ditches without proper legal access. Person informed that the District has very specific easements for the drainage system surrounding Wiskon Way West, but that is not the case within Subdivision 3. Logan suggested having a Special Meeting with the individuals who would like the brow ditches maintained to further discuss options. Graziano informed that PVCSD has budgeted 40K for this project out of the Sanitation cost center. Fritz expressed opposition to including \$40K in the budget for it was a gift of public funds to a small subset of the community. Fritz asked that it be removed as a budget item. Graziano informed that this was still just a draft budget and input like this was welcome. Winn agreed with Fritz stating that PVCSD should investigate what their actual responsibilities are and not just what homeowners request. Winn informed that the Board investigated this matter in the past and found that there were no easements for Subdivision 3, meaning PVCSD does not have the responsibility to maintain the brow ditches in that subdivision. Mathews added that if PVCSD takes on the responsibility of maintaining the brow ditches then the invoices should reflect the cost for those specific homeowners. Graziano informed that this item can be tabled and discussed in more detail at a later time.

5.3 Approval of Previous Minutes:

a. Regular Meeting Feb 24, 2020- Person made a correction changing the “conceal” word used to “carry”. Kariya made a grammar correction. Jacobs motioned to adopt the Regular meeting minutes of February 24, 2020 with the corrections requested herein; seconded by Schultz and unanimously adopted.

b. Special Meeting May 8, 2020- Kariya made a grammar correction. Kariya motioned to adopt the Special meeting minutes of May 8, 2020 with the corrections requested herein; seconded by Jacobs and unanimously adopted.

5.4 Security Report:

a. Daily Activity Report- Graziano informed that there are 3 months of reports. Person informed that there have been some issues where passes are not being issued to familiar faces and rather just waiving them in. Logan informed that they are making it a strong issue at the gates and big improvements should be seen. Winn questioned why the patrol officer did not escort a trespasser mentioned in the Security Report back to the Front Gate. Jacobs informed that the patrol officer needed to talk to the homeowner who was supposed to authorize the landscaper’s entrance. Winn questioned why an officer was not patrolling his street after speaking to Graziano regarding an issue he was having. Graziano informed that he requested the patrol officers to specifically stake out Winn’s property between 8 am to 8:30 am after learning about the incidents. Graziano apologized that it was not done and informed that this matter would be followed up on with the Security Supervisor. Logan informed that he agrees that every individual without an RFID should be given a guest pass. Jacobs informed that he would like to see a contractor’s analysis on the video loss matter for the back gate. Upon a motion by Schultz, second by Jacobs and unanimous vote, the Daily Activity Report was adopted as presented.

b. Gate Penalty Assessment Report- Presented for review.

5.5 Financial Report:

a. Review of BS, P&L as of 2/29/2020 – Cash Assets as of 2/29/2020 reflect \$1,005,713, Accounts Receivable of \$72,537 and Accounts Payable of \$14,224. Watkins reported the reimbursement revenue item on the P&L included a refund for a dissolved oxygen meter purchased in error for the treatment plant. Watkins informed that the salaries item included some overtime costs due to vacations and sick days taken.

b. Review of BS, P&L as of 3/31/2020 – Cash Assets as of 3/31/2020 reflect \$1,051,136, Accounts Receivable of \$80,357, and Accounts Payable of \$9,810. Watkins reported that office expenses included an iPad for Utility to look at the GIS System. Watkins informed that it also included PPE for employees due to the pandemic.

c. Review of BS, P&L as of 4/30/2020 – Cash Assets as of 4/30/2020 reflect \$1,043,402, Accounts Receivable of \$46,189, and Accounts Payable of \$24,729. Watkins reported the dues from RPMWC were larger due to 3 pay periods.

d. Accounts Receivable – Logan noted that the PVCC had paid down their balance leaving less than one open invoice. Kariya motioned to adopt the financial report as presented, seconded by Logan and unanimously adopted.

5.6 Operations:

a. General Managers Report

i. Subdivision 3 Easement Project, Tukwut Drainage System & Insurance Claim, GIS, Updates on Goals & Initiative's, HR update- Graziano informed that he will now be presenting a written report for GM updates. Graziano informed that during the COVID-19 pandemic there has been zero interruption in PVCSD's services other than the office being closed to the public. He informed that staff have been able to keep up with the workflow. Graziano informed that Upper Pauwee was cleaned August 6 & 7, 2019 and is currently in working condition. Graziano noted that PVCC cleans the ditch along #8 Fairway and we reimburse them per the MOU signed in 1986. Winn inquired whether the hillside fire claim was all to be covered by the insurance. Graziano informed that the insurance claim had been submitted along with photos. Graziano informed that there was an overlap in coverage, and they are working it out as to who will pay. Winn requested a copy of the report. Graziano agreed to email that out and informed that the insurance claim should keep residents from bearing the cost. Esparza inquired on why the draft minutes were not available on the website. Graziano informed that once the Board approves the minutes they are published on the website. Graziano informed that the GIS system content is all being updated with all pipelines and anything important for the utility department. He noted that the iPad will be a very useful tool for this and informed that training is scheduled for next Thursday. Graziano reported that Supervisor of Utility, Pete Lopez is scheduled to retire September of this year. Person stated she was under the impression that Dudek was to do all the GIS work. Graziano informed that Dudek did a majority of the work and we are taking it over and noted that everything Dudek did was tremendous. Subdivision 3- Tabled at this time. Graziano informed that the gate works with 5 employees and is currently staffed with 4 employees and one open position available. Utility is currently fully staffed with 4 employees and gave a brief background explanation on the newest hire for Utility. Graziano informed that Admin is currently fully staffed with 4 employees in the office. He reported that Watkins and himself recently completed an online HR bootcamp seminar. Graziano informed that he has weekly standup meeting with Utility, monthly sit down meetings with Security to go over anything that needs to be addressed and Admin. Winn informed that while playing golf there were a group of dirt bike riders coming from Lazy H down to the riverbed. Kariya added she has seen them racing up and down Pauma Heights. Graziano informed that on May 13, 2020 he met with Sherriff Deputy Reynolds and informed them that PVCSD welcomes Sheriffs in the community and to ensure they feel welcomed, offered the use of our outdoor restroom at the District Office and the use of RFID's for their vehicles. Graziano also encouraged Sheriff to visit the office during business hours for bottomless coffee and water. Jacobs questioned whether they will be checking in at the Front Gate. Graziano informed that they will inform us if they are entering to conduct business. Kariya inquired on the number of vehicles that were equipped with RFID's; Graziano informed that 17 vehicles will have RFID's to enter the gates. Graziano informed that Supervisor Carson was informed to refrain from waiving anyone in and to be sure to check ID's for anyone entering the gates. Graziano gave a review of future project ideas for the District.

5.7 Draft Budget:

a. A draft budget for FY 2020-21 will be presented- Graziano provided the split explanation for administrative costs, DwellingLive, Security and Patrol, and Utility costs. He informed that Subdivision 3 costs were removed. He explained the employee costs and differences on different percentage breakdowns per department. Graziano gave a review of noted changes from the draft budget including the COLA adjustment made to employee wages, insurance reduction due to a change in the Security Umbrella to \$2M now that firearms and K9's have been eliminated, increase in health insurance due to an increase in premiums, K9 expense zeroed out for Security. He

informed that a proposal was set to reduce legal cost by 50%. Pape mentioned that the Oaktree lift station issues could be reduced by swapping out the pump for a larger pump that can gobble up the cotton swaps and wipes being flushed down the toilet from Oaktree. He informed the cost would be around \$30k which would include installation. Person suggested maybe asking Fritz to send out an email to her HOA community. Kariya inquired on how much of a reduction should be expected on the security expenses from eliminating the firearms and K9s. Graziano informed that from a firearm standpoint the cost was minimal since Patrol Officers provided their own guns and ammunition. The firearm cards being renewed every 6 months was reduced, but costs like uniforms and vehicles will remain the same. Person questioned the \$5K increase in the budget for security. Kariya questioned how much of a savings the community would see in the security fee. Graziano explained the savings is approximately \$21,000 per year, but given the other budget assumptions the patrol cost center is operating at a deficit. Mathews stated that the presentation given appears to show budget vs budget and not budget vs actual. He added it appears no attempts have been made to save adding that the gates and security costs are operating at a loss. Mathews informed that you cannot subsidize one cost center with another, and that each cost center must at least break even. Mathews stated that he is concerned that the community is now looking for a savings in their monthly invoice when really the district should be increasing the security fees to break even. Graziano informed that there is some needling in the budget that will be done. Person questioned why there is no savings in security when the Security Captain along with cost of living for the Security Captain has been currently eliminated. Graziano informed that the cost of living for the Security Captain went away May of 2019 which was then factored into the FY2019-2020 budget which is the current fiscal year, and the district still operates with 5 employees for Security including one Supervisor. Jacobs informed that they need to figure out what will be needed for this cost center to break even. Person inquired on the income that came from the sales of the K9's. Graziano explained that they were unsuccessful in selling the K9's and they were donated to an employee of Pro Train who will use them to train other K9s. Mathews informed that security fees would need to be increased by \$9 a month to break even and the Board should consider the increase. Logan informed that they would consider this increase when finalizing the budget. Graziano noted that getting on a more gradual annual increase is a good idea and that what was presented was a draft budget. A final budget will be presented in June 2020.

5.8 SGMA MOU:

a. The Board will consider approving the SGMA Memorandum of Understanding (MOU)- Logan informed that there is an Amendment to the 2017 MOU currently being put together between RCD, PVCSD, and Yuima. Graziano informed that the 2019 MOU is not valid and that the state still recognizes the 2017 MOU. Bandy informed that they cannot progress on this at this time and this item should be tabled for now to give time to clear things up. Graziano informed that he would distribute the information he has to the Board and schedule a future meeting on this topic.

5.9 Closed Session

a. Significant Exposure to Litigation pursuant to subdivision (d) of Section 54956.9 (1 case)- This item was tabled for a later time.

5.10 Adjournment

a. Upon a motion from Schultz, second by Kariya and unanimous vote, the meeting adjourned at 1:06 p.m.

Marissa Fehling

Marissa Fehling, Recording Secretary