

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager
Kristen Gelos, Office Supervisor

DATE: May 16, 2024

SUBJECT: Submittal for approval Resolution 24-04 Confirming Water and Sewer Standby Charges for Property within the District for Fiscal Year 2024/25.

Recommendation

It is recommended that the Board of Directors:

1. Open the Public Hearing and receive public input on water & sewer standby charges; and
2. At the close of the Public Hearing, approve Resolution 24-04 Confirming Water and Sewer Standby Charges for Property within the District for FY 2024/25.

Background

Standby or availability charges or assessments are a parcel-based source of revenue commonly available to public agencies for use in defraying the cost of having certain benefits available to parcels.

California Government Code Section §54984, et.al. is known as the Uniform Standby Charge Procedures Act and provides the authority to impose these charges and states,

“Any local agency which is authorized by law to provide water, sewer, or water and sewer service, and which is providing either or both of those services within its jurisdiction, may fix...a water or sewer standby charge, or both, on land within the jurisdiction of the local agency to which water, sewer, or water and sewer services are made available for any purpose by the agency, whether the water or sewer services are actually used or not.”

Discussion

It has been the practice of Heritage Ranch Community Services District since 1991 to collect standby or availability charges or assessments to offset certain costs that sustain

water and/or sewer services including debt service on the Water Treatment Plant, and maintenance and operations.

Debt Service

In 1994, the construction of the Water Treatment Plant (WTP) and Phase I reconstruction of Pump Stations 1 & 4 were completed. One-half the cost of the WTP and all of the cost for the reconstruction was funded through a \$2,179,398, 35-year term loan from the State. In 2015, Phase II Water Treatment Plant improvements which included the Plate Settler construction was completed. This cost is being funded through a \$984,090, 20-year term loan also from the State. The total annual debt service for both loans is \$162,368.

Maintenance & Operations

Maintenance of fixed equipment includes the water and sewer treatment plants, pumps and lift stations. Operations includes but is not limited to the purchase of raw water, the supplies, tools, and equipment necessary to operate and maintain facilities, and permits required from State and County agencies.

Fiscal Considerations

The total number of parcels subject to the water standby charge is 2,071. The total number of parcels subject to the sewer standby charge is 1,866. The total standby revenue for Fiscal Year 2024/25 is anticipated to be \$242,144. Table 1 and 2 illustrate how the charges are allocated and how they are used.

Table 1 Charge by Parcel

Standby Charge	No. of Parcels	\$ per Parcel	Total
Water	2071	\$98	\$202,958
Sewer	1866	\$21	\$39,186
Total			\$242,144

Table 2 Use by Charge

Item	Water	Sewer	Total
Debt Service	\$162,367	-	\$162,367
Maintenance/Ops	\$40,591	\$39,186	\$79,777
Total	\$202,958	\$39,186	\$242,144

Results

Resolution 24-04 will serve to confirm water and sewer standby charges which will then be collected through the County of San Luis Obispo’s property tax roll. The County adds \$2 for their cost to collect and allocate these charges.

Attachments: Resolution 24-04 Confirming Water and Sewer Standby Charges for
Property within the District for Fiscal Year 2024/25
Resolution 24-02
Engineering Report for Standby Charges

File: Standby Charges FY 2024/25

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 24-04
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH
COMMUNITY SERVICES DISTRICT CONFIRMING WATER AND SEWER
STANDBY CHARGES FOR PROPERTY WITHIN THE DISTRICT FOR FISCAL
YEAR 2024/25**

The following resolution is hereby offered and read:

WHEREAS, Government Code Section §61115 provides that the Heritage Ranch Community Services District, hereinafter referred to as the "District", may establish, revise and collect rates and other charges for the services and facilities furnished by it; and

WHEREAS, on March 21, 2024, the Board of Directors adopted Resolution No. 24-02 initiating proceedings for water and sewer standby or availability charges or assessments for property within the District; and

WHEREAS, the District Code of Ordinances, Chapter 3, Section(s) 3.330 through 3.350 conforms to the Uniform Standby Charges Procedures Act, California Government Code §54984 through 54984.9; and

WHEREAS, following the adoption of Resolution 24-02, notice was given as required by law and pursuant to California Government Code §6066, a public hearing was held on May 16, 2024, and all objections were considered by the Board of Directors; and

WHEREAS, at the end of the public hearing on May 16, 2024, and pursuant to the District Code of Ordinances Section 3.330, the Board of Directors found that a majority written protest of the parcels subject to the standby or availability charge or assessment did not exist; and

WHEREAS, the Board of Directors find that all procedures required by law and pursuant to Government Code §54984.2 and 54984.7 have been duly complied with in connection with approval of the standby or availability charges or assessments; and

WHEREAS, the Board of Directors elects to have the County of San Luis Obispo levy and collect standby or availability charges or assessments in accordance with California Water Code 35479 and California Health and Safety Code 5473.

