

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

Held on June 24, 2019

Directors Present: William Schultz, Clarence Winn, Heidi Person, and Bill Jacobs
Directors Absent: Samuel Logan
Also Present: Customers Mark Guevara, Jim Cipriano, Charles Mathews and Bob Hicks Vice
President of PVRA; General Manager Bobby Graziano, Office Manager Amber Watkins,
and Administrative Assistant Marissa Fehling

- 6.1 Call to Order: Regular meeting was called to order at 9:30 a.m. by Vice President Schultz.
- 6.2 Open for Public Comments: Guevara inquired on any updates on the effects of the recent fire on Wiskon Way West from Cal fire. Graziano informed that Yuima Municipal Water Company was going to be having a meeting today and informed that CDF attends their meetings and usually give these types of updates. Graziano mentioned the idea of reaching out to Pala Band Indians regarding weed abatement. Person stated that PVCSD should be sending them letters on a regular basis regarding this issue; Winn agreed and added that the weeds are horrible at the upper Pauwee drain. Jacobs advised that a maintenance plan needs to be put into place for that area. Pape noted that former Administrator, Mindy had previously sent dozens of letters to Pala Band Indians, no response was ever received from them. Jacobs asked about the 2018 MOU between the Pala Band Indians and PVRA to repair the broken drainpipe off Pauma Heights Rd. Cipriano stated that the MOU was never enacted. Graziano and Pape presented a map showing the broken drainage pipe and drainage issue. Jacobs recommended drafting a letter to MediaCom to request for them to carry fire extinguishers with them on jobs. Pape added that anyone using equipment should also carry a fire extinguisher; Graziano will research the suggestion to create policy in the community for outside contractors to carry fire extinguishers, Jacobs will discuss Pala land and broken drain pipe with Robert Smith.
- 6.3 Public Hearing on 2019-20 Budget:
a. Public Comments- Public Hearing began at 9:57 a.m. for public comments.
Graziano introduced the draft budget and provided the following highlights; the budget shown is broken down into cost centers to show that revenue generated in each cost center covered expenses; gates did not meet this criteria; the allocation of 32% Sanitation, 37% Patrol, and 31% Gates was used when allocating administrative expenses; Resolution 101, which reduced Security revenue by \$37,968 annually was included; a 4th utility worker was budgeted bringing the total staff count of the fiscal year to 18; Security Captain housing allowance of \$9K was eliminated, a merit increase in compensation was budgeted; interest associated with the Municipal Bond was not budgeted since the last payment was made June 2019; the unfunded liability payment is shown as an expense with a contra-expense included showing Rancho Pauma contribution; legal costs are \$50k but the allocation of 60/20/20 was used since SGMA will dominate the legal expenses; Dwelling Live used a 50/50 split across Security and Gates. Jacobs questioned if the JPIA insurance for SGMA was included in the budget; Graziano informed that it was. Jacobs recommends tripling the budget for weed abatement. Person questioned why security health insurance increased; Graziano explained that health insurance cost tie to the employee makeup, whether they take insurance, and have dependents. The current budget expressed the forecasted mix of employees and their dependents. Winn questioned the interest rate adjustment. Graziano explained it was increased to 9k and that additional funds will be moved over to L.A.I.F in the next couple of months. Winn suggested it be raised to \$15K. Jacobs questioned gate damages on budget; Graziano explained the revenue and explained that these are penalties for gate crashers/runners. Pape noted that most districts do not budget for penalties. Mathews suggested that the percentage distribution between sanitation, patrol, gates be modified, indicating that he thought sanitation should be decreased and gate fees should be increased. Graziano explained that Mathew's

remarks were valid, and even if the board chooses not to change the allocation it should be studied for consideration in the 2020-2021 budget. Mathews mentioned that Graziano is taking on a lot of additional duties as the Supervisor of Security and therefore the allocation used by past administrations was no longer valid. Winn noted that the position should be temporary for Graziano. Jacobs stated the goal is for Officer Albert to become the Supervisor instead of Acting. Winn suggested leaving the positions as is for 6 months and then re-evaluate then. Guevara questioned why Captain Ortiz is no longer with PVCSD and if eliminating the Captain position will be permanent. Schultz mentioned that the decision was made by Logan and Graziano. Guevara asked if the Board of Directors should be involved with these matters. Graziano explained that things were handled on the advice of legal to protect Ortiz's privacy. Graziano explained that currently the loaded gate expenses are running over budget and proposed that an increase to gates be implemented in the 2019-2020 budget to break even on this category. Person motioned to leave the EDU charge for gates as is. Mathews commented that one cost center cannot subsidize another cost center. Winn suggested sending a notification to the community explaining the reasoning of the increase. Graziano noted that the gates fee have not been increased in the last 3-4 years. Winn and Jacobs suggested increasing budget for drainage to pay for repairs and clogged catch basins, and brow ditch maintenance; Graziano agreed to add to the budget line item of \$15,000 for this and to put together maintenance program. Public hearing comments ended at 11:02 a.m.

b. Consider Approval- Upon a motion by Winn, second by Jacobs the proposed 2019-2020 Budget was approved pending the changes discussed and gate increase of \$5 per EDU, upon a vote the motion was approved with 3 yays and 1 nay made by Person.

6.4 Approval of Previous Minutes

a. Regular Meeting on May 28, 2019- Winn commented on section 5.4, stating that if a decision like Ortiz's situation takes up to 10 days to be made, he feels the Board of Directors should be involved and would like for this never to happen again. Jacobs recommended that all HR discussions take place in a "closed meeting" session. Pape explained that because PVCSD is a public agency subject to the "Brown Act" and some salary discussions would need to be discussed in an "open meeting" session and suggested talking to legal. Winn motioned to adopt the minutes of the Regular Meeting held on May 28, 2019, seconded by Jacobs and upon a unanimous vote were approved; with Person abstaining.

6.5 Security Report:

a. Daily Activity Report- Graziano presented the report and explained that he and Patrol have revisited the idea of selling unit 2 and came to a conclusion that it is worth keeping, with being fully paid for and would be optimal to have in case another unit is ever out of commission and there is a situation like the San Luis Rey river impedes crossing. Winn agrees with this decision. On the subject of the K-9's, Graziano reported that KOA has been placed in a home, Tyson is now at retirement age and Pro-train is interested in taking him when we are ready. Graziano is recommending the pairing of Officer Aslanian with the K9 that replaces Tyson. Winn questioned why Tyson cannot continue to be used. Graziano explained that Tyson is now 10 years old and informed that the retirement age is usually around 7-8 years old; Watkins confirmed this was accurate information. Graziano recommends changing Officer Albert's role from "Acting Supervisor" to "Supervisor". Winn questioned the June 2nd issue on the incident report regarding denying access to delivery man delivering furniture on a Sunday. Graziano stated he will clarify what the protocol is with gates.

b. Gate Penalty Assessment Report- The report was presented for review. Jacobs suggested that the penalties be changed to a scaled model whereby, unless there is gate damage, 1st offense is a \$0 Warning, 2nd Offense be a \$50 penalty, 3rd Offense be a \$100 penalty. Winn suggested leaving gate damage penalties as is. Winn explained that internal damage is usually recognized at a later time. Hicks mentioned that NOV's have decreased since Captain Ortiz has been gone. The board, excluding Jacobs, voted to leave the penalties as is, but to re-examine it at the end of December. Jacobs suggested that the penalties for delivery service companies and contractors that are just providing estimates to

residents not be levied on residents; no changes were made to this policy at this time. Graziano explained that after a recent discussion with patrol, he feels it would be best to drop the county call radios. Graziano explained the savings it would create and informed that patrol does not feel they are necessary, noting that this monitoring capability would still be available via a scanner in the front guard shack. The board supported Graziano's suggestion on eliminating County Call. Upon a motion by Winn, second by Schultz and unanimous vote, the Daily Activity Report was adopted as presented.

6.6 Financial Report:

a. Review of BS, P&L as of 5/31/19 - Cash Assets reflect \$953,241, Accounts Receivable of \$55,966 and Accounts Payable of \$20,655. Watkins reported that there were three pay periods in May which is why all employee related costs are high.

b. Accounts Receivable- Report presented for review.

c. Delinquent Accounts- Watkins explained the aging report and explained which accounts she recommends to be placed on the County Tax Rolls. Upon a motion by Person and second by Winn the financial report was adopted as presented after a unanimous vote to approve. Schultz appointed Winn to chair the meeting at 11:44; Schultz exited.

6.7 Operations and Discussion Items

a. Employee Handbook Update- Graziano explained the updates on the handbook being the elimination of the Security Captain. Winn recommends adding that the Security Supervisor is to report to the General Manager in the event of there not being a Captain. After discussion it was agreed to leave the Captain job description in the handbook and just change the wording for the Supervisor title. Upon a motion by Person, second by Jacobs the discussed updates to the handbook were adopted after a unanimous vote to approve.

b. Return Check Fees- Graziano informed the current return check fee is \$15 and explained that it is quite a bit of work when this occurs and is recommending increasing the fee to \$50. Upon a motion by Jacobs, second by Person the check return fee increase was adopted as presented after a unanimous vote to approve.

c. Capex- Graziano reported that K9 Tyson is now up for retirement. Graziano explained the \$20k breakdown budgeted for a new K9 for the next fiscal year. Graziano also mentioned the \$4k budgeted for the fencing job for the K9 run area. Hicks questioned how often the K9's are used. Graziano explained they are used full time. Winn explained situations where K9's have been great tools to security. Person questioned if 3 K9's are really needed. Graziano explained that K-9's are paired with one handler. Jacobs recommends talking to patrol about shift changes to accommodate 2 K9's. Person agrees. Graziano explained he is presenting what the Acting Supervisor Officer Albert has recommended. Upon a motion and unanimous vote made by Winn, second by Jacobs the Capex was approved as presented.

6.8 Adjournment:

a. Public Hearing on July 22, 2019- Scheduled for 1:30 p.m. for placement of delinquent accounts on tax rolls.

b. Regular Meeting on June 24, 2019- The next meeting date is scheduled for July 22, 2019 at 2:00 p.m. Upon a motion from Person, second by Winn and unanimous vote, the meeting adjourned at 12:17 p.m.

Marissa Fehling

Marissa Fehling, Recording Secretary