

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

Held on July 23, 2018

Directors Present: Richard Nolan, Samuel Logan, William Schultz, Heidi Person and Clarence Winn
Also Present: Ron Castle, Resident Jim Cipriano; President of RPMWC Charles Mathews; General Manager Bobby Graziano, Security Captain Ray Ortiz, Jeff Pape of Dudek, Office Manager Amber Watkins, and Administrative Assistant Marissa Fehling

- 7.1 Call to Order: Regular meeting was called to order at 10:00 a.m. by President Nolan.
- 7.2 Open for Public Comments: None
- 7.3 Public Hearing on Tax Roll:
- a. Public comments – President Nolan opened the Public Hearing at 10:02 a.m. Schultz reported that a resident complaint was received regarding a delinquent account that is being recommended for placement on the County Tax Rolls. Schultz noted that the penalty amount for this resident is \$100 and questioned if it is worth the effort to place on the Tax Roll. Graziano noted that CSD has been firm on all penalty assessments, and no exceptions have been made. Winn noted that he is a firm believer in the gate access policy based on the research he conducted during the implementation of the new gate system. Nolan reminded, that it is the responsibility of the board to keep the community safe and that consistency and fair treatment are required throughout the district; Person agreed. Mathews added that these fees have been assessed by a public agency which makes them public funds which must be collected.
- b. Consider Approval – Motion was made by Nolan to approve the placement of delinquent accounts on the County Tax Roll, seconded by Winn. Upon a vote with 3 in favor, and Schultz opposing, the motion was approved. Schultz will follow up with resident that made the complaint. Public hearing closed at 10:17am.
- 7.4 Approval of Previous Minutes:
- a. Regular Meeting on June 20, 2018 – Graziano reported that a cost savings is in fact present for the gate management costs, noting that the services provided to us in 2014-2015 had an annual cost of \$260,450 when compared to our actual costs in 2017-2018 of \$204,475 it is apparent that the district continues to save money with the new gate access system. Samuel Logan joined the meeting at 10:20am. Cipriano noted that the front gate improvements have been completed with the exception of fertilizing; Person reported seeing workers on cell phones that left trash behind; Nolan informed Cipriano of a small patch of weeds. Nolan asked Graziano to upgrade the signage at the back gate. Person provided an update from CalTrans about the street signs on Hwy 76, noting that it is in the Engineering Department. Motion was made by Winn to adopt the minutes of the regular meeting held on June 20, 2018; seconded by Nolan and unanimously adopted.
- 7.5 Security Report/ RO
- a. Daily Activity Report – Ortiz presented the report. Ortiz noted that a second K-9 demonstration was held this morning, noting that it was a great success. Ortiz noted the K-9 demos will be more consistent and coordinated with PVCC events to get the information more wide spread. Ortiz informed that a new gate attendant has been hired; so far, he is working out great. Ortiz reported that the multiple incidents with video loss at the gates was due to a faulty part in the satellite which has been repaired. After recent events, Winn asked that Graziano provide a cost analysis for surge protection at the gates with a separate proposal for the building. Ortiz was pleased to report that the

Sherriff has approved the frequency for the County Call; Ortiz is hopeful that the new radios will be in full use by mid-August.

Winn commented on the number of loose dogs in the district; Ortiz suggested that all animals be registered by their owners in the Dwelling Live system to help staff return animals quickly; Nolan asked staff to send a notice with the August invoicing informing them of this benefit. Winn motioned to adopt the security report as written, seconded by Nolan and upon a vote it was unanimously adopted.

b. Gate Penalty Assessment Report – Graziano presented the report noting that not enough time had elapsed to determine if the gate upgrades have had a positive effect on the number of penalty assessments issued.

7.6 Operations and Discussion Items:

a. Board Member Upcoming Elections – Graziano reported that Nolan, Logan and Winn have term expirations this year. All three directors confirmed that they will complete the necessary paperwork to run for another four-year term.

b. Gate Upgrade, Repair & Maintenance- All the approved upgrades have been completed including the breakaway arm exchange at the Pauma Heights Gate.

c. Plant Operations – Pape noted that the treatment plant and lift stations are running great. Pape reported that the lift stations have been pumped and may suggest that a complete clean out take place next year. Winn inquired on the sewer lines; Pape informed that most of the lines are made of clay. Nolan asked staff to prepare long term maintenance program for the sewer lines. Pape also informed that the Oak Tree Lift Station is out dated and can use rehabilitation.

d. Capital Expenditure Plan & Cash Budget – Graziano presented the proposed capital expenditure plan with a four-year vehicle purchase beginning next year; Graziano had previously considered a generator at Oak Tree Lift Station but noted that it is not needed as RPMWC has a portable generator that can be utilized in an emergency. Logan noted that the reserves are not fully funded. Mathews noted that the cash position will improve as the final debt payment for the treatment plant loan will be paid in June 2019. Mathews noted that the reserves policy was originally designed to build up cash over time. Person questioned if three dogs are needed; Ortiz explained that each K-9 is matched to their handler, and that having the third dog allows for scheduling flexibility; Winn commented that he feels the K-9 program is a positive thing. Pape noted that rate increases are needed to help build the reserves; these increases will be subject to Prop. 218. Upon a motion by Logan; second by Winn and a unanimous vote the Capital Expenditure Plan and Cash Budget were approved as presented.

e. Escrow Fee Update – Graziano suggested that the PVCSD Escrow transfer fee be increased to \$100 per escrow as the time needed to process these is between 1 hour – 1.5 hours. Winn motioned to approve the increase as proposed, seconded by Nolan and unanimously approved.

7.7 Financial Report:

a. Review of BS, P&L as of 06/30/2018 – Watkins presented the pre-audited financial statements and noted that Cash Assets reflect \$834,114 Accounts Receivable of \$33,809 and Accounts Payable of \$15,164. Watkins reported the LAIF is earning 1.90% on the \$567,974. Watkins reported RPMWC has paid in full. Watkins explained that the Repairs and Maintenance totals include sludge removal, generator maintenance and gate upgrades.

b. Accounts Receivable – Watkins presented the report indicating that all accounts with a balance older than 120 days will be placed on the County Tax Rolls.

c. Cash Flow Statement – Watkins presented the report for review.

7.8 Sustainable Groundwater Management Act: Mathews explained that the revised MOU draft is ready; it was noted that the Indian Water Authority will be signatories along with the original signers. Mathews noted that the boundary adjustment is up for a vote next month. Nolan noted that Brad Smith is helping with the RFQ and that a meeting is scheduled later this afternoon.

7.9 Adjournment:

a. The next meeting date is scheduled for September 5th, 2018 at 10:00 a.m. Upon a motion from Person, second by Winn and unanimous vote, the meeting adjourned at 12:01 p.m.

Attest:

Bobby Graziano
General Manager

Marissa Fehling

Marissa Fehling, Recording Secretary