

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

Held on June 29, 2020

Directors Present: Sam Logan, William Schultz, Bill Jacobs, Heidi Person and Laurie Kariya;
Also Present: Residents Charles Mathews, Jim Cipriano, Peter Jordan, Sally Jordan,
Ron Krohn, General Manager Bobby Graziano, Jeff Pape of Dudek, Office
Manager Amber Watkins, Administrative Assistant Marissa Fehling,

- 6.1 Call to Order: Regular Meeting was called to order at 10:01 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.
- 6.2 Open for Public Comments: Cipriano inquired on a savings mentioned at a previous meeting and if it would be passed on to rate payers. Cipriano encouraged the Board to give all rate payers a one-time \$50 rebate with an explanation. Logan informed the Board would consider the request. Jacobs informed that the board will be reviewing the budget today to see if this is a possibility at all. Peter Jordan informed he had questions regarding the budget. Logan requested that he address them when they get to that item on the agenda. Peter Jordan informed that with all the culture issues going on in our country he is requesting that the Board of Directors reconsider the removal of K9's and guns. Sally Jordan informed that a lot of the community is concerned and will probably arm themselves. Logan informed that the Board realizes the risks of having and not having guns and informed that the Board currently does not believe this community is at risk. Jacobs informed that patrol still has licenses and their handguns, and policy decision could be reversed if there was an imminent threat. He added that the board is aware of any risks that the community could face, and they always have them under consideration. Jordan questioned whether the patrol officers would continue training. Jacobs explained that they will continue to keep their guard card licensing up to date, but not their firearm permit, unless they personally choose to. Graziano stated that the feedback from the community he has received was that residents are relieved that our patrol officers are now unarmed and not capable of making bad decisions which could result in retaliatory actions like seen around the country. Sally Jordan informed that they had their house broken into and when her husband announced he had a gun it stopped the burglar immediately. Sally Jordan asked the Board to reconsider arming the patrol officers. Logan informed that they have had plenty of the community support their decision on taking hand guns away from patrol and a lot of research was done prior to making this decision and informed that he feels the Board made the right decision for the community. Mathews inquired on surveillance on examining the treatment plant regarding Covid-19. Pape informed that his other treatment plants have been looking for a company also and once they find one, he will let PVCSD know. Cerruti requested a digital copy of the draft budget. Watkins emailed a copy to him. Krohn inquired on the domestic dispute mentioned in the Security Report stating that there is nothing in the report indicating that our patrol officers responded in anyway other than calling the Sheriff. Krohn questioned whether security did anything to de-escalate the situation and inquired on whether they train for these types of scenarios, since the report mentioned that the sheriffs in the area were busy handling another issue at the time they were called. Graziano informed that the standard practice is that they are not to enter a home to de-escalate the issue and just to call the Sheriffs. He informed that security is not to take the lead but can be a back up to the Sheriff if needed. Graziano informed that the Sheriff did call back and arrived 25 minutes later. Graziano gave the timeline of the incident. Kariya informed that there was a plane crash that day and all 3 Sheriff units were called out to that situation. Jacobs spoke to the Board stating that as he reviewed the budget for this coming year and made economic suggestions, he realized that there may be an opportunity to gain substantial financial savings for the entire community. Jacobs requested getting a vote of approval from the Board to move forward with a study on

outsourcing the patrol officers and gate attendants' vs keeping them in-house. He informed that if approved some of the Board would be asked to participate on a committee which would take in all historical information, the upsides and downside of a change. He informed that a bid specification will be developed, 3 bids would be obtained, and a business analysis would be made. Adding that the information would be compiled and presented at a future date. Person was not in favor of this study. Kariya asked for Jacobs to re-explain his request. Jacobs motioned to move forward with the study, seconded by Schultz and upon a vote of 4 yays and 1 nay by Director Person; the motion was carried.

6.3 Public Hearing on 2020-21 Budget

a. Public Comments- The public hearing was opened for public comments at 10:29 am. Mathews informed the Board that they are not allowed to take action during public comment. At 10:38 am Director Person informed that she was resigning from the Board effective immediately; Logan informed that he accepted her resignation. Graziano explained the two different budget forms: expanded and condensed. Graziano gave a breakdown of the budget informing that no changes were proposed to the monthly PVCSD fees. He informed the reason the Board is not in a financial position to credit each customer approximately \$50 due to the elimination of firearms and K9s since the security cost center is currently operating at a break even. Jordan inquired on how much the district saved and where the funds were applied after eliminating the gate attendant at the rear gate years ago. Jacobs informed that he moved to the community right around that time and recalls hearing there would be a savings and the Board at that time raised the rates shortly after. Peter Jordan requested that the Board look at whether PVCSD could return money to residents for the reduction of the gate attendant at the rear gate; Jacobs informed that he would investigate this and report back. Cerruti asked for an elaboration on the Subdivision 3 and budget item. Graziano informed that a letter would be sent out regarding the final decision on Subdivision 3 matter. Graziano informed that if the district funds Subdivision 3 it would be considered a gift and the district cannot bear the expense. Cerruti informed Graziano that he has always taken the position that PVCSD owns the drains and should take responsibility on maintaining them. Cipriano inquired on PVCSD's Reserve Policy and questioned if it was reviewed annually and if it could be changed. Graziano explained the formula used and informed him that it can be reviewed annually but was previously reviewed for the 2017-18 fiscal year. Graziano presented the current reserve obligation based on the formula in the policy. Logan informed that he has inquired on this with the auditor and was told no changes were currently suggested. Cipriano questioned what the rational was for the 9% payroll increase. Mathews stated that budget amount for payroll was only 50% of what the payroll amount is since RPMWC pays a portion of salaries. Mathews questioned if any increase for Admin Salaries was justified. Logan informed that the GM is reviewed for an increase in January and not April like the other employees and that no pay increase was offered to Graziano. Jacobs informed that only a handful of employees would be receiving increases, and the GM would not be one. Mathews suggested that employees should pay a larger portion of the health insurance costs. Graziano highlighted that employees do not get vision or dental and currently pay 20% of the premium. In his opinion this was asking a lot of employees we want to retain for the long term. Jacobs requested that staff provide a breakdown of the vehicle expenses. Kariya inquired on the miscellaneous expenses; Graziano explained they were PPE for Covid-19. Kariya questioned if \$20k would be sufficient for gate repairs. Jacobs informed that he would be looking at the history of repairs and intends to go to the vendor and inquire on why the repairs and maintenance costs are so high and frequent. Public hearing comments ended at 11:15.

b. The Board will consider approving the FY 2020-21 annual budget- Upon a motion by Schultz, second by Jacobs; and unanimous vote the proposed 2020-2021 Budget was approved as presented.

- 6.4 Approval of Previous Minutes:
- a. Regular Meeting May 26, 2020- Schultz motioned to adopt the Regular meeting minutes of May 26, 2020 seconded by Kariya and unanimously adopted.
 - b. Special Meeting June 5, 2020- Kariya motioned to adopt the Special meeting minutes of June 5, 2020 seconded by Schultz and unanimously adopted.
- 6.5 Security Report:
- a. Daily Activity Report- Graziano presented the security report. Upon a motion by Kariya, second by Schultz and unanimous vote, the Daily Activity Report was adopted as presented.
 - b. Gate Penalty Assessment Report- Presented for review.
- 6.6 Financial Report:
- a. Review of BS, P&L as of 5/31/2020 – Cash Assets as of 5/31/2020 reflect \$1,085,678, Accounts Receivable of \$41,707 and Accounts Payable of \$16,731. Watkins reported that the item 664 on the P&L included income for service agreements, and transfer fees for closed escrows. Watkins informed that no delinquent fees are being assessed due to Covid-19. Logan questioned the drainage expense cost on the P&L; Graziano informed that over 25k was sent with the insurance claim which would offset the expense cost. Logan questioned the expense for engineering. Graziano explained it was the GIS software update. Kariya motioned to adopt the financial report as presented, seconded by Logan, and unanimously adopted.
 - b. Accounts Receivable – Watkins informed that 9 customers would be recommended for the tax rolls in July. Graziano added that certified final demand letters will be sent out to these customers.
- 6.7 Operations:
- a. General Managers Report
 - i. Graziano informed that although the district office remains closed to the public due to Covid-19 there has been no interruption in service, staff remains healthy and keeping up with daily tasks. He informed that brow ditches and catch basins are clean and in good working condition. Graziano informed that the insurance claim receipt was acknowledged by the Sr. Adjuster and was informed that it is still under investigation. In regards to Subdivision 3 a letter was drafted for review and upon authorization from the Board, the attached letter will be distributed to the 6 property owners. Graziano gave a break down on the employee count for each department. He reported that patrol was informed to keep an eye out for dirt bike riders in the community. Graziano informed that he has helped coordinate the local pumpers group and given support as needed to Yuima in taking the lead for our basin. He reported that most recently PVCS D has signed the 2017 MOU Amendment to restart the GSP process with Yuima, and RCD, adding that the work group is currently providing input on the contractor request for proposal. The Yuima Team hopes to send out the RFP to three contractors within the next week or two. He informed that the goal of the workgroups is to review the bids before July 27th, 2020 and select a contractor; Yuima would then authorize the contract at their July 27th, 2020 board meeting. If this timeline is met this would represent a major advancement in the SGMA process. Graziano informed that he has met with PVCC a handful of times to discuss the irrigation improvement plan and support has been provided as needed. He explained that various options have been discussed and evaluated from an

infrastructure standpoint. Stating that the preliminary path forward, which still need to be further studied, is to develop a water supply that can pump directly to the back nine. Graziano reported that the Well 40 for the Golf Course Irrigation project is now complete and is now supplying the golf course reservoir at a steady 180gpm. He informed that this is a major milestone and completes another infrastructure project that was on the “wish list” of past management.

6.8 Adjournment

a. Public Hearing on July 27, 2020 at 10 am.- Scheduled for 10 am for placement of delinquent accounts on tax rolls.

b. Regular Meeting on July 27, 2020 at 10:15 am. - The next meeting date is scheduled for July 27, 2020 at 10:15 am. Upon a motion from Logan, second by Schultz and unanimous vote, the meeting adjourned at 11:51 am.

Marissa Fehling

Marissa Fehling, Recording Secretary