

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

Held on April 26, 2021

Directors Present: Sam Logan, Michael Esparza, Bill Jacobs, Bill Schultz, and Jim Cipriano
Also Present: Residents Michael Martello, Charles Mathews, Ron Krohn, Paul Kaymark of Nigro & Nigro, Steve Anderson of Best, Best & Krieger, General Manager Bobby Graziano, Office Manager Amber Watkins, Administrative Assistant Marissa Fehling

- 4.1 Call to Order: Regular Meeting was called to order at 10:01 a.m. by President Sam Logan. Logan informed that pursuant to the provisions of Executive Order N-29-20 issued by Governor Gavin Newsom in response to the COVID-19 pandemic and in an effort to prevent the spread of the virus, Pauma Valley CSD will hold its board meeting via teleconference. This meeting is open to the public via virtual interface and can be accessed by clicking on the link provided.
- 4.2 Roll Call: Graziano took roll call.
- 4.3 Open for Public Comments: Krohn informed that the Board of Directors public comments purpose is to be responsive to the public's comments and referenced the 1st amendment in the Brown Act. Krohn informed he was concerned over what he has observed during public comments and quoted a comment made by President Logan during the March 29, 2021 meeting. Krohn asked President Logan to step aside so another candidate can take his place. Logan responded that he would take his request under consideration.
- 4.4 CalPERS Q&A Session:
 - a. For the general knowledge of the Board, staff and public, Paul Kaymark, CPA with Nigro and Nigro will participate in a question and answer session on CalPERS. No action will be taken- Kaymark gave a brief explanation on CalPERS and explained the difference between Classic and PEPR. Kaymark explained the change in the net pension. Paul Kaymark made a presentation regarding CalPERS and answered questions. Cipriano inquired on whether they have any control over GASB 68. Kaymark informed him that they do not and explained why. Mathews complimented Kaymark on the presentation and informed that according to his research pensions paid out in the previous 12-month period were \$300k and the board should understand that when you subscribe to smaller payments and you're paying out \$300k the fund is going to get in deeper and deeper trouble. Kaymark explained on how each employee contributes a percentage of their pay each pay period. Esparza asked Kaymark on his thoughts on a supplemental pension trust. Kaymark informed that this district is too small. The Board explored options on reducing the net pension liability and determining whether it would be better to pay cash or take a loan out to pay off the net pension liability.
- 4.5 Update on Pauma Valley Roadway Association (PVRA) and Pauma Valley CSD Agreement:
 - a. Termination of Pauma Valley Roadway Association (PVRA) Agreement from 2009
 - i. The Board will consider terminating the Dec 2009 Agreement with Pauma Valley Roadway Association. Graziano explained that the board has been working with Steve Anderson of Best Best and Krieger on the termination of the PVRA and PVCSD agreement. Anderson explained his analysis. Cipriano complimented Anderson on his work and suggested inviting PVRA to accept the termination in writing. Upon a motion by Cipriano, seconded by Esparza and unanimous vote, the letter was approved with the changes made herein.
 - b. Ordinance 55 for Gate Access and Road Usage Within Pauma Valley Country Club Estates.
 - i. The Board will consider adopting Ordinance 55: Gate Access and Road Usage Within Pauma Valley Country Club Estates. Anderson explained the ordinance with suggested changes needed prior to finalizing. A map of the district was presented for verification by Anderson.

Anderson presented the updates on the gate access and road usage policy. Jacobs recommended adjusting the font in section 2 to match the rest of the article. Anderson informed that staff would update those changes. Jacobs mentioned a paragraph that he and Cipriano added was missing. Anderson explained why he suggested leaving it out, both Cipriano and Jacobs agreed to leave it out. Mathews inquired on whether the patrol officers have authority to conduct a traffic stop. Anderson informed that he believes they do and referenced Article 2 stating they are to enforce rules and stopping vehicles would be needed to do so. Anderson informed that a statement could be added to make it clearer. Mathews suggested removing a statement in Article 5, section iii. Mathews asked for clarification on Article 7, section 1a. Anderson explained and suggested inserting the definition of “Not in good standing” to help clear up the verbiage in question. Mathews suggested changes in Article 7, section C; changes were accepted. Esparza suggested adding an additional cost for administrative time for Notice of Violations. Anderson suggested not amending the Ordinance, rather suggested adding a sentence stating that the Board may change fees in the future by resolution. Martello commented on Article 2 section 1, stating he does not think security is legally allowed to pull vehicles over. Anderson suggested that staff verify with the insurance company on whether they would cover losses. Graziano explained what the current protocol is for issuing Notice of Violations. Jacobs stated he would like for security to have authority to flash their lights and pull violators over. Martello informed that it is less of a liability to follow the violator and speak to them once they arrive to their destination.

c. Lease Agreement between Pauma Valley Community Services District and Pauma Valley Roadway Association.

i. The Board will consider approving the Lease Agreement with the Pauma Valley Roadway Association to utilize the Front and Pauma Heights Gate House - Anderson explained the drafted Lease Agreement with the Pauma Valley Roadway Association. Esparza made a motion to accept. Cipriano discussed an issue with the ownership of the guardhouses and asked for the PVRA to provide clear evidence of the ownership for the guardhouses. Anderson suggested revoking the initial motion to approve the letter to PVRA. Esparza made a motion to revoke/hold off on sending the letter to PVRA, seconded by Cipriano and unanimously approved.

d. Memorandum of Understanding (MOU) between Pauma Valley Community Services District and Pauma Valley Roadway Association – Item was not discussed.

The Board went into a break at 11:55 am.

4.6 Approval of Previous Minutes:

a. Regular Meeting March 29, 2021 – Cipriano made a motion to approve the Regular Meeting Minutes of March 29, 2021 as presented, seconded by Logan and unanimously adopted.

4.7 Financial Report:

a. Review of BS, P&L as of 03/31/2021 - Cash Assets reflect \$1,288,829, Accounts Receivable of \$31,671 and Accounts Payable of \$2,568. Watkins informed that the Prepaid other account 141 under current assets reflects the invoiced amount to PVCC for the semi-annual sewer line jetting. Watkins informed that the month end projected budgeted revenue was slightly under due to the property tax revenue deposit schedule. Watkins informed that Repairs and Maintenance included sewer line jetting, sludge removal, the purchase of RFID's, and the as built diagram for the gates. Watkins informed that Schools and Meetings included the annual fuel tank training, seminars, and guard card renewals. Watkins informed that Legal included 50% of SGMA, General, and Mediacom. Jacobs inquired on why water testing was high; Watkins explained that quarterly testing was completed per our permit. Logan inquired on what the SGMA legal fees included, Graziano explained. Esparza inquired on whether the office has shopped around for other waste

haulers. Watkins mentioned that she will explore other haulers but noted that a permit amendment would be needed which is a difficult process with the State and City of San Diego. Logan motioned to adopt the financial report as presented, seconded by Cipriano, and unanimously adopted.

b. Accounts Receivable – Presented for review.

4.8 Security Report:

a. Daily Activity Report - Graziano presented the Security Report. Jacobs informed that the rear gate scanner had not been functioning on April 24, 2021. Jacobs informed that the option to add Landscaper and Contractor guest types was still not visible in the resident's portal in DwellingLIVE. Fehling informed that she would investigate this and get it taken care of. Schultz left the meeting at 12:22 pm. Upon a motion by Esparza, seconded by Logan and unanimous vote, the Daily Activity Report was accepted and ordered filed.

b. Gate Penalty Assessment Report - Presented for review.

4.9 General Manager's Report: Graziano presented the report. Logan mentioned that when contractors are working near the roads, cones should be set out. Logan stated that the Road Usage Policy should state that cones must be set out for any contractors working on the roads. Cipriano asked for an update on the Hillside Fire claim; Graziano explained.

4.10 Pauma Valley Community Services District Salary Schedule for Fiscal Year 2021-2022:

a. The Board will review the salary analysis created by the ad hoc committee and may refer this for adoption at the May 24, 2021 meeting - Esparza explained the purpose and background of the research conducted and findings. Jacobs explained that he has done additional research on security pay and informed that they did their best to come up with ranges since there is no specific job description, they went by job titles. Esparza explained the 2021-2022 Salary Ranges, merit raises, and performance review policy. Cipriano mentioned that a few employees seem to be under paid and asked how that would balance out. Jacobs informed that some employees would need to receive an increase to bring them to the minimum pay. Esparza stated that the district needs to be fiscally responsible and take care of their employees at the same time. Mathews thanked the Board for all their hard work and mentioned that the pay rates appear to be lower than Graziano's originally proposed rates he showed at the previous meeting. Mathews mentioned that having no increase after the probationary period may make it hard for Graziano to retain employees. Graziano informed that the gate attendants are currently hired at a starting wage of \$14.50 per hour which is higher than the \$14 being suggested by Esparza and Jacobs and recommended \$15 per hour for Gate Attendants; Watkins reported what the current minimum wage is. Jacobs asked Graziano to update the pay range for the gate attendants to \$15.00-\$17.85. Esparza noted that the Board can re-evaluate COLA. Graziano noted that it is very routine for most districts to provide a COLA annually. Graziano informed that the salary schedule would be added to the Transparency page on the website. Upon a motion made by Esparza, seconded by Cipriano and a unanimous vote, the Salary Schedule for Fiscal Year 2021-2022 was approved to carry forward with a resolution to adopt at the next meeting.

4.11 District Calendar

a. The Board will consider the District Calendar for adoption. The District Calendar shows board meeting dates and district holidays. Graziano presented the District Calendar. Esparza made a motion to approve the District Calendar, seconded by Cipriano and unanimously adopted.

4.12 Prop 218 Notice for Sewer Charges:

a. Presented for review is the Prop 218 notice staff is recommending. The Notice will be mailed May 1, 2021 in order to meet the 45-day noticing requirement for the public hearing which will be held June 28, 2021. Graziano explained the process for the Prop 218 notice to be sent out to the community and informed that the public hearing would be held on June 28, 2021 - Upon a motion a by Cipriano, seconded by Esparza and unanimous vote, the Prop 218 notice was approved for distribution. Esparza thanked the Board for all their hard work. Logan also thanked the Board for all the hours of work they have put in.

4.13 Other Business:

a. Requested items for next or future agendas (Directors and Staff Only)- None

b. Board comments- Cipriano suggested sharing with the community what the Board has been working on. Esparza suggested establishing a home agency for work email addresses.

4.14 Adjournment:

a. Regular Meeting scheduled on May 24, 2021 at 10 a.m. - The next meeting date is scheduled for May 24, 2021 at 10:00 am. Upon a motion from Logan, second by Esparza and unanimous vote, the meeting adjourned at 1:41 pm.

Marissa Fehling

Marissa Fehling, Recording Secretary