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

1. The foregoing recitals are true and correct and are incorporated by this reference.
2. The Board of Directors adopts the standby or availability charges or assessments on all parcels within the District listed in the property tax roll provided by the County of San Luis Obispo and available for inspection in the District Office.

3. The amount of the charge or assessment is \$119 per parcel with available water and sewer service and \$98 per parcel with available water service only.
4. The Resolution shall take effect immediately.
5. Standby or availability charges or assessments shall be collected at the same time and in the same manner and by the same persons, together with and not separately from, general County of San Luis Obispo property taxes, and shall be delinquent at the same time and thereafter be subject to the same delinquency penalties as such general taxes. Notwithstanding that the County of San Luis Obispo operates under the Teeter Plan, delinquent standby or availability charges or assessments shall also be subject to the same interest and penalties as general taxes, and together with interest and penalties thereon, a lien shall be placed on the affected parcel when a certificate is filed in the office of the County Recorder specifying (a) the amount of the delinquent charges together with interest and penalties thereon, (b) the name of the owner of record of the parcel which is subject to the charge and (c) the Assessor's Parcel Number and legal description of the parcel. Such lien will have the same force effect and priority as a judgement lien. Within thirty days of receipt of payment of all amounts due, including recordation fees paid by the District, the District Secretary is hereby authorized and directed to file for recordation a release of the lien.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 16th day of May 2024, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Dan Burgess, President
Board of Directors

ATTEST:

Kristen Gelos
Board Secretary

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 24-02**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH
COMMUNITY SERVICES DISTRICT INITIATING PROCEEDINGS AND
ESTABLISHING OF WATER AND SEWER STANDBY CHARGES FOR PROPERTY
WITHIN THE DISTRICT FOR FISCAL YEAR 2024/25**

WHEREAS, the District is authorized to provide water and sewer services, and is authorized to fix, levy, or collect any standby or availability charge or assessments in connection with providing those services; and

WHEREAS, the report of a qualified engineer is on file with the District and the standby charge proposed is based upon that report. The engineer's report includes all of the following: (1) a description of the charge, (2) a compilation of the amount of the charge proposed for each parcel subject to the charge, (3) a statement of the methodology and rationale followed in determining the degree of benefit conferred by the service for which the charge is made, and (4) other factors listed in Government Code Section §54984.3.

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

1. The foregoing recitals are true and correct and are incorporated by this reference.
2. The parcels subject to the proposed standby charges are within Tracts 424, 446, 447, 452, 466, 474, 475, 693, 720, 721, 1063, 1094, 1910, 1990, and Parcel Map 71-217. All such parcels are contained within a list of Assessor Parcel Numbers on file with the District and made a part herein.
3. The amount of the proposed charge is \$119 per parcel with available water and sewer service, and \$98 per parcel with available water service only.
4. The Board of directors will hold a public hearing regarding imposition of a standby charge on each parcel and in the amount set forth within this resolution. The hearing will be held on May 21, 2024 at 4:00 PM or as soon thereafter as the matter may be heard, at the District Office, located at 4870 Heritage Road, in Heritage Ranch, California. At that time and place, the District will hear and consider all objections or protests, if any, to the proposed standby charges.

The District Secretary is hereby directed to cause notice of the time and place of the public hearing on the standby charges to be published before the hearing in the manner required by law.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 21st day of March 2024, by the following roll call vote:

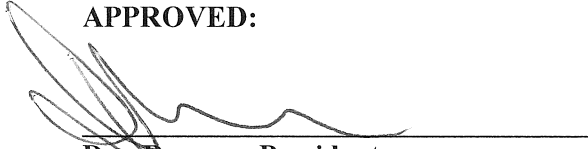
AYES: Barker, Burgess, Camou, Yaffee

NOES:

ABSTAIN:

ABSENT:

APPROVED:

A handwritten signature in black ink, appearing to read 'Dan Burgess', written over a horizontal line.

**Dan Burgess, President
Board of Directors**

ATTEST:

A handwritten signature in black ink, appearing to read 'Kristen Gelos', written over a horizontal line.

**Kristen Gelos
Board Secretary**

MEMORANDUM

Heritage Ranch Community Services District Engineering Report - Standby Charges

Date: March 21, 2024
To: Scott Duffield, PE, General Manager
From: Doug Groshart, PE, District Engineer
Subject: Engineering Report for Standby Charges Pursuant to the Uniform Standby Charge Procedures Act, Section 54984 et. seq. of the California Government Code

In accordance with the requirements of the California Government Code Section 54984, and more particularly Section 54984.3, Sections a-1 to a-4, the District must adopt a resolution to initiate proceedings to fix standby charges for water and sewer facilities at Heritage Ranch Community Services District. The proposed standby charges must be based on an engineering report prepared by a qualified engineer, containing the items and information contained in Section 54984.3, Sections a-1 through 1-4. Furthermore, this Engineering Report and determination of standby charges must be filed with the District on or before August 10th of each calendar year, or prior to the start of each Fiscal Year.

This Engineering Report addresses California Government Code Section 54984, as follows:

54984.3.(a)(1). A description of the charge and the method by which it will be imposed.

Each parcel within the District eligible to receive water and sewer services has an outstanding commitment by the District to provide such services. In order to maintain the commitment to provide water and sewer services to all eligible parcels within the District, the water and sewer systems must be periodically repaired, maintained and replaced to ensure that the water and sewer facilities provide continued and future services to these parcels, and are kept in good working order. There are also District overhead and administrative charges associated with these activities that must be covered by these standby charges. These costs are determined from and allocated by the budgeting practices of the District. The fiscal year budget reflects the amounts to be assessed. Standby charges will be assessed to all eligible existing parcels which receive or may receive in the future, water and sewer services from the District.

Debt Service. In 1994, the construction of the Water Treatment Plant (WTP) and Phase I reconstruction of Pump Stations 1 & 4 were completed. One-half the cost of the WTP and all of the cost for the reconstruction of pump stations was funded through a \$2,179,398, 35-year term loan from the State. In 2015, Phase II Water Treatment Plant improvements which included the Plate Settler construction were

completed. This cost is being funded through a \$984,090, 20-year term loan (also from the State.) The total annual debt service for both loans is \$162,367.

Maintenance & Operations. Maintenance of fixed equipment includes the water and sewer treatment plants, pumps and lift stations. Operations includes but is not limited to the purchase of raw water, the supplies, tools, and equipment necessary to operate and maintain facilities, and permits required from State and County agencies.

The proposed standby charges will be assessed equally amongst the parcels for which standby charges will be assessed. Standby charges will be imposed and assessed on the County Tax Roll.

54984.3.(a)(2). A compilation of the amount of the charge proposed for each parcel subject to the charge.

There are currently 2,071 existing parcels within the District subject to these standby charges. Of this total, 1,866 parcels would be charged for water and sewer service, and the remaining 205 parcels would be charged for standby water service only. A summary of the standby charges for both water and sewer systems are included in Table 1.

Table 1. Summary of Standby Charges by Parcel

For the water system, \$162,367 will be used for the retirement of debt service for the District's Safe Drinking Water loan for construction of the District's Water Treatment Plant and pumping facility improvements, as well as the District's State Water Resources Control Board loan for construction of the Plate Settler at the Water Treatment Plant. The remaining \$40,591 will be used for water system maintenance and operation.

Standby Charge	No. of Parcels	Assessment per Parcel, \$	Total
Water	2,071	\$ 98	\$ 202,958
Sewer	1,866	\$ 21	\$ 39,186
TOTAL	---	---	\$ 242,144

For the wastewater system, \$39,186 will be used for wastewater system maintenance and operation. Table 2 summarizes the standby charges and their corresponding allocation to water and sewer systems.

Table 2. Summary of Use by Standby Charge

Item	Water	Sewer	Total
Debt Service	\$ 162,367	\$ -	\$ 162,367
Maintenance & Operations	\$ 40,591	\$ 39,186	\$ 79,777
TOTAL	\$ 202,958	\$ 39,186	\$ 242,144

54984.3.(a)(3). A statement of the methodology and rationale followed in determining the degree of benefit conferred by the service for which the charge is made.

Each parcel within the District eligible to receive water and sewer services has an outstanding commitment by the District to provide that service. In preparation for such water and sewer services and for the commitment to standby to provide those services, the water and sewer systems must be periodically repaired, maintained and replaced to ensure that the facilities are in good working order and capable of providing future services to these parcels. In order to prepare for and to have the necessary forces and means to provide the services at all times, and to keep the systems in good working order, the District incurs certain costs. These costs are determined from, and allocated by, the budgeting practices of the District. The budget reflects the amounts to be assessed. The parcels for which these standby charges are assessed will directly benefit by the District ensuring that such water and sewer services are adequate and available.

The improvements to the water treatment plant benefit all 2,071 parcels whether currently provided water service, or such service is provided in the future for any parcel currently not served water (not yet developed). As such, the annual debt service is shared equally amongst all parcels which benefit equally from these water treatment plant improvements.

The water and sewer system maintenance and operations costs are annual costs to operate the entire water and sewer systems that benefit all 2,071 parcels receiving water services, and all 1,866 parcels receiving sewer services, equally.

Therefore, it is recommended that the District initiate and confirm the Water and Sewer Standby Charges for FY 2024/25 in the amount of \$98 for water and \$21 for sewer for each and every parcel in the District eligible for these services. These charges should be confirmed prior to July 1, 2024 (beginning of the Fiscal Year) by a Public Hearing and Resolution.

54984.3.(4)(b) A description of the lands upon which the charge is to be imposed. Assessor parcel numbers shall constitute sufficient description for this purpose.

A listing of the 2,071 properties, corresponding assessor parcel numbers, and associated charges will be filed concurrently with the County Auditor's office. This listing is also on file at the District office.

54984.3.(4)(c) The amount of the charge for each of the lands so described.

Please refer to Table 1 of this Engineering Report. For parcels to receive water and sewer services, the charge is \$119/parcel. For those parcels to receive only water service, the charge is \$98/parcel.

54984.3.(4)(d) The date, time, and place upon which the governing body will hold a public protest hearing regarding the imposition of the charge, and notice that the governing body will hear and consider all objections or protests, if any, to the proposed charges.

The Board will hold a public hearing on May 16, 2024, at 4:00 pm at the District Office, located at 4870 Heritage Road, in Heritage Ranch, California. At that time and place, the District will hear and consider all objections or protests, if any, to the proposed standby or availability charges or assessments.

DHG:

A handwritten signature in blue ink, appearing to be "DHG", written over a horizontal line.



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

April 18, 2024

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

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

2. ROLL CALL

Secretary Gelos called the role.

Directors present: Bill Barker, Dan Burgess, Michael Camou, and Masen Yaffee.

Staff present: General Manager, Scott Duffield and District Engineer, Doug Groshart and District Counsel Jeff Minnery.

3. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

No public comments.

4. CONSENT ITEMS

a. Meeting Minutes: Receive/approve minutes of special meeting of March 7, 2024 and regular meeting of March 21, 2024.

b. Warrant Register: Receive/approve March 2024 warrants.

c. Treasurer's Report: Receive/file March 2024 Report.

d. Treasurer's Report: Receive/file FY 2024 3rd quarter report.

e. Fiscal Report: Receive/file March 2024 status report.

f. Office Report: Receive/file March 2024 report.

g. District Engineer Report: Receive/file April 2024 report.

h. Operations Manager Report: Receive/file April 2024 report.

i. Updates regarding disinfection byproducts.

There were no public comments.

Director Yaffee pulled items G, H, and I and made a motion to approve items A-F as presented. Director Barker seconded the motion. The motion passed by the following voice vote:

Ayes: Barker, Burgess, Camou, Yaffee

Director Camou made a motion to approve items G, H and I as presented. Director Yaffee seconded the motion. The motion passed by the following voice vote:

Ayes: Barker, Burgess, Camou, Yaffee

5. BUSINESS ITEMS

a. **Receive letters of interest and appoint a candidate to the vacant seat on the Board with the term ending of December 2024.**

There were two candidates who submitted letters of interest, Mr. