

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS' REGULAR MEETING**

Minutes of May 20, 2021

1. 4:00 PM OPEN SESSION / CALL TO ORDER / FLAG SALUTE

Vice President Cousineau called the meeting to order at 4:00 pm and led the flag salute.

2. ROLL CALL

Secretary Gelos called the roll. All Directors were present. For the record, Director Capps was present via Zoom call in.

Staff present: General Manager Scott Duffield, Office Supervisor/Board Secretary Kristen Gelos, District Engineer Steve Tanaka, and District legal counsel Jeff Minnery and Jennifer Blackburn.

3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

No comments

4. CONSENT ITEMS

a. Meeting Minutes: Receive/approve minutes of regular meeting of April 15, 2021.

b. Warrant Register: Receive/approve April 2021 warrants.

c. Treasurer's Report: Receive/file April 2021 report.

d. Fiscal Report: Receive/file April 2021 status report.

Director Barker made a motion to approve all consent items as presented. Director Burgess seconded the motion. The motion passed by the following voice vote:

Ayes: Barker, Burgess, Capps, Cousineau, Rowley

5. PUBLIC HEARING

a. Submittal for approval Resolution 21-03 Confirming Water and Sewer Standby Charges for Property within the District for Fiscal Year 2021/22.

Manager provided a brief summary of the item and answered any questions the Board had.

Director Barker made a motion to approve Resolution 21-03. Director Rowley seconded the motion. The motion passed by the following roll call vote:

Ayes: Baker, Burgess, Capps, Cousineau, Rowley

6. DISCUSSION ITEMS

- a. **Request to approve draft contract documents for the Raw Water Vertical Intake No. 1 – Phase 2, and direct staff to finalize the documents and advertise for bids.**

District Engineer Steve Tanaka provided a brief summary of the item and answered any questions the board had.

Director Burgess made a motion to approve draft contract documents for the Raw Water Vertical Intake No. 1 – Phase 2 and directed staff to finalize the documents and advertise for bids. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Capps, Cousineau, Rowley

- b. **Request to authorize the General Manager to advertise an RFQ/P for design services, and to apply for funding through the USDA and any other Federal or State funding programs, for the Water Reclamation Facility Upgrade Project.**

Manager Duffield provided a brief summary of the item and answered any questions the board had.

Director Capps made a motion to authorize the General Manager to advertise an RFQ/P for design services, and to apply for funding through the USDA and any other Federal or State funding programs, for the Water Reclamation Facility Upgrade Project. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Capps, Cousineau, Rowley

- c. **Request to approve a proposal from Tuckfield & Associates to perform a water and sewer rate study and to provide associated financial support in an initial amount of \$30,000 and direct the General Manager to execute an agreement for professional services.**

Manager Duffield provided a brief summary of the item and answered any questions the board had.

Director Capps made a motion to approve a proposal from Tuckfield & Associates to perform a water and sewer rate study and to provide associated financial support in an initial amount of \$30,000 and direct the General Manager to execute an agreement for professional services. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Capps, Cousineau, Rowley

7. MANAGER'S REPORT

Manager Duffield provided a verbal report and answered any questions the board had.

The report was received and filed.

8. STAFF REPORTS

Interim Operations Manager Wilcox provided a verbal report and answered any questions the board had.

The reports were received and filed.

9. COMMITTEE AND DIRECTOR REPORTS

No comments

10. ADJOURNMENT

On a motion by Director Barker and seconded by Director Burgess the meeting adjourned at 5:10 pm to the next scheduled regular meeting on Thursday, June 17, 2021.

APPROVED:

**Devin Capps, President
Board of Directors**

ATTEST:

**Kristen Gelos, Secretary
Board of Directors**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/3/2021	CALPERS HEALTH BENEFITS EMPLOYEE PAID HEALTH BENEFIT	957.97	
	EMPLOYEE PAID HEALTH BENEFIT	957.97	
	EMPLOYEE PAID HEALTH BENEFIT	353.52	\$ 2,269.46
5/3/2021	CALPERS HEALTH BENEFITS CALPERS HEALTH BENEFITS	10,587.30	\$ 10,587.30
5/4/2021	READY REFRESH BY NESTLE LAB TESTING	33.92	\$ 33.92
5/6/2021	SAN MIGUEL GARBAGE DELINQUENT SOLID WASTE FEES	192.00	\$ 192.00
5/6/2021	PITNEY BOWES GLOBAL FINANCIAL POSTAGE METER LEASE	161.79	\$ 161.79
5/7/2021	R. ARNOLD NET PAYROLL	2,291.94	\$ 2,291.94
5/7/2021	J. PRITCHETT NET PAYROLL	2,351.79	\$ 2,351.79
5/7/2021	M. HUMPHREY NET PAYROLL	1,933.68	\$ 1,933.68
5/7/2021	B. VOGEL NET PAYROLL	1,723.02	\$ 1,723.02
5/7/2021	K. GELOS NET PAYROLL	2,385.11	\$ 2,385.11
5/7/2021	D. BURGESS NET PAYROLL	92.35	\$ 92.35
5/7/2021	B. BARKER NET PAYROLL	92.35	\$ 92.35
5/7/2021	M. ROWLEY NET PAYROLL	92.35	\$ 92.35
5/7/2021	R. COUSINEAU NET PAYROLL	138.52	\$ 138.52

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/7/2021	S. DUFFIELD NET PAYROLL	3,650.55	\$ 3,650.55
5/7/2021	D. CAPPS NET PAYROLL	92.35	\$ 92.35
5/7/2021	M. WILCOX NET PAYROLL	1,653.85	\$ 1,653.85
5/7/2021	CALPERS 457 DEFFERED COMP PROGRAM PERS 457- DEFFERED COMP. PERS 457- DEFFERED COMP.	100.00 2,220.00	\$ 2,320.00
5/7/2021	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FEDERAL WITHHOLDING TAXES FICA WITHIHOLDING MEDICARE MEDICARE	85.57 1,701.22 68.20 51.16 687.92	\$ 2,594.07
5/7/2021	EMPLOYMENT DEVELOPMENT DEPARTMENT ETT SDI SDI SUI STATE WITHHOLDING STATE WITHHOLDING	0.09 21.17 278.05 1.97 17.37 600.80	\$ 919.45
5/7/2021	CALPERS RETIREMENT SYSTEM EMPLOYERS CONTRIBUTION PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	10.18 2,130.17 1,075.89 615.31 6.51	\$ 3,838.06
5/7/2021	J.B. DEWAR. INC. FUEL & OIL	1,163.06	\$ 1,163.06
5/10/2021	PG&E ELECTRICITY	14,459.54	\$ 14,459.54
5/13/2021	FERGUSON ENTERPRISES INC MAINTENANCE FIXED EQUIPMENT	1,288.11	\$ 1,288.11

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/13/2021	GREAT WESTERN ALARM ALARM & ANSWERING SERVICE	274.25	\$ 274.25
	STAPLES CREDIT PLAN	60.04	
	OFFICE SUPPLIES	30.09	\$ 90.13
	OFFICE SUPPLIES		
5/13/2021	WALLACE GROUP CONSULTING & ENGINEERING	585.00	
	PVS PROJECT	1,755.00	
	VERTICAL INTAKE PROJECT	9,772.03	\$ 12,112.03
5/13/2021	HACH COMPANY LAB TESTING	96.57	\$ 96.57
5/13/2021	HOME DEPOT CREDIT SERVICES SUPPLIES/SM TOOLS & EQUIP	60.72	\$ 60.72
5/13/2021	USA BLUEBOOK LAB TESTING	322.97	\$ 322.97
5/13/2021	BRENNTAG PACIFIC, INC CHEMICALS	2,341.53	\$ 2,341.53
5/13/2021	SIGMA-ALDRICH INC LAB TESTING	449.55	\$ 449.55
5/13/2021	YOURMEMBERSHIP.COM ADVERTISING	598.00	\$ 598.00
5/13/2021	DELTA LIQUID ENERGY PROPANE	237.71	\$ 237.71
5/13/2021	FLUID RESOURCE MANAGEMENT PROFESSIONAL SERVICES	742.60	
	PROFESSIONAL SERVICES	602.40	
	PROFESSIONAL SERVICES	455.00	\$ 1,800.00
5/13/2021	KRISTEN GELOS MEDICAL REIMBURSEMENTS	787.20	
	MEDICAL REIMBURSEMENTS	280.36	\$ 1,067.56
5/13/2021	RHYTHM DESIGN UNIFORMS	67.50	\$ 67.50

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/13/2021	R&B COMPANY A CORE & MAIN COMPANY		
	MAINTENANCE FIXED EQUIPMENT	983.30	
	MAINTENANCE FIXED EQUIPMENT	48.29	\$ 1,031.59
5/13/2021	FOX HILL POOL & SPA		
	CHEMICALS	257.52	\$ 257.52
5/13/2021	NAPA AUTO PARTS		
	VEHICLES	(9.79)	
	VEHICLES	37.49	
	VEHICLES	105.49	
	VEHICLES	105.49	
	VEHICLES	46.75	
	VEHICLES	309.63	
	VEHICLES	483.86	\$ 1,078.92
5/13/2021	U.S. BANK		
	MAINTENANCE FIXED EQUIPMENT	177.24	
	TELEPHONE	201.33	
	UNIFORMS	99.54	
	MAINTENANCE FIXED EQUIPMENT	48.66	
	MAINTENANCE FIXED EQUIPMENT	80.43	
	TELEPHONE	200.68	
	LAB TESTING	65.91	
	POSTAGE	11.55	
	POSTAGE	7.00	\$ 892.34
5/13/2021	BURT INDUSTRIAL SUPPLY		
	SUPPLIES	492.55	\$ 492.55
5/13/2021	WINE COUNTRY BALANCE		
	LAB TESTING	415.00	\$ 415.00
5/13/2021	WESTERN EXTERMINATOR COMPANY		
	STRUCTURES & GROUNDS	86.00	\$ 86.00
5/13/2021	RIVAL TECHNOLOGY INC.		
	PROFESSIONAL SERVICES	662.70	
	COMPUTER/SOFTWARE	130.00	\$ 792.70
	KENWOOD ENERGY		
	PVS PROJECT	390.00	\$ 390.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/13/2021	ALL WAYS CLEAN STRUCTURES & GROUNDS	400.00	\$ 400.00
5/13/2021	SPRAGUE'S LAWN SERVICES STRUCTURES & GROUNDS STRUCTURES & GROUNDS STRUCTURES & GROUNDS	75.00 75.00 75.00	\$ 225.00
5/13/2021	LARRY WALKER ASSOCIATES CONSTULTING & ENGINEERING	2,810.00	\$ 2,810.00
5/13/2021	MIKE WILCOX TRAINING & TRAVEL	38.19	\$ 38.19
5/13/2021	REAL TECH INC. LAB TESTING	2,111.00	\$ 2,111.00
5/19/2021	SAN MIGUEL GARBAGE DELINQUENT SOLID WASTE FEES	1,864.00	\$ 1,864.00
5/20/2021	AT&T TELEPHONE / INTERNET	178.95	\$ 178.95
5/21/2021	J.B. DEWAR. INC. FUEL & OIL	19.89	\$ 19.89
5/21/2021	R. ARNOLD NET PAYROLL	2,324.26	\$ 2,324.26
5/21/2021	J. PRITCHETT NET PAYROLL	2,330.74	\$ 2,330.74
5/21/2021	M. HUMPHREY NET PAYROLL	1,954.55	\$ 1,954.55
5/21/2021	B. VOGEL NET PAYROLL	1,951.06	\$ 1,951.06
5/21/2021	K. GELOS NET PAYROLL	2,385.11	\$ 2,385.11
5/21/2021	S. DUFFIELD NET PAYROLL	3,484.17	\$ 3,484.17

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/21/2021	M. WILCOX NET PAYROLL	1,933.55	\$ 1,933.55
5/21/2021	CALPERS 457 DEFFERED COMP PROGRAM PERS 457- DEFFERED COMP.	2,220.00	\$ 2,220.00
5/21/2021	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES MEDICARE	1,730.32 684.50	\$ 2,414.82
5/21/2021	EMPLOYMENT DEVELOPMENT DEPARTMENT SDI STATE WITHHOLDING	283.23 611.52	\$ 894.75
5/21/2021	CALPERS RETIREMENT SYSTEM PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	1,826.63 1,075.89 629.91 5.58	\$ 3,538.01
5/21/2021	PG&E ELECTRICITY	4,386.03	\$ 4,386.03
5/24/2021	CALPERS RETIREMENT SYSTEM PERS RETIREMENT U/L PERS RETIREMENT U/L	6,642.76 250.10	\$ 6,892.86
5/28/2021	J.B. DEWAR. INC. FUEL & OIL	250.91	\$ 250.91
5/28/2021	CHARTER COMMUNICATIONS INTERNET	89.99	\$ 89.99
5/31/2021	ROY ARNOLD UNIFORM ALLOWANCE CELL / INTERNET ALLOWANCE	289.32 80.00	\$ 369.32
5/31/2021	KRISTEN GELOS CELL / INTERNET ALLOWANCE	40.00	\$ 40.00
5/31/2021	JAMES A. PRITCHETT CELL / INTERNET ALLOWANCE	80.00	\$ 80.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
5/31/2021	SCOTT DUFFIELD CELL / INTERNET ALLOWANCE	40.00	\$ 40.00
5/31/2021	MARK HUMPHREY CELL / INTERNET ALLOWANCE	80.00	\$ 80.00
5/31/2021	BRIAN VOGEL CELL / INTERNET ALLOWANCE LAB TESTING	80.00 2,111.00	\$ 80.00 \$ 2,111.00
GRAND TOTAL FOR ALL WARRANTS			\$128,777.92

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
TREASURER'S REPORT
MAY 2021**

SUMMARY REPORT OF ALL ACCOUNTS

Beginning Balance:	\$ 4,862,107.01
Ending Balance:	\$ 5,044,378.13
Variance:	\$ 182,271.12
Interest Earnings for the Month Reported:	\$ 1.75
Interest Earnings Fiscal Year-to-Date:	\$ 38,955.20

ANALYSIS OF REVENUES

Total operating income for water and sewer was:	\$ 162,846.91
Non-operating income was:	\$ 134,936.35
Franchise fees paid to the District by San Miguel Garbage was:	\$ 6,753.47
Interest earnings for the P.P.B. checking account was:	\$ 1.74
Interest earnings for the P.P.B. DWR Loan Services account was:	\$ -
Interest earnings for the P.P.B. DWR Reserve account was:	\$ -
Interest earnings for the P.P.B. SRF Loan Services account was:	\$ -
Interest earnings for the Western Alliance account was:	\$ 0.01
Interest earnings for the LAIF account was:	\$ -

ANALYSIS OF EXPENSES

Pacific Premier Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ 133,046.14
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STATEMENT OF COMPLIANCE

This report was prepared in accordance with the Heritage Ranch Community Services District Statement of Investment Policy. All investment activity was within policy limits. There are sufficient funds to meet the next 30 days obligations. Attached is a status report of all accounts and related bank statements.

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
STATUS REPORT FOR ALL ACCOUNTS
MAY 2021**

BEGINNING BALANCE ALL ACCOUNTS **\$ 4,862,107.01**

OPERATING CASH IN DRAWER **\$300.00**

PACIFIC PREMIER BANK - CHECKING

BEGINNING BALANCE 4/30/2021	\$170,374.92	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	\$315,315.51	
INTEREST EARNED	\$1.74	
TOTAL CHECKS, FEES AND EFT'S	(\$133,046.14)	
TRANSFER TO LAIF ACCOUNT	(\$125,000.00)	
TRANSFER FROM LAIF ACCOUNT		
ENDING BALANCE 5/31/2021		\$227,646.03

PACIFIC PREMIER BANK DWR LOAN REPAYMENT (1994-2029):

LOAN SERVICES ACCOUNT

BEGINNING BALANCE 4/30/2021	\$136.40	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.00	
SEMI-ANNUAL PAYMENT	\$0.00	
ENDING BALANCE 5/31/2021		\$136.40

PACIFIC PREMIER BANK DWR RESERVE ACCOUNT

BEGINNING BALANCE 4/30/2021	\$113,391.21	
INTEREST EARNED	\$0.00	
ENDING BALANCE 5/31/2021		\$113,391.21

PACIFIC PREMIER BANK SDWSRF LOAN SERVICES ACCOUNT

BEGINNING BALANCE 4/30/2021	\$44,283.08	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.00	
SEMI-ANNUAL PAYMENT	\$0.00	
ENDING BALANCE 5/31/2021		\$44,283.08

WESTERN ALLIANCE

PVS PROJECT CAPITALIZED INTEREST FUND

BEGINNING BALANCE 4/30/2021	\$18.33	
INTEREST EARNED	\$0.01	
INTEREST PAYMENT	\$0.00	
ENDING BALANCE 5/31/2021		\$18.34

LOCAL AGENCY INVESTMENT FUND (LAIF)

BEGINNING BALANCE 4/30/2021	\$4,533,903.07	
INTEREST EARNED	\$0.00	
TRANSFER FROM PACIFIC PREMIER CHECKING	\$125,000.00	
TRANSFER TO PACIFIC PREMIER CHECKING	\$0.00	
ENDING BALANCE 5/31/2021		\$4,658,903.07

ENDING BALANCE ALL ACCOUNTS **\$5,044,378.13**

DIFFERENCE FROM LAST MONTH **Increase \$182,271.12**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2020/21 Budget**

OPERATING INCOME	Budget FY 20/21	Actual May	Actual Year to Date	Percentage Year to Date	Variance Explanation
Water Fees	1,021,511	101,223	1,085,293	106%	
Sewer Fees	658,012	58,834	620,008	94%	
Hook-Up Fees	3,000	600	3,700	123%	Fluctuates based on activity
Turn on Fees	3,500	175	3,475	99%	
Late Fees	17,000	1,983	19,249	113%	
Plan Check & Inspection	10,000	0	0	0%	
Miscellaneous Income	2,000	33	341	17%	
TOTAL OPERATING INCOME	\$1,715,023	\$162,847	\$1,732,065	101%	

FRANCHISE INCOME					
Solid Waste Franchise Fees	66,984	6,753	74,605	111%	
TOTAL FRANCHISE REVENUE	\$66,984	\$6,753	\$74,605	111%	

NON-OPERATING INCOME					
Standby Charges	242,144	48,688	233,640	96%	
Property Tax	383,074	72,131	391,307	102%	
Interest	80,000	2	38,955	49%	Fluctuates based on activity
Connection Fees	70,580	14,116	81,765	116%	Fluctuates based on activity
TOTAL NON-OPERATING INCOME	\$775,798	\$134,936	\$745,667	96%	

RESERVE REVENUE					
Capital Reserves	654,941	4,057	303,873	46%	
Operating Reserves	1,508,148	7,860	583,818	39%	
TOTAL RESERVE REVENUE	\$2,163,089	\$11,917	\$887,691	41%	

TOTAL ALL INCOME	\$4,720,894	\$316,454	\$3,440,028	73%	
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2020/21 Budget**

OPERATING EXPENSES

SALARIES AND BENEFITS	Budget FY 20/21	Actual May	Actual Year to Date	Percentage Year to Date	Variance Explanation
Salaries	715,567	45,209	537,987	75%	
Health Insurance	103,862	8,021	77,189	74%	
Health Insurance - Retiree	48,451	3,634	41,673	86%	
PERS	126,097	11,260	132,595	105%	
Standby	14,000	990	11,766	84%	
Overtime	16,000	325	14,411	90%	Fluctuates based on need & staffing
Workers Comp. Ins.	19,194	0	20,642	108%	Paid Annually
Directors' Fees	12,000	550	5,650	47%	
Medicare/FICA	10,550	746	9,171	87%	
Car Allowance	3,000	250	2,750	92%	
SUI/ETT	1,500	2	504	34%	
Uniforms	5,000	167	2,203	44%	
TOTAL SALARIES & BENEFITS	\$1,075,221	\$71,154	\$856,541	80%	

UTILITIES

Electricity	249,810	18,846	225,053	90%	
Propane	1,012	143	982	97%	
Water Purchase	23,114	0	23,114	100%	Paid Semiannually
Telephone/Internet	12,129	671	9,065	75%	
TOTAL UTILITIES EXPENSE	\$286,065	\$19,659	\$258,214	90%	

MAINTENANCE & SUPPLIES

Chemicals	76,000	2,599	63,820	84%	
Computer/Software	29,450	130	8,030	27%	
Equip. Rental/Lease	2,500	0	148	6%	
Fixed Equip.	142,000	2,626	73,143	52%	
Fuel & Oil	12,000	1,529	8,310	69%	
Lab Testing	41,000	4,268	31,916	78%	
Office Supplies	2,000	90	1,413	71%	
Parks & Recreation	0	0	0	0%	
Struct./Grnds.	14,140	711	12,231	87%	
Small Tools/Equip.	3,000	39	2,652	88%	
Supplies	5,000	606	2,694	54%	
Meters/Equip.	5,000	0	6,038	121%	Fluctuates based on activity
Vehicles	6,500	1,079	10,795	166%	
TOTAL MAINT. & SUPPLY EXPENSE	\$338,590	\$13,677	\$221,190	65%	

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2020/21 Budget**

GENERAL & ADMINISTRATION	Budget FY 20/21	Actual May	Actual Year to Date	Percentage Year to Date	Variance Explanation
Ads./Advertising	1,500	598	1,546	103%	Fluctuates based on activity
Alarm/Answering Service	4,000	274	3,076	77%	
Audit	8,200	0	10,195	124%	
Bank Charges/Fees	4,000	576	13,784	345%	Fluctuates based on activity
Consulting/Engineering	85,000	3,395	18,434	22%	
Dues/Subscription	8,750	0	8,872	101%	
Elections	1,000	0	608	61%	
Insurance	41,370	0	41,863	101%	Paid Annually
LAFCO	6,600	0	5,870	89%	Paid Annually
Legal/Attorney	25,000	0	10,492	42%	
Licenses/Permits	32,100	0	21,962	68%	
Plan Check & Inspection	10,000	0	0	0%	
Postage/Billing	20,000	180	12,865	64%	
Professional Service	36,900	2,463	38,912	105%	
Tax Collection	5,300	5,838	5,838	110%	
Staff Training & Travel	8,000	38	1,907	24%	
Board Training & Travel	1,000	0	0	0%	
TOTAL G & A	\$298,720	\$13,362	\$196,222	66%	

CAPITAL PROJECTS & EQUIPMENT

Projects	2,078,089	11,917	887,691	43%	
Equipment	85,000	0	0	0%	
TOTAL CAPITAL EXPENSE	\$2,163,089	11,917	887,691	41%	

DEBT

State Loan Payment	103,629	0	103,628	100%	paid semiannually
State Loan Payment Phase II	58,740	0	29,369	50%	paid semiannually
TOTAL DEBT	\$162,369	\$0	\$132,998		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$262,750	91%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

TOTAL EXPENSE	\$4,612,054	\$153,769	\$2,815,605	61%	
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CONNECTION FEES TRANSFER \$70,580 \$14,116 \$81,765 116%

SOLID WASTE FEES TRANSFER \$30,924 \$3,786 \$40,840 132%

FUND TOTAL	\$7,336	\$144,783	\$501,817		
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HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager
Steve Tanaka, District Engineer

DATE: June 17, 2021

SUBJECT: Request to award a contract in the amount of \$137,655 for construction of the Raw Water Vertical Intake No. 1 Phase 2 to Kirk Construction and authorize the General Manager to execute a construction agreement and issue a notice to proceed.

Recommendation

It is recommended that the Board of Directors award a contract in the amount of \$137,655 for construction of the Raw Water Vertical Intake No. 1 Phase 2 (Phase 2) to Kirk Construction and authorize the General Manager to execute a construction agreement and issue a notice to proceed.

Background

The design phase of the vertical intake project commenced during FY 2019/20. Phase 1 of the project (drilling, casing, etc.) has been completed and at the May 20, 2021 meeting your Board approved the contract documents for Phase 2 and directed staff to advertise for bids.

Discussion

The scope of Phase 2 is for the pump, piping, electrical, and controls. The Engineer's Estimate was \$140,000. There were five bids received by the deadline as shown in the table below. Pursuant to California Public Contract Code award of the contract shall be to the lowest responsible bidder. Kirk Construction is the apparent lowest responsible bidder.

Bidder	Amount
Kirk Construction	\$137,655.00
Fluid Resource Management	\$151,734.51
Hartzell General Engineering	\$169,500.00
John Madonna Construction	\$174,660.00
Kies and Son	\$176,942.00

Fiscal Considerations

The FY 2020/21 Budget included \$192,303 for the construction phase of the Raw Water Vertical Intake No. 1 project. Staff will return to your Board if additional funding is needed.

Results

Approval of the recommended action will initiate construction of Phase 2 of the Raw Water Vertical Intake No. 1 project to further the District's goal of improving water system resiliency, water quality, and water productivity.

Attachments: Bid Evaluation Memorandum

File: Projects_ Raw Water Vertical Intake No. 1

MEMORANDUM

Heritage Ranch Community Services District Raw Water Vertical Intake No. 1 – Phase 2



Date: June 11, 2021

To: Scott Duffield, General Manager

From: Steven G. Tanaka, PE

Subject: Bid Evaluation – Vertical Intake Facility No. 1 – Phase 2

SUMMARY: The lowest, responsive, responsible bidder for the subject Project is determined to be Kirk Construction. Wallace Group recommends award of this Project to Kirk Construction, in the amount of \$137,655.

Background

Bids for the subject Project were received and opened on Thursday, June 10, 2021, at Wallace Group's office. A total of five bids were received, and the bid opening summary is included in this memorandum. Due to COVID-19, a formal bid opening was not conducted. The three lowest bids were reviewed in detail, for compliance with the bidding instructions and overall bidding requirements. The table below summarizes the bid analysis and results.

The three lowest bids were deemed responsive, as summarized in the below table. The Engineer's Estimate for the construction of this Project was established at \$140,000.

Bid Item	Bidders		
	Kirk Construction	Fluid Resource Management	Hartzell General Engineering
Proposal Form (signed)	✓	✓	✓
Bidder's Bond	✓	✓	✓
Addenda Acknowledgment	NA	NA	NA
Acknowledgement of Insurance Requirements	✓	✓	✓
Experience Qualifications	✓	✓	✓
Contractor's Licensing Statement	✓	✓	✓
Proof of Registration with DIR ^a	✓	✓	✓

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Bid Item	Bidders		
	Kirk Construction	Fluid Resource Management	Hartzell General Engineering
List of Subcontractors	✓	✓	✓
	Aqua Engineering Pierson Electric	Aqua Engineering Central Coast Fence Alpha Electric	All American Drilling Alpha Electric Central Coast Fence
Non-Collusion Affidavit	✓	✓	✓
Affirmative Action Certificate	✓	✓	✓
Worker's Compensation Certificate	✓	✓	✓
List of Material/Equipment Suppliers	✓	✓	✓
	Goulds 6CHC	Goulds	Grundfos
Bid Deemed Responsive	✓	✓	✓
Base Bid	\$137,655.00	\$151,735.31	\$169,500.00

^aDIR registration for all three bidders was confirmed on-line by Steve Tanaka, 6/11/21.

The bids are summarized in the table on the following page.

SGT

Raw Water Vertical Intake #1 - Phase 2 HRCSD

					BIDDER									
					Kirk Construction		Fluid Resource Management		John Madonna Construction		Hartzell General Engineering		Kies & Son	
Item (includes installation)	Units	Quantity	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
1 Mobilization / de-mobilization and site cleanup.	Lump Sum	1	\$6,200	\$5,000	\$ 7,800.00	\$ 7,800.00	\$ 2,870.43	\$ 2,870.43	\$ 8,530.00	\$ 8,530.00	\$31,500.00	\$ 31,500.00	\$ 3,291.00	\$ 3,291.00
2 Vertical Intake Improvements, Pipeline, and Appurtenances - Provide pump, pressure transducer and appurtenances in existing vertical intake casing, provide casing seal, aboveground and buried piping, valves, fittings, and flow meter, concrete pad, fencing.	Lump Sum	1	\$105,000	\$96,000	\$ 63,315.00	\$ 63,315.00	\$ 40,508.14	\$ 40,508.14	\$118,930.00	\$ 118,930.00	\$61,000.00	\$ 61,000.00	\$91,712.00	\$ 91,712.00
3 Tie-in to existing 4" HDPE emergency supply pipeline - includes valves and valve vault	Lump Sum	1	\$26,200	\$22,000	\$ 31,580.00	\$ 31,580.00	\$ 68,423.50	\$ 68,423.50	\$ 29,150.00	\$ 29,150.00	\$36,000.00	\$ 36,000.00	\$46,908.00	\$ 46,908.00
4 Electrical, Instrumentation and Controls	Lump Sum	1	\$16,100	\$17,000	\$ 34,960.00	\$ 34,960.00	\$ 39,933.24	\$ 39,933.24	\$ 18,050.00	\$ 18,050.00	\$41,000.00	\$ 41,000.00	\$35,031.00	\$ 35,031.00
TOTAL				\$140,000		\$ 137,655.00		\$ 151,735.31		\$ 174,660.00		\$ 169,500.00		\$ 176,942.00

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Finance & Audit Committee (Burgess, Cousineau, Duffield)

DATE: June 17, 2021

SUBJECT: Request to adopt the Preliminary FY 2021/22 Budget, and schedule a public hearing for July 15, 2021, to consider adoption of a Final FY 2021/22 Budget.

Recommendation

It is recommended that the Board of Directors:

1. Adopt the Preliminary FY 2021/22 Budget; and
2. Schedule a public hearing for July 15, 2021 to consider adoption of a Final FY 2021/22 Budget.

Background

The District is required pursuant to Government Code Section 61110 to adopt a preliminary budget that conforms to generally accepted accounting principles before July 1st of each year. The budget shall outline anticipated revenue and expense for the year. The code also requires a public notice be published designating the date and time the Board intends to adopt a Final Budget. It is the District's practice to adopt a Preliminary Budget in June and consider adoption of the Final Budget at the regular Board meeting in July. A Final Budget must be adopted by your Board before September 1st.

Discussion

Attached is the Preliminary FY 2021/22 Budget. There may be minor revisions once final information is received by the end of June.

Each fund has its own budget. The consolidated budget provides a summary of the water, sewer, general, and solid waste funds. The preliminary budgets include the following information:

- Actual FY 2019/20 revenue and expense
- Budgeted FY 2020/21 revenue and expense
- Actual FY 2020/21 revenue and expense data for 11 months
- Annualized FY 2020/21 revenue and expense
- Preliminary FY 2021/22 revenue and expense

Current Budget Summary

Revenue: The current water fund revenue less reserves appears to be performing above (11.7%) the budgeted amount. The sewer fund revenue less reserves also appears to be performing above (3.0%) the budgeted amount.

Expense: The current water fund annualized expense less capital is projecting to be below the budgeted amount (-13.0%). The sewer fund annualized expense less capital is also projecting to be below the budgeted amount (-15.0%).

The current consolidated budget annualized is projecting to have a surplus of \$532,257 but is overestimated due to capital projects not yet completed.

Preliminary Draft FY 2021/22 Budget Summary

The preliminary draft of next year's budget has a \$39,912 surplus in the water fund and a \$22,454 surplus in the sewer fund. **The consolidated budget has a \$62,366 surplus.**

Total revenue in this preliminary draft of next year's budget represents an increase of \$212,770 or 4.5% compared to this year's budget.

Operating revenue (rates, fees, etc.) is budgeted at a \$132,568 or 7.7% increase, and non-operating revenue (property taxes, standby and capacity charges, etc.) at a (\$8,766) or -1.1% decrease.

Total expense (less capital) in this preliminary draft of next year's budget represents an increase of \$79,512 or 3.3% compared to this year's budget.

Total capital project budget in this preliminary draft of next year's budget represents a slight increase of 3.7% compared to this year's budget, mostly because the WRF project is budgeted at a similar amount as the PVS project was last year.

A few of these estimates are preliminary at this point. There may be changes in revenue and expenses as we receive updated information and estimates. There are very few major expense items that can be reduced and still maintain operations. There is also very little flexibility to reduce expenses such as insurance, chemicals, supplies, equipment maintenance, lab testing, audit, and permits. We must always look for ways to reduce operating costs. Details of different categories are discussed below.

Revenue Categories

1. Operating Revenue. The preliminary budgets for the water and sewer funds use the analysis in the 2017 Rate Study. **Total operating revenue less solid waste franchise fees is budgeted to increase by \$132,568 or 7.7%.**
2. Solid Waste Franchise Fee Revenue. All solid waste fees include a "franchise fee" that provides the local agency funds to administer and support solid waste programs

in the community. Franchise fees are collected by the garbage company as part of their customer fees and forwarded to the local agency monthly. Our franchise fee is 10%. **Total solid waste franchise fee revenue is budgeted to increase by \$10,236 or 15.3%.**

3. Non-Operating Revenue. The County Auditor-Controller provided us an early estimate for property tax receipts and charges for next year which is reflected in the preliminary budget. For budgeting purposes, it is assumed that five new homes will connect to the systems. **Total non-operating revenue is budgeted to decrease by (\$8,766) or -1.1%.**

Expense Categories

1. Personnel Budget. This item includes salaries, employee pensions and health insurance, retiree health insurance, Directors fees, and uniforms. For budgeting purposes, the following assumptions are made: 3% cost of living increase in base salary for all staff; 5% increase in medical insurance costs with 90% of lowest cost premium paid by District; current staff of six full-time employees, plus transition of the interim Operations Manager to regular full time position, one vacant Treatment Operator II position (9 months), one new Treatment Operator III position (9 months), and one new District Engineer position (9months). **Total personnel budget expense is budgeted to increase by \$153,505 or 14%.**
2. Utilities. The water contract with the County is a fixed fee for total allocated water. Electricity is expected to decrease due to the PVS project and those estimates will be refined at the Final Budget stage. Other utility costs are expected to increase and for this preliminary draft is assumed to be the current budget expense plus 4%. **Total utilities expense is budgeted to decrease by (\$159,964) or -56%.**
3. Maintenance and Supplies. This category is dominated by chemical costs and fixed equipment maintenance, and lab testing. Maintenance of fixed equipment is always a major responsibility and includes a few expensive tasks such as patch paving, hydro jetting, and electric motor and electrical services. The current year budget is tracking to be under budget therefore; Total **maintenance and supplies expense is budgeted to slightly increase by \$3,900 or 1.2%.**
4. General and Administrative. A significant decrease in the line item for consulting/engineering is reflective of the new District Engineer position. **Total general and administrative expense is budgeted to decrease by (\$70,778) or -23.7%.**
5. Projects and Equipment. The General Manager, with technical engineering assistance from the District Engineer on some projects, is the staff that manage capital projects. Some projects take many years to plan and construct. Others are less complex but still take months of working with engineers, contractors, and vendors to plan and implement. The projects and equipment budget is currently pursuant to the

approved 5-Year Capital Improvement Program (CIP), plus additional projects or equipment replacement. The FY 2021/22 Capital Budget is budgeted at \$2,151,823.

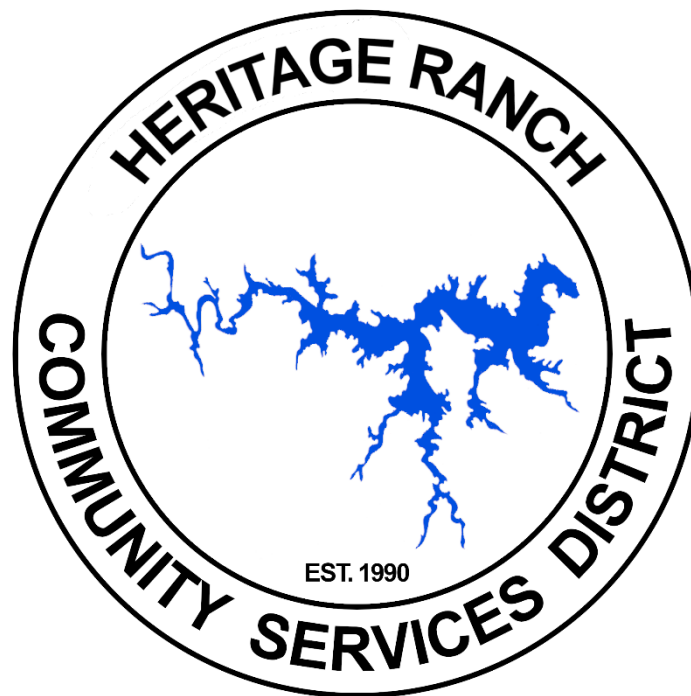
A summary of projects and equipment budgeted for next year follows:

- \$201,810 for Vertical Intake - construction phase 2
 - \$1,301,676 for Water Reclamation Facility Upgrade - design phase
 - \$75,000 for Lift Station 1-5 Rehabilitation - construction phase (partial)
 - \$330,031 for Photovoltaic System - construction phase
 - \$28,306 for prefunding of Other Post-Employment Benefits associated with the health benefits for annuitants as provided for by the District.
 - \$30,000 for water and wastewater rate study
 - \$35,000 for rebuild of treated water pumps at PS 3 & 4
 - \$30,000 for pump station covers at PS 1, 2, & 3
 - \$185,000 for equipment / vehicle replacement
6. Debt. The water treatment plant debts are contractual and cannot be reduced. FY 2021/22 also begins our debt payments for the PVS project. **Total debt expense is budgeted to increase by \$152,850 or 94%.**
7. Depreciation. This is a non-cash expense. The ability to fund the depreciation is a result of the current water/sewer fees and continued allocation of property taxes. It is important to fund as much depreciation as possible and reserve a portion of your income annually for future replacement and upgrades of facilities. Our actual 2019/20 audited depreciation expense is \$419,556. **Total depreciation expense is budgeted to remain the same as this year's budget of \$288,000.**
8. Transfer to Reserves. This line item, in the water and sewer funds, transfers capacity charges to capital reserves. Capacity charges can only be used for capital projects and are used in subsequent years. This line item reserves this money for use in future years. A total of \$70,580 is budgeted to be transferred to reserves. The \$30,420 anticipated surplus from the solid waste fund budget would also be transferred to reserves. **Total transfer to reserves is budgeted at \$101,000, which is a slight decrease of (\$504) or -0.5%.**

Attachment: Preliminary FY 2021/22 Budget

File: FY 2021/22 Budget

HERITAGE RANCH
COMMUNITY SERVICES DISTRICT



FISCAL YEAR 2021-2022
PRELIMINARY BUDGET
JUNE 17, 2021

Heritage Ranch Community Services District
Fiscal Year 2021-2022 Preliminary Budget
June 17, 2021

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GENERAL FUND BUDGET	7
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HERITAGE RANCH COMMUNITY SERVICES DISTRICT
Draft 2021/22 Capital & Equipment Budget

PROJECTS	Total Budget	Funding Source							
		Capital Reserves		Operating Budget			Operating Reserves		
		Water	Sewer	Water	Sewer	General	Water	Sewer	
Vertical Well (construction)	\$201,810	\$68,615					\$133,195		
WRF Upgrade Project (design, env, admin)	\$1,301,676		\$455,587					\$846,089	
Lift Station 1-5 Rehab (const)	\$75,000							\$75,000	
PVS (construction)	\$330,031	\$84,158	\$28,878				\$163,365	\$53,630	
OPEB Funding/Transfer	\$28,306					\$28,306			
Water and Wastewater Rate Study	\$30,000						\$18,000	\$12,000	
Rebuild Treated Water Pumps at PS 3 & 4	\$35,000	\$11,900					\$23,100		
Pump Station Covers	\$30,000	\$10,200					\$19,800		
subtotal Projects	\$2,031,823	\$174,873	\$484,464	\$0	\$0	\$28,306	\$357,460	\$986,719	
EQUIPMENT									
Equipment / Vehicle replacement (service truck)	\$85,000						\$51,000	\$34,000	
Equipment / Vehicle replacement (vac trailer)	\$100,000						\$60,000	\$40,000	
subtotal Equipment	\$185,000	\$0	\$0	\$0	\$0	\$0	\$111,000	\$74,000	
TOTAL CAPITAL	\$2,216,823	\$174,873	\$484,464	\$0	\$0	\$28,306	\$468,460	\$1,060,719	

	A	B	C	D	E	F
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - WATER FUND					
2	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
3						
4						
5						
6		Actual	Budget	Actual 11 month	Annualized	Preliminary
7	OPERATING REVENUE	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
8	Water Fees	1,043,135	1,021,511	1,085,293	1,183,955	1,107,981
9	Late Fees	11,108	10,200	12,049	13,145	11,100
10	Hook-Up Fees	1,500	2,500	3,200	3,491	2,500
11	Turn on Fees	1,980	2,000	2,085	2,275	2,000
12	Plan Check & Inspection	496	5,000	0	0	5,000
13	Miscellaneous Income	0	0	0	0	0
14	TOTAL OPERATING REVENUE	\$1,058,219	\$1,041,211	\$1,102,627	\$1,202,866	\$1,128,581
15						
16						
17	NON-OPERATING REVENUE					
18	Standby Charges	195,131	202,958	193,921	211,550	202,958
19	Property Tax	202,240	210,691	215,219	234,784	222,369
20	Interest	60,334	60,800	29,663	32,360	38,000
21	Connection Fees	19,022	31,745	42,889	46,787	31,745
22	TOTAL NON-OPERATING REVENUE	\$476,728	\$506,194	\$481,691	\$525,482	\$495,072
23						
24						
25	RESERVE REVENUE					
26	Capital Reserves	340,759	476,464	226,043	246,593	174,873
27	General Reserves	25,822	975,900	438,790	478,680	468,460
28	TOTAL RESERVE REVENUE	\$366,581	\$1,452,364	\$664,833	\$725,272	\$643,333
29						
30	TOTAL REVENUE	\$1,901,528	\$2,999,769	\$2,249,151	\$2,453,619	\$2,266,986
31						
32						
33	OPERATING EXPENSES					
34						
35	SALARIES AND BENEFITS					
36	Salaries	253,872	284,442	181,542	198,045	279,396
37	Overtime	8,633	9,000	8,647	9,433	9,716
38	Standby	7,501	8,400	7,060	7,702	7,500
39	Health Insurance	32,489	45,475	28,560	31,156	56,544
40	Pers Retirement	49,021	50,144	45,720	49,877	50,082
41	Workers Comp. Ins.	11,491	10,173	10,940	11,935	9,728
42	Medicare/FICA	3,907	4,124	3,171	3,459	4,051
43	Uniforms	1,469	3,000	1,322	1,442	3,000
44	TOTAL SALARIES & BENEFITS	\$368,383	\$414,758	\$286,961	\$313,049	\$420,017
45						
46						
47	UTILITIES					
48	Electricity	139,732	163,309	146,872	160,224	59,875
49	Water Purchase	23,114	23,114	23,114	23,114	23,114
50	Telephone/Internet	3,574	3,694	2,964	3,233	3,300
51	TOTAL UTILITIES	\$166,419	\$190,117	\$172,949	\$186,571	\$86,289
52						
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54						
55						

	A	B	C	D	E	F
56	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - WATER FUND					
57	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
58						
59						
60		Actual	Budget	Actual 11 month	Annualized	Preliminary
61	MAINTENANCE & SUPPLIES	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
62	Chemicals	46,486	55,000	44,345	48,376	62,000
63	Computer/Software	4,173	7,600	387	422	7,600
64	Equip. Rental/Lease	801	2,000	148	162	2,000
65	Fixed Equip.	44,191	96,000	56,139	61,242	94,000
66	Fuel & Oil	6,974	7,200	4,929	5,377	6,000
67	Lab Testing	13,916	18,600	16,332	17,817	15,000
68	Struct./Grnds.	2,348	3,535	3,058	3,336	2,035
69	Small Tools/Equip.	2,440	1,800	1,591	1,736	1,800
70	Supplies	4,109	3,000	1,872	2,042	2,000
71	Meters/Equip.	0	5,000	6,038	6,587	12,000
72	Vehicles	3,715	3,900	6,477	7,066	3,600
73	TOTAL MAINT. & SUP.	\$129,154	\$203,635	\$141,316	\$154,163	\$208,035
74						
75	GENERAL & ADMINISTRATION					
76	Allocation of General Fund	249,449	234,389	219,470	239,421	304,200
77	Alarm/Answering Service	1,046	1,000	769	839	1,000
78	Bank Charges/Fees	0	0	0	0	0
79	Consulting/Engineering	5,761	60,000	10,658	11,627	10,000
80	Dues/Subscription	2,987	5,355	3,152	3,438	6,110
81	Insurance (Property/Liability)	12,748	17,375	17,870	19,494	15,368
82	Legal/Attorney	4,934	15,000	6,181	6,743	9,000
83	Licenses/Permits	13,150	13,900	12,184	13,291	13,900
84	Plan Check & Inspection	496	5,000	0	0	5,000
85	Professional Service	11,151	12,100	19,282	21,035	20,500
86	Training & Travel	920	1,000	1,681	1,833	1,000
87	TOTAL G & A	\$302,644	\$365,119	\$291,245	\$317,722	\$386,078
88						
89						
90	CAPITAL PROJECTS & EQUIPMENT					
91	Project	393,732	1,401,363	625,540	682,407	532,333
92	Equipment	70,698	51,000	0	0	111,000
93	TOTAL CAPITAL	\$464,430	\$1,452,363	\$625,540	\$682,407	\$643,333
94						
95	DEBT					
96	State Loan Payment-DWR	103,628	103,629	103,628	103,629	103,629
97	State Loan Payment Phase II-SRF	58,739	58,740	29,369	58,740	58,740
98	Western Alliance Lease-PVS					114,209
99	TOTAL DEBT	\$162,367	\$162,369	\$132,998	\$162,369	\$276,578
100						
101						
102	FUNDED DEPRECIATION	175,000	175,000	160,416	174,999	175,000
103	UNFUNDED DEPRECIATION	0	0	0	0	0
104						
105	TOTAL EXPENSE	\$1,768,397	\$2,963,361	\$1,811,426	\$1,991,280	\$2,195,330
106						
107	TRANSFER TO RESERVES	\$19,022	\$31,745	\$42,889	\$46,787	\$31,745
108						
109	FUND TOTAL	\$114,109	\$4,662	\$394,837	\$415,552	\$39,912

	A	B	C	D	E	F
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SEWER FUND					
2	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
3						
4						
5						
6		Actual	Budget	Actual 11 month	Annualized	Preliminary
7	OPERATING REVENUE	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
8	Sewer Fees	635,259	658,012	620,008	676,372	704,110
9	Late Fees	7,071	6,800	7,199	7,854	7,400
10	Hook-Up Fees	300	500	500	545	500
11	Turn on Fees	1,320	1,500	1,390	1,516	1,500
12	Plan Check & Inspection	496	5,000	0	0	5,000
13	Miscellaneous Income	0	0	0	0	0
14	TOTAL OPERATING REVENUE	\$644,446	\$671,812	\$629,097	\$686,288	718,510
15						
16						
17	NON-OPERATING REVENUE					
18	Standby Charges	39,967	39,186	39,719	43,330	39,186
19	Property Tax	110,313	114,922	117,392	128,064	121,292
20	Interest	18,992	19,200	9,292	10,137	12,000
21	Connection Fees	23,326	38,835	38,877	42,411	38,835
22	TOTAL NON-OPERATING REVENUE	\$192,597	\$212,143	\$205,280	\$223,941	\$211,313
23						
24			\$883,955		\$910,229	
25	RESERVE REVENUE					
26	Capital Reserves	118,404	169,932	77,830	84,905	484,464
27	General Reserves	70,305	487,109	145,028	158,213	1,060,719
28	TOTAL RESERVE	\$188,708	\$657,041	\$222,858	\$243,118	\$1,545,183
29						
30	TOTAL REVENUE	\$1,025,751	\$1,540,996	\$1,057,235	\$1,153,347	\$2,475,006
31						
32	OPERATING EXPENSES					
33						
34	SALARIES AND BENEFITS					
35	Salaries	169,248	189,628	121,028	132,030	186,264
36	Overtime	5,755	6,000	5,765	6,289	6,500
37	Standby	5,001	5,600	4,707	5,134	5,600
38	Health Insurance	21,952	30,316	19,297	21,052	37,696
39	Pers Retirement	32,440	33,429	30,227	32,975	33,388
40	Workers Comp. Ins.	7,588	6,718	7,225	7,882	6,424
41	Medicare/FICA	2,604	2,750	2,114	2,306	2,701
42	Uniforms	979	2,000	881	961	2,000
43	TOTAL SALARIES & BENEFITS	\$245,568	\$276,441	\$191,243	\$208,628	\$280,573
44						
45						
46	UTILITIES					
47	Electricity	75,108	81,327	74,778	81,576	29,901
48	Telephone/Internet	2,471	2,575	2,065	2,253	2,300
49	TOTAL UTILITIES	\$77,579	\$83,902	\$76,844	\$83,829	\$32,201
50						
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	A	B	C	D	E	F
55	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SEWER FUND					
56	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
57						
58						
59						
60		Actual	Budget	Actual 11 month	Annualized	Preliminary
61	MAINTENANCE & SUPPLIES	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
62	Chemicals	18,433	21,000	19,475	21,245	25,000
63	Computer/Software	4,245	7,400	315	344	7,400
64	Equip. Rental/Lease	34	500	0	0	500
65	Fixed Equip.	54,207	46,000	17,005	18,550	48,000
66	Fuel & Oil	4,541	4,800	3,381	3,688	4,000
67	Lab Testing	24,268	22,400	15,583	17,000	23,400
68	Struct./Grnds.	4,697	7,070	6,116	6,672	4,070
69	Small Tools/Equip.	1,627	1,200	1,061	1,157	1,200
70	Supplies	1,481	1,500	822	897	500
71	Vehicles	2,476	2,600	4,318	4,710	2,400
72	TOTAL MAINT. & SUP.	\$116,009	\$114,470	\$68,074	\$74,263	\$116,470
73						
74						
75	GENERAL & ADMINISTRATION					
76	Allocation of General Fund	191,884	180,299	168,823	184,170	234,000
77	Alarm/Answering Service	1,046	1,000	769	839	1,000
78	Bank Charges/Fees	0	0	7,034	7,673	0
79	Consulting/Engineering	2,297	25,000	7,776	8,483	10,000
80	Dues/Subscription	1,428	3,395	1,390	1,516	3,740
81	Insurance (Property/Liability)	9,713	13,238	13,238	14,441	11,709
82	Legal/Attorney	2,602	10,000	4,311	4,702	6,000
83	Licenses/Permits	17,567	18,200	9,778	10,667	18,200
84	Plan Check & Inspection	496	5,000	0	0	5,000
85	Professional Service	13,010	12,500	9,926	10,828	12,000
86	Training & Travel	218	1,000	189	206	1,000
87	TOTAL G & A	\$240,262	\$269,632	\$223,232	\$243,526	\$302,649
88						
89						
90						
91	CAPITAL PROJECTS & EQUIPMENT					
92	Project	148,913	623,041	262,151	285,983	1,471,184
93	Equipment	47,132	34,000	0	0	74,000
94	TOTAL CAPITAL	\$196,045	\$657,041	\$262,151	\$285,983	\$1,545,184
95						
96	DEBT					
97	Western Alliance Lease-PVS	0	0	0	0	38,640
98	TOTAL DEBT	\$0	\$0	\$0	\$0	\$38,640
99						
100						
101	FUNDED DEPRECIATION	98,000	98,000	89,834	98,001	98,000
102	UNFUNDED DEPRECIATION	0	0	0	0	0
103						
104	TOTAL EXPENSE	\$973,464	\$1,499,487	\$911,378	\$994,230	\$2,413,717
105						
106	TRANSFER TO RESERVES	\$23,326	\$38,835	\$38,877	\$42,411	\$38,835
107						
108						
109	FUND TOTAL	\$28,962	\$2,675	\$106,980	\$116,706	\$22,454

	A	B	C	D	E	F
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SOLID WASTE FUND					
2	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
3						
4						
5						
6		Actual	Budget	Actual 11 month	Annualized	Preliminary
7	OPERATING REVENUE	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
8	TOTAL FRANCHISE FEES	\$71,656	\$66,984	\$74,605	\$81,387	\$77,220
9						
10						
11						
12						
13	EXPENSE					
14	Allocation of General Fund	38,377	36,060	33,765	36,834	46,800
15	TOTAL EXPENSES	\$38,377	\$36,060	\$33,765	\$36,834	\$46,800
16						
17	TRANSFER TO RESERVES	\$33,279	\$30,924	\$40,840	\$44,553	\$30,420
18						
19	FUND TOTAL	\$0	\$0	\$0	\$0	\$0
20						

	A	B	C	D	E	F
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - GENERAL FUND					
2	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
3						
4						
5						
6		Actual	Budget	Actual 11 month	Annualized	Preliminary
7	OPERATING REVENUE	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
8	Transfer from other Funds	0	0	0	0	0
9	Miscellaneous Income	14,835	2,000	341	372	500
10	TOTAL OPERATING	\$14,835	\$2,000	\$341	\$372	\$500
11						
12						
13						
14	NON-OPERATING REVENUE					
15	Property Tax	55,156	57,461	58,696	64,032	60,646
16	Interest	0	0	0	0	0
17	TOTAL NON-OPERATING	\$55,156	\$57,461	\$58,696	\$64,032	\$60,646
18						
19						
20						
21	RESERVE REVENUE					
22	Capital Reserves	0	0	0	0	0
23	General Reserves	0	28,685	0	0	28,306
24	TOTAL RESERVE	\$0	\$28,685	\$0	\$0	\$28,306
25						
26	TOTAL REVENUE	\$69,991	\$88,146	\$59,037	\$64,404	\$89,452
27						
28						
29						
30	OPERATING EXPENSES					
31						
32	SALARIES AND BENEFITS					
33	Salaries	261,429	241,497	235,418	256,819	355,514
34	Overtime	0	1,000	0	0	0
35	Health Insurance	39,044	28,071	29,332	31,998	44,180
36	Health Insurance - Retirees	47,389	48,451	41,673	45,462	44,584
37	Pers Retirement	55,993	42,524	56,648	61,797	63,000
38	Workers Comp. Ins.	2,602	2,303	2,477	2,702	2,203
39	Directors' Fees	6,500	12,000	5,650	6,164	9,000
40	Medicare/FICA	4,425	3,676	3,886	4,239	5,155
41	Car Allowance	3,000	3,000	2,750	3,000	3,000
42	SUI/ETT	599	1,500	504	550	1,500
43	TOTAL SALARIES & BENEFITS	\$420,980	\$384,022	\$378,337	\$412,732	\$528,136
44						
45						
46						
47	UTILITIES					
48	Electricity	3,635	5,174	3,403	3,712	2,159
49	Propane	821	1,012	982	1,071	1,053
50	Telephone/Internet	4,765	5,860	4,036	4,403	4,400
51	TOTAL UTILITIES	\$9,221	\$12,047	\$8,421	\$9,186	\$7,612
52						
53						

	A	B	C	D	E	F
54	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - GENERAL FUND					
55	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
56						
57						
58						
59		Actual	Budget	Actual 11 month	Annualized	Preliminary
60	MAINTENANCE & SUPPLIES	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
61	Computer/Software	12,624	14,450	7,328	7,994	14,450
62	Equip. Rental/Lease	0	0	0	0	0
63	Fixed Equip.	0	0	0	0	0
64	Office Supplies	1,460	2,000	1,413	1,542	1,500
65	Parks & Recreation	0	0	0	0	0
66	Struct./Grnds.	2,348	3,535	3,058	3,336	2,035
67	Supplies	605	500	0	0	0
68	TOTAL MAINT. & SUP.	\$17,037	\$20,485	\$11,799	\$12,872	\$17,985
69						
70						
71	GENERAL & ADMINISTRATION					
72	Ads./Advertising	455	1,500	1,546	1,686	1,500
73	Alarm/Answering Service	2,092	2,000	1,538	1,678	2,000
74	Audit	6,057	8,200	10,195	11,122	10,000
75	Bank Charges/Fees	4,282	4,000	6,750	7,364	8,000
76	Consulting/Engineering	496	0	0	0	0
77	Dues/Subscription	4,232	0	4,330	4,724	0
78	Elections	0	1,000	608	663	0
79	Insurance (Property/Liability)	7,892	10,756	10,756	11,734	9,513
80	LAFCO	7,904	6,600	5,870	6,403	6,600
81	Legal/Attorney	20,790	0	0	0	0
82	Licenses/Permits	0	0	0	0	0
83	Postage	15,732	20,000	12,865	14,034	15,000
84	Professional Service	9,080	12,300	9,704	10,586	11,800
85	Tax Collection	5,218	5,300	5,838	6,369	6,000
86	Staff Training & Travel	3,086	6,000	38	42	6,000
87	Board Training & Travel	145	1,000	0	0	1,000
88	TOTAL G & A	\$87,462	\$78,656	\$70,037	\$76,404	\$77,413
89						
90						
91						
92	CAPITAL PROJECTS & EQUIPMENT					
93	Project	0	28,685	0	0	28,306
94	Equipment	0	0	0	0	0
95	TOTAL CAPITAL	\$0	\$28,685	\$0	\$0	\$28,306
96						
97						
98	FUNDED DEPRECIATION	15,000	15,000	12,500	13,636	15,000
99	UNFUNDED DEPRECIATION	0		0	0	0
100						
101	TOTAL EXPENSE	\$549,701	\$538,895	\$481,094	\$524,830	\$674,452
102						
103	TRANSFERRED TO OTHER FUNDS	(\$479,710)	(\$450,749)	(\$422,057)	(\$460,426)	(\$585,000)
104						
105	FUND TOTAL	\$0	\$0	\$0	\$0	\$0

	A	B	C	D	E	F
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET					
2	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
3						
4						
5						
6		Actual	Budget	Actual 11 month	Annualized	Preliminary
7	OPERATING REVENUE	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
8	Water Fees	1,043,135	1,021,511	1,085,293	1,183,955	1,107,981
9	Sewer Fees	635,259	658,012	620,008	676,372	704,110
10	Hook-Up Fees	1,800	3,000	3,700	4,036	3,000
11	Turn on Fees	3,300	3,500	3,475	3,791	3,500
12	Late Fees	18,178	17,000	19,249	20,999	18,500
13	Plan Check & Inspection	993	10,000	0	0	10,000
14	Miscellaneous Income	14,835	2,000	341	372	500
15	OPERATING	\$1,717,500	\$1,715,023	\$1,732,065	\$1,889,525	\$1,847,591
16						
17						
18						
19	FRANCHISE REVENUE					
20	FRANCHISE	71,656	66,984	74,605	81,387	\$77,220
21						
22						
23	TOTAL OPERATING	\$1,789,156	\$1,782,007	\$1,806,670	\$1,970,912	\$1,924,811
24						
25						
26	NON-OPERATING REVENUE					
27	Standby Charges	235,098	242,144	233,640	254,880	242,144
28	Property Tax	367,709	383,074	391,307	426,881	404,308
29	Interest	79,326	80,000	38,955	42,497	50,000
30	Connection Fees	42,348	70,580	81,765	89,198	70,580
31	TOTAL NON-OPERATING	\$724,481	\$775,798	\$745,667	\$813,455	\$767,032
32						
33						
34						
35	RESERVE REVENUE					
36	Capital Reserves	459,163	646,396	303,873	331,498	659,337
37	General Reserves	96,126	1,491,694	583,818	636,892	1,557,485
38	TOTAL RESERVE	\$555,289	\$2,138,090	\$887,691	\$968,390	\$2,216,822
39						
40						
41	TOTAL NON-OPERATING	\$1,279,770	\$2,913,888	\$1,633,358	\$1,781,845	\$2,983,854
42						
43						
44	TOTAL ALL REVENUE	\$3,068,926	\$4,695,895	\$3,440,028	\$3,752,758	\$4,908,665
45						
46						
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48						
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51						
52						
53						
54						

	A	B	C	D	E	F
55	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET					
56	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
57						
58						
59						
60	OPERATING EXPENSES					
61						
62		Actual	Budget	Actual 11 month	Annualized	Preliminary
63	SALARIES AND BENEFITS	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
64	Salaries	684,549	715,567	537,987	586,895	821,174
65	Health Insurance	93,485	103,862	77,189	84,206	138,420
66	Health Insurance - Retiree	47,389	48,451	41,673	45,462	44,584
67	Pers Retirement	137,453	126,097	132,595	144,649	146,470
68	Standby	12,502	14,000	11,766	12,836	13,100
69	Overtime	14,388	16,000	14,411	15,722	16,216
70	Workers Comp. Ins.	21,681	19,194	20,642	22,519	18,355
71	Directors' Fees	6,500	12,000	5,650	6,164	9,000
72	Medicare/FICA	10,936	10,550	9,171	10,004	11,907
73	Car Allowance	3,000	3,000	2,750	3,000	3,000
74	SUI/ETT	599	1,500	504	550	1,500
75	Uniforms	2,449	5,000	2,203	2,403	5,000
76	TOTAL SALARIES & BENEFITS	\$1,034,931	\$1,075,221	\$856,541	\$934,409	\$1,228,726
77						
78						
79						
80	UTILITIES					
81	Electricity	218,475	249,810	225,053	245,512	91,935
82	Propane	821	1,012	982	1,071	1,053
83	Water Purchase	23,114	23,114	23,114	23,114	23,114
84	Telephone/Internet	10,809	12,129	9,065	9,889	10,000
85	TOTAL UTILITIES	\$253,220	\$286,066	\$258,214	\$279,586	\$126,102
86						
87						
88						
89	MAINTENANCE & SUPPLIES					
90	Chemicals	64,919	76,000	63,820	69,621	87,000
91	Computer/Software	21,041	29,450	8,030	8,760	29,450
92	Equip. Rental/Lease	835	2,500	148	162	2,500
93	Fixed Equip.	98,398	142,000	73,143	79,792	142,000
94	Fuel & Oil	11,515	12,000	8,310	9,065	10,000
95	Lab Testing	38,184	41,000	31,916	34,817	38,400
96	Office Supplies	1,460	2,000	1,413	1,542	1,500
97	Parks & Recreation	0	0	0	0	0
98	Struct./Grnds.	9,393	14,140	12,231	13,343	8,140
99	Small Tools/Equip.	4,067	3,000	2,652	2,893	3,000
100	Supplies	6,195	5,000	2,694	2,939	2,500
101	Meters/Equip.	0	5,000	6,038	6,587	12,000
102	Vehicles	6,191	6,500	10,795	11,776	6,000
103	TOTAL MAINT. & SUP.	\$262,199	\$338,590	\$221,190	\$241,298	\$342,490
104						
105						
106						
107						
108						

	A	B	C	D	E	F
109	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET					
110	2019/20 Actual, 2020/21 Summary & 2021/22 Preliminary					
111						
112						
113						
114		Actual	Budget	Actual 11 month	Annualized	Preliminary
115	GENERAL & ADMINISTRATION	19/20	20/21	7/1/20 - 5/31/21	F.Y.E. 6/30/21	21/22
116	Ads./Advertising	455	1,500	1,546	1,686	1,500
117	Alarm/Answering Service	4,185	4,000	3,076	3,355	4,000
118	Audit	6,057	8,200	10,195	11,122	10,000
119	Bank Charges/Fees	4,282	4,000	13,784	15,037	8,000
120	Consulting/Engineering	8,555	85,000	18,434	20,110	20,000
121	Dues/Subscription	8,647	8,750	8,872	9,678	9,850
122	Elections	0	1,000	608	663	0
123	Insurance (Property/Liability)	30,353	41,368	41,863	45,669	36,590
124	LAFCO	7,904	6,600	5,870	6,403	6,600
125	Legal/Attorney	28,326	25,000	10,492	11,445	15,000
126	Licenses/Permits	30,718	32,100	21,962	23,958	32,100
127	Plan Check & Inspection	993	10,000	0	0	10,000
128	Postage/Billing	15,732	20,000	12,865	14,034	15,000
129	Professional Service	33,241	36,900	38,912	42,449	44,300
130	Tax Collection	5,218	5,300	5,838	6,369	6,000
131	Staff Training & Travel	4,225	8,000	1,907	2,081	8,000
132	Board Training & Travel	145	1,000	0	0	1,000
133	TOTAL G & A	\$189,035	\$298,718	\$196,222	\$214,060	\$227,940
134						
135						
136						
137	CAPITAL PROJECTS & EQUIPMENT					
138	Structures/Improvements	542,646	2,053,089	887,691	968,390	2,031,823
139	Equipment	117,830	85,000	0	0	185,000
140	TOTAL CAPITAL	\$660,476	\$2,138,089	\$887,691	\$968,390	\$2,216,823
141						
142						
143						
144	DEBT					
145	State Loan Payment - DWR	103,628	103,629	103,628	103,629	103,629
146	State Loan Payment Phase II - SRF	58,739	58,740	29,369	58,740	58,740
147	Western Alliance Lease-PVS	0	0	0	0	152,850
148	TOTAL DEBT	\$162,367	\$162,369	\$132,998	\$162,369	\$315,218
149						
150	FUNDED DEPRECIATION	\$288,000	\$288,000	\$262,750	\$286,636	\$288,000
151	UNFUNDED DEPRECIATION	\$0	\$0	\$0	\$0	\$0
152						
153						
154	TOTAL EXPENSE	\$2,850,228	\$4,587,054	\$2,815,605	\$3,086,749	\$4,745,299
155						
156	CAPACTIY CHARGES TRANSFER	\$42,348	\$70,580	\$81,765	\$89,198	\$70,580
157						
158	SOLID WASTE FEES TRANSFER	\$33,279	\$30,924	\$40,840	\$44,553	\$30,420
159			\$101,504			\$101,000
160						
161	FUND TOTAL	\$143,071	\$7,337	\$501,817	\$532,257	\$62,366

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: June 17, 2021

SUBJECT: Request to receive and file a report on the status of Nacimiento Reservoir for 2021, and set a Public Hearing for the July 15, 2021 meeting to consider a declaration of drought and implementing the Emergency Water Shortage Regulations and Staged Water Use Reduction Plan.

Recommendation

It is recommended that the Board of receive and file a report on the status of Nacimiento Reservoir for 2021, and set a Public Hearing for the July 15, 2021 meeting to consider a declaration of drought and implementing the Emergency Water Shortage Regulations and Staged Water Use Reduction Plan.

Background

District Code of Ordinances, Section 5.940 provides that the General Manager shall monitor the Nacimiento Reservoir water elevation and demand for water and shall report in writing to the Board, the Reservoir water level as determined to exist or as predicted to occur during the balance of the calendar year, based on the reservoir water level elevation at the end of the winter rain season, March 31st.

At the April 15, 2021 meeting, your Board received a report on the reservoir as described above. The Board direction to staff was to prepare an item for the June meeting for consideration of implementing the District's staged water use reduction plan.

Discussion

The 2020/21 winter season provided a net increase of only approximately 74,800-acre feet of water. This number should be viewed in the context that SLO County entitlement is 17,500-acre feet of water per year, of which 889-acre feet is the District's.

MCWRA Release Schedule 2021

On March 25, 2021, the MCWRA Reservoir Operations Committee approved recommending to their Board a release schedule for the remainder of 2021. According to MCWRA, the schedule is consistent with the Salinas Valley Water Project National Marine Fisheries Service Biological Opinion and water rights held by MCWRA. The

schedule provides for releases to recharge the groundwater basin, and to operate the Salinas River Diversion Facility for a period between April and July (conservation releases), as well as minimum releases for fish spawning and rearing habitat.

San Luis Obispo County has rights to 17,500-acre feet per year (afy) of Nacimiento water pursuant to a 1959 Agreement with Monterey County. The 1959 Agreement specifies that Monterey County shall maintain a minimum pool above the present low-level outlet works at Nacimiento Dam of 12,000 acre-feet (AF) on September 30th of each year. At minimum pool (6%, 688' elevation), 22,300 AF of water remains in the reservoir (12,000 AF above the low-level outlet works and 10,300 AF below the low-level outlet works or what is commonly known as dead pool).

The latest MCWRA Reservoir Release Schedule for 2021 is attached. The current prediction for September 30, 2021 is that there will be approximately 49,523-acre feet of water remaining (13%, 708.6' elevation).

District Code of Ordinances Section 5.900

Section 5.900 of Chapter 5 of the District Code is known and cited as the Heritage Ranch Community Services District Emergency Water Shortage Regulations and Staged Water Use Reduction Plan. The purpose and intent is to provide water shortage response procedures to minimize the effect of any existing or threatened water shortage conditions on customers. Conservation goals are based on historical average and staged conservation measures are triggered by reservoir elevation. Water shortage conservation stages are summarized below:

Stage I	Elevation 730' – 720'
Stage II	Elevation 720' – 700'
Stage III	Elevation 700' – 680'
Stage IV	Elevation 680' – 670'

The release schedule for 2021 shows maintaining sufficient water in the reservoir to allow river flow and the District's use of the gallery wells. Use of the emergency intertie project should not be needed; however, Stage II is anticipated to be reached in July and Stage III reached in December (without any inflows).

Fiscal Considerations

If the Staged Water use Reduction Plan is implemented for Stage II and above, then there may be a corresponding reduction in water fund revenue.

Results

The Board previously directed staff to implement Stage I which is customer education; it does not include mandatory conservation measures. The Manager recommends that the

Board set a Public Hearing for the July 15, 2021 meeting to consider implementation of Stage II.

Attachments: MCWRA Reservoir Release Schedule for 2021 dated 4/29/2021
Reservoir elevations and staged water use reduction plan graphic
Draft drought declaration resolution

File: Water_Drought 2021

RESERVOIR RELEASE SCHEDULE FOR 2021

Month	Combined Releases (cfs) ¹	Combined Releases (ac-ft)	NACIMIENTO							SAN ANTONIO						
			Evap. Losses (ac-ft)	Reservoir Releases (cfs) ¹	Reservoir Releases (ac-ft)	NWP Orders (ac-ft)	NWP Diversions (ac-ft)	Beginning of Month Storage		Evap. Losses (ac-ft)	Reservoir Releases (cfs) ¹	Reservoir Releases (ac-ft)	Beginning of Month Storage		Elev. (ft)	
								(ac-ft)	(%)				(ac-ft)	(%)		
Jan	74	4,552	351	64	3,937	488	0	83,840	22%	726.6	196	10	615	53,268	16%	693.2
Feb	70	4,044	566	60	3,469	806	0	154,055	41%	750.9	262	10	575	65,120	19%	700.8
Mar	70	4,304	616	60	3,689	1,105	2	154,745	41%	751.1	329	10	615	66,688	20%	701.8
Apr	535	31,807	1,004	354	21,053	1,092		152,675	40%	750.5	502	181	10,755	67,182	20%	702.1
May	485	29,792	1,349	353	21,690	1,512		130,781	35%	743.7	651	132	8,103	56,697	17%	695.5
Jun	555	32,996	1,634	341	20,291	2,143		105,917	28%	735.2	750	214	12,704	47,939	14%	689.4
Jul	395	24,278	1,521	230	14,123	2,211		81,714	22%	725.7	604	165	10,156	34,482	10%	678.3
Aug	70	4,304	1,367	60	3,689	2,210		63,796	17%	717.5	522	10	615	23,727	7%	666.7
Sep	70	4,165	1,058	60	3,570	2,100		56,619	15%	713.7	417	10	595	22,591	7%	665.3
Oct	70	4,304	713	60	3,689	1,268		49,951	13%	709.9	298	10	615	21,581	6%	664.0
Nov	70	4,165	346	60	3,570	767		44,327	12%	706.3	154	10	595	20,672	6%	662.8
Dec	70	4,304	201	60	3,689	460		39,570	10%	703.1	94	10	615	19,926	6%	661.8
Jan 2021								35,807	9%	700.3				19,240	6%	660.8
Totals		153,017	10,725		106,460	16,162	2				4,781		46,557			

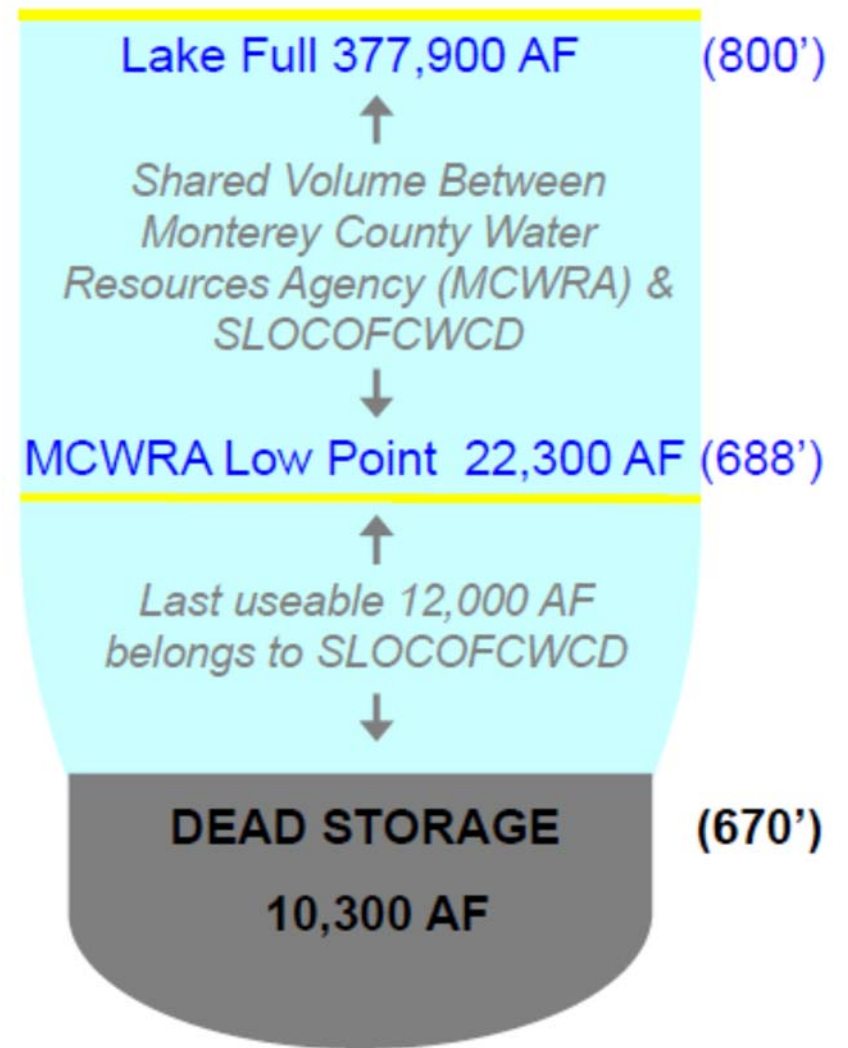
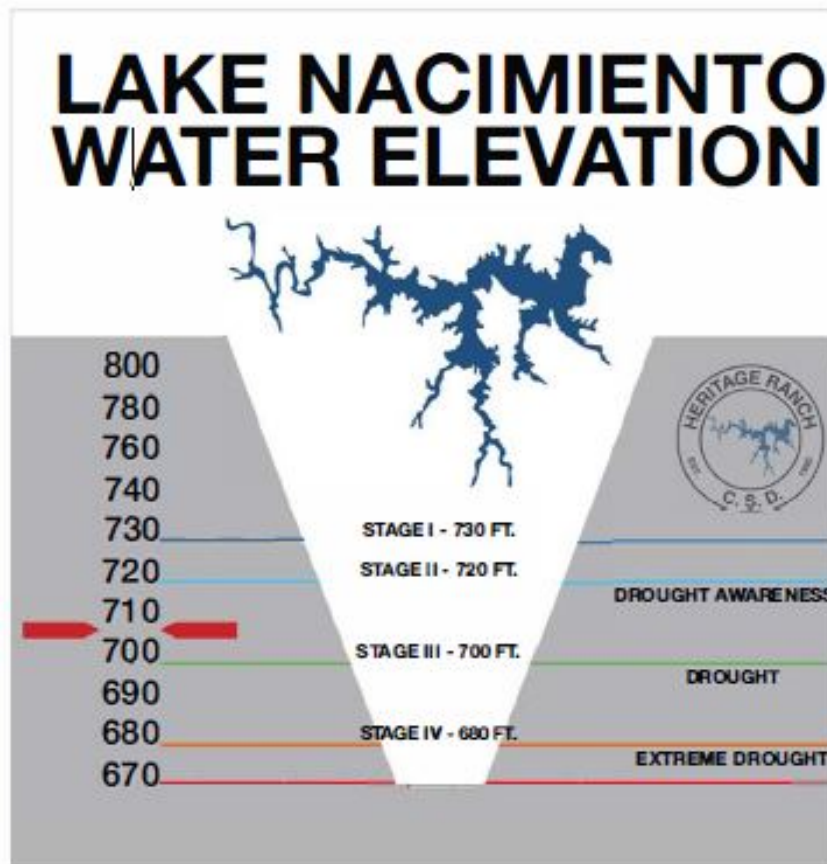
Revision Date: 4/29/21

Notes:

1. Mean daily flow for the month in cubic feet per second.
2. Shaded areas denote actual values. Non-shaded areas are projected values.
3. Nacimiento Reservoir storage capacity: 377,900 acre feet; San Antonio Reservoir storage capacity: 335,000 acre feet.
4. Reservoir Operations Advisory Committee may make release considerations for fish spawn and holiday periods to benefit recreation.
5. Schedule assumes no inflow to reservoirs after April 1st. Actual elevations may be influenced by inflow.
6. "NWP Diversions" are San Luis Obispo County - Nacimiento Water Project conveyance facilities diversions. Max. allowable water year (Oct. 1 - Sept. 30) diversions: 15,750 ac-ft.
7. Nacimiento "NWP Diversions" do not include lakeside water use which is estimated at approximately 1,750 acre feet per year.



Nacimiento Reservoir Water Elevations and Heritage Ranch CSD Staged Water Use Reduction Plan



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 21-__**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH
COMMUNITY SERVICES DISTRICT DECLARING DROUGHT CONDITIONS AND
IMPLEMENTING EMERGENCY WATER SHORTAGE REGULATIONS AND
STAGED WATER USE REDUCTION PLAN**

WHEREAS, the District adopted Resolution 09-07 on July 16, 2009, establishing Code of Ordinance Section 5.900, Emergency Water Shortage Regulation and Staged Water Use Reduction Plan; and

WHEREAS, Monterey County Water Resources Agency is projected to release water to the Nacimiento River at an average flow of about 230 cubic feet per second (cfs) for the remainder of July; and

WHEREAS, Monterey County Water Resources Agency is projected to release water to the Nacimiento River at an average flow of about 60 cubic feet per second (cfs) from August 2021, to the end of the calendar year; and

WHEREAS, these water releases will result in Nacimiento Reservoir reaching elevations that trigger implementation of Code of Ordinance Section 5.900, Emergency Water Shortage Regulation and Staged Water Use Reduction Plan; and

WHEREAS, the District intends to implement Code of Ordinance Section 5.900, Emergency Water Shortage Regulation and Staged Water Use Reduction Plan; and

WHEREAS, this Resolution is adopted to conserve a public water supply for the protection of the health, welfare, and safety of the residents of the Heritage Ranch Community Services District.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Heritage Ranch Community Services District that:

- 1) The Board of Directors finds that it has complied with all procedural and code requirements.
- 2) Stage II Water Conservation Measures pursuant to Code of Ordinances Section 5.900 shall apply to all customers and property served by the District within the District's Water Service Area boundaries, and shall be effective July 16, 2021.

In addition to the water conservation measures established in Stage I, the following prohibitions are adopted by the Board of Directors, with the goal of achieving a minimum of fifteen percent (15%) reduction in water consumption:

- a) Outside irrigation is allowed only on Tuesdays, Thursdays and Saturdays in Zone 1 locations as follows: Tracts 0446, 0447, 0475, 0693, 1063, 1094, 1910.

- b) Outside irrigation is allowed only on Wednesdays, Fridays and Sundays in Zone 2 locations as follows: Tracts 0050, 0424, 0452, 0474, 0720, 0721, 0999, 1990.
 - c) Any leak forgiveness policy that may be in effect is eliminated.
 - d) All outside irrigation may only occur between the hours of 8:00 pm and 7:00 am.
 - e) District may offer incentives/rebates for the replacement of high-water using appliances and plumbing fixtures.
 - f) The District may notify customers via mail and signs throughout the District to alert customers of the potential drought conditions.
 - g) The District may increase their efforts to inform and educate the public on water conservation methods.
 - h) In addition to those measures stated above, the Board of Directors, by resolution and/or ordinance, may adopt additional water conservation measures on an urgency basis.
 - i) The General Manager shall provide notice to all District customers regarding the Board of Directors declaration of water awareness condition and activation of Stage II Water Conservation Program. Such notice shall be mailed within fourteen (14) days of the Board's action. However, failure to mail the notice within this fourteen (14) day time shall not invalidate the Board's action.
- 3) Water conservation standards below shall apply to all customers and property served by the District within the District's Water Service Area boundaries, and are in effect always:
- a) The General Manager is directed to provide concentrated public education of the water use prohibitions outlined below for equity and consistency:
 - i) Irrigating outdoors during and within 48 hours following measurable rainfall is prohibited.
 - ii) Irrigation with potable water outside of newly constructed homes and buildings that is inconsistent with regulations or other requirements established by the California Building Standards Commission and the Department of Housing and Community Development is prohibited.
 - iii) Washing vehicles, boats, trailers or other types of mobile equipment is highly discouraged and may only be done when the hose is fitted with a shut-off nozzle or device attached to it that causes it to cease dispensing water immediately when not in use.
 - iv) Potable water use that results in excessive water flow or runoff onto an adjoining driveway, street, gutter, ditch or green belt is prohibited.

- v) The use of potable water in a fountain or other decorative water feature may only occur where the water is part of a recirculating system.
- vi) Excessive use, loss or escape of water through breaks, leaks or other malfunctions in the customers' plumbing or distribution system for any period of time after such escape of water should have reasonably been discovered and corrected and in no event more than ten days after written notification by the District, is prohibited.
- vii) The District will pursue a vigorous public information program about water supply conditions and the need to reduce water consumption by such means deemed appropriate by the General Manager.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 15th day of July 2021, by the following roll call vote.

**AYES:
NOES:
ABSTAIN:
ABSENT:**

APPROVED: _____
**Devin Capps, President
Board of Directors**

ATTEST: _____
**Kristen Gelos, Secretary
Board of Directors**

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: June 17, 2021

SUBJECT: Request to discontinue Zoom, teleconference, or any other electronic means options for regular meetings of the Board, and all other meetings of the District's legislative bodies that are subject to the Brown Act.

Background

In April 2020, your Board established virtual public meeting protocols because of the coronavirus pandemic. At the April 15, 2021 meeting your Board directed staff to return to in-person meetings while offering a virtual attendance option.

Discussion

As directed by your Board, the May meeting was held in-person with a virtual (Zoom) option. The only reason we went to virtual meetings was because of the COVID pandemic and that the Governor issued Executive Order N-29-20 which authorized meetings of local legislative bodies to be held by teleconference or other electronic means as long as notice is provided to the public and the meeting is made accessible in specified ways to allow the public to observe and participate. Normally, all Directors **must** participate in the meetings in person as required by law (unless certain stringent requirements are followed).

The District Board room is not equipped with technology to facilitate virtual participation by the public, staff, or Directors, nor is it required to be so equipped. The Manager recommends that we discontinue Zoom, teleconference, or any other electronic means options for regular meetings of the Board, and all other meetings of the District's legislative bodies that are subject to the Brown Act, by directing the President to sign the attached Declaration.

Fiscal Considerations

There are no direct costs associated with this item at this time.

Attachments: District Declaration Discontinuing Virtual Public Meetings

File: COVID-19

**DECLARATION OF THE BOARD
OF THE HERITAGE RANCH COMMUNITY SERVICES DISTRICT
DISCONTINUING VIRTUAL PUBLIC MEETING PROTOCOLS AS A RESULT OF
THE CORONAVIRUS PANDEMIC**

WHEREAS, the Heritage Ranch Community Services District (“District”) is an independent special district and the meetings of its legislative body are open and public in compliance with the legal requirements of the Ralph M. Brown Act (Government Code section 54950, et. seq.); and

WHEREAS, on March 17, 2020, the Governor issued Executive Order N-29-20 which authorized meetings of local legislative bodies to be held by teleconference or other electronic means as long as notice is provided to the public and the meeting is made accessible in specified ways to allow the public to observe and participate; and

WHEREAS, on March 19, 2020, the Governor issued Executive Order N-33-20 directing all individuals living in the State of California to stay home or at their place of residence, except as to maintain continuity of operations of specified critical infrastructure; and

WHEREAS, it was necessary to continue to conduct meetings of the various legislative bodies of the District in order to maintain the critical public health and safety services and operations provided; and

WHEREAS, Section 54954(a) of the Brown Act requires that the District specify its regular meeting time and place by ordinance, resolution or bylaws; and

WHEREAS, the District's regular meeting place has been established as the District's office in the community of Heritage Ranch, in Paso Robles, by Policy 2.200 of the Heritage Ranch Community Services District Code of Ordinances; and

WHEREAS, Government Code section 54954(e) allowed the Board President to designate an alternate location for the meetings to take place if, due to an emergency, it is unsafe to meet in the designated location; and

WHEREAS, to encourage the Board of Directors and its other legislative bodies to continue to hold meetings in order to receive information, provide direction, and make decisions on behalf of the District while still complying with social distancing requirements during the pendency of this pandemic, meetings have been held via teleconference or other electronic means, in the manner set forth in the District's Virtual Public Meeting Protocols.

WHEREAS, the Board desires to return to in-person meetings pursuant to the Brown Act.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Heritage Ranch Community Services District that:

SECTION 1. The above referenced recitals are true and correct and material to the adoption of this Declaration.

SECTION 2. The regular meetings of the Board, and any and all other meetings of the District's legislative bodies that are subject to the Brown Act, shall no longer be held via teleconference or any other electronic means.

SECTION 3. All members of the public seeking to observe and/or to address the local legislative body shall no longer have an option to participate in the meeting telephonically or otherwise electronically.

SECTION 5. All necessary distancing and other COVID safety protocols will still be followed.

SECTION 4. This Declaration shall take effect immediately.

This Declaration is not intended to, and does not, create any rights or benefits, substantive or procedural, enforceable at law or in equity, against the Heritage Ranch Community Services District, its departments, officers, employees, contractors, or any other person.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 17th day of June 2021, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Devin Capps, President
Board of Directors

ATTEST:

Kristen Gelos
Board Secretary

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Manager Report For the Month of June 2021

In addition to normal operations and administrative duties, below are updates for several areas of work:

Administration

- The Manager attended bi-weekly virtual Special District Managers meetings.
- The Manager attended a Finance and Audit Committee meeting.

Operations

- Prepared and submitted the Water Treatment Plant Monthly Report.
- Submitted the Wastewater Treatment Plant Self-Monitoring Reports.
- Prepared and submitted the Disinfection Byproduct Monthly Report.
- Additional updates regarding operations can be found in the Operations Report.

Solid Waste

- The Manager attended the monthly IWMA Local Task Force meeting.
- The Manager attended the IWMA Board meeting.

Reservoir Status

- The Manager attended the monthly MCWRA Reservoir Operations Committee meeting.
- As reported by Monterey County Water Resources Agency (MCWRA), as of June 8, 2021, the reservoir was at approximately 733.6 feet in elevation, 27% of capacity, or 101,490-acre feet of storage. MCWRA water releases were shown as 375 cfs.

Capital Improvement Program

Projects / equipment replacement planned for this fiscal year and their status include:

- PVS: A verbal update will be given.
- Vertical Intake: The pre-bid meeting for construction phase 2 was held on June 1. There were eight contractors that attended the non-mandatory meeting. Bids were scheduled to be opened on June 10, with award to the lowest responsive bidder on June 17.
- Water Reclamation Facility upgrade project: The members of the Operations & Engineering Committee visited the Cayucos Sanitary District's Sustainable Water Project, which is a conventionally constructed MBR plant.

The Manager has contacted USDA and is working towards starting the funding application process. Once we have a firm selected for design services, we will meet with USDA again.

The pre-proposal meeting for design services was held on June 3. There were nine firms that attended the mandatory meeting. The submittal deadline was extended to July 20. The current schedule is:

Item	Date
Proposal Due	7/20/21, 3 p.m. local time
District Review of Proposals	7/20/21 through 7/27/21
District Issue of Short-List (3 firms)	7/28/21
Interviews (if needed)	Week of 8/2/21
District Recommendation of Selected Firm / Staff Report	8/12/21
Consultant Notice of Contract Award / Begin Contract Negotiations	8/20/21

- Lift Station 1-5 rehabilitation design phase: Development of contract documents by the District Engineer is on hold.
- Vehicle / Equipment replacement: Final quotes are pending.
- The 2MG Tank mixing system has been installed and is operating normally.

Development

- Nothing significant to report.

Public Relations and Community

- Nothing significant to report.

Human Resources

- Currently recruiting for one Treatment Operator III and one Treatment Operator I, II, or III.

Board Member & Staff Information and Learning Opportunities

- CSDA has released the 2021 Professional Development Catalog. CSDA is a leading source of information and training for special districts. In 2021 all webinars are free to new or existing members. Please check the catalog for important event dates and access information.

* * *

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
MAY 2021 OFFICE REPORT**

Water & Sewer

On June 1st, we processed 1,928 bills for a total dollar amount of \$160,863 for water and sewer user fees for the month of May. The number of Automatic Drafts processed was 586 for a total dollar amount of \$46,687.

San Miguel Garbage Franchise Fees

Each month, the District receives franchise fees from the previous month. The breakdown is as follows:

Month of April

Garbage Collection (10%) - \$ 6,430.67

Roll-Off Collection (10%) - \$ 322.80

Total Franchise Fees Collected - \$ 6,753.47

Service Orders Completed

Staff completed a total of 28 service orders for the month of May. Below is a breakdown by job code.

OCCUPANT CHANGE	13	LEAK	5
UNLOCK	1	CALL OUT	2
MISC.	2	USA	3
DIRTY WATER COMPLAINT	1	SEWER PROBLEM	1

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Jeffrey A. Minnery, District Counsel
DATE: June 17, 2021
SUBJECT: Request to consider compensation for the General Manager.

Recommendation

It is recommended that the Board discuss and consider compensation for the General Manager.

Background and Discussion

On June 17, 2021, your Board met in closed session for the annual evaluation of the General Manager. Beginning January 1, 2017, and in response to reform following the City of Bell controversy, the Government Code was revised to require executive compensation be finally determined in a Regular Meeting in open session. Following Board discussion and public comment, it is recommended that your Board determine the General Manager's compensation.

Fiscal Considerations

The FY 2021/22 Budget accommodates compensation for the General Manager.

Results

The General Manager serves as the Chief Executive Officer of the District, accountable to the Board of Directors and responsible for enforcement of all District ordinances, policies, procedures, the conduct of all financial activities and the efficient and economical performance of the District's operations, and exercises general direction and supervision of all District staff.

* * *