

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

Held on October 25, 2021

Directors Present: Michael Esparza, Bill Jacobs, and Jim Cipriano
Directors Absent: Sam Logan, Bill Schultz
Also Present: Resident Charles Mathews, General Manager Bobby Graziano, Office
Manager Amber Watkins, and Administrative Assistant Marissa Fehling

- 10.1 Call to Order: Regular Meeting was called to order at 10:02 a.m. by Vice President Esparza.
- 10.2 Roll Call: Esparza requested a Roll Call. Fehling verified that all directors with the exception of President Logan and Director Schultz were present at that time.
- 10.3 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– Mathews gave recognition to Watkins for having no yearend journal entries in the audit report for the fiscal year.
- 10.4 Resolution 107 – AB361 Resolution Approving District’s Hybrid Meetings:
 - a. The Board will consider adopting Resolution 107 to continue hybrid meetings – Graziano explained the proposed Resolution 107 authorizing virtual or hybrid Board and committee meetings pursuant to AB361. Esparza questioned if the Board could do this on consent each meeting, Graziano informed that they could. Cipriano motioned to adopt Resolution 107, seconded by Jacobs and upon a unanimous vote, Resolution 107 was adopted.
- 10.5 Audit Report for Year Ending June 30, 2021:
 - a. The Board will consider accepting the audit report for Fiscal Year Ending June 30, 2021 – Esparza inquired on the \$136,367 loss on page 10. Graziano explained it was an adjustment based on the CalPERS GASB 68 reporting conducted at yearend. Cipriano noted that operating expenses from fiscal year 21 decreased from fiscal year 20 due to the effective oversight of the Board and staff efficiency. Cipriano moved to accept and file the Audit Report for year ending June 30, 2021, seconded by Jacobs and upon a unanimous vote was carried.
- 10.6 Approval of Previous Minutes:
 - a. Regular Meeting September 27, 2021 – Reviewed, no comments. Esparza motioned to adopt the Regular Meeting Minutes of September 27, 2021, as presented, seconded by Cipriano and upon a unanimous vote were adopted.
- 10.7 Financial Report:
 - a. Review of BS, P&L as of 09/30/2021 – Cash Assets reflect \$1,207,954, Accounts Receivable of \$17,563 and Accounts Payable of \$47,323. Watkins informed that Rancho Pauma Mutual Water Company (RPMWC) dues for services provided in September have been paid in full. Watkins noted that the CalPERS Unfunded Accrued Liability (UAL) payment was submitted and will reflect on the October financial statements. Watkins informed that the P&L for September reflects three payroll periods. Watkins reported that the District sold \$1,050 in RFID tags in the month of September. Watkins reported that expenses for a new order of RFID’s was reflected under Repairs and Maintenance along with the treatment plant wasting fees. Esparza inquired on looking into other options for waste hauling services. Graziano explained that staff has shopped around for other options with no luck in finding a company that can provide the services we need. Watkins noted that account 816 reflects the final invoice for the 5 year update of the Sewer

System Management Plan. Jacobs questioned why electrical increased. Graziano informed that this was budgeted at 9 months and divided by 12, due to the solar project and suggested that the focus be on the annual budget for this item. Watkins reported that the Tesla rebates were shown in account 670 Reimbursement Revenue. Esparza motioned to adopt the financial report as presented, seconded by Cipriano, and upon a vote was unanimously adopted.

b. Accounts Receivable – Presented for review.

10.8 Security Report:

a. Daily Activity Report - Graziano presented the report. Jacobs inquired on who from Security was leaving. Graziano informed that Bryan Chau has given notice for Spring of 2022. Esparza expressed how impressed he was with the Security departments customer service and went on to thank all of staff for the great customer service they provide. Upon a motion by Jacobs, second by Cipriano and unanimous vote, the Daily Activity Report was accepted and ordered filed.

b. Gate Penalty Assessment Report - Presented for review.

10.9 General Manager's Report: Graziano presented the report. Graziano informed that the CalPERS UAL has been paid off slightly earlier than planned and reported that will save the District another \$6k in interest expense. Graziano thanked Watkins for doing a great job at preparing the payments and transferring the necessary funds. Graziano informed that staff met with Downstream, Inc recently to do a site walk and authorize the contract for entire district sewer line cleaning. Graziano informed that the Board agreed and authorized staff to contract with Housen & Associates for \$2,000 to perform a sewer EDU audit to determine if the amount assigned to each commercial operation is still accurate, as suggested by resident Andy Mathews. Graziano explained there will be 4 commercial properties and 1 school audited during this initiative and letters were sent to each entity in preparation of the site visits. Graziano informed that a new hire for the gates started today. Esparza questioned whether a new cross trained half and half would begin training before Officer Chau's departure. Graziano informed that a Gate Attendant will begin training for Patrol as soon as possible. Upon a motion by Esparza, second by Jacobs and unanimous vote, the General Manager's Report was accepted and ordered filed.

10.10 Purchasing Policy Update:

a. Board will consider an update to the Purchasing Policy – Cipriano informed that a committee was formed to make suggestions and changes to the Purchasing Policy and presented the draft. Cipriano thanked Jacobs for all his effort and work in helping with this. Cipriano informed that this updated version has accomplished staff flexibility and is consistent with other San Diego County CSD's. Cipriano motioned to adopt the updated Purchasing Policy as presented, motion was seconded by Jacobs and upon a unanimous vote was adopted.

10.11 Other Business:

a. Requested items for next or future agendas (Directors and Staff Only)- Graziano suggested going dark for the month of December. Cipriano requested that a discussion of community relations be on the next agenda. Esparza agreed that Cipriano's suggestion was a great idea but also thinks having an ad hoc committee to discuss and share ideas with staff would be a great idea. Jacobs informed that community outreach goals for 2020 was assigned to Graziano and Schultz, and a review of this performance has not been done. Jacobs informed he would like to wait for the Goals and Initiatives review in December and review this after that. Esparza agreed and added in the meantime the Board can write down any ideas that come to mind.

b. Board comments – Cipriano reported that there was a potential conflict of interest with a contractor he had doing work at his home in early July and this same contractor has submitted

bids to PVCSD that have since been accepted. Cipriano informed that he has requested final invoices on several occasions from this contractor with no response. Esparza informed Cipriano that his declaration was noted and had no effect on the bidding process for PVCSD.

10.12 Adjournment:

a. Next Regular Meeting on November 22, 2021, at 10:00 a.m. – The next meeting date is scheduled for November 22, 2021, at 10:00 a.m. Graziano informed there would be a Closed Session Special Meeting in December and then a Regular Meeting to discuss the results in January. With nothing further to discuss and upon a motion from Esparza, second by Jacobs and unanimous vote, the meeting adjourned at 10:52 p.m.

Marissa Fehling

Marissa Fehling, Recording Secretary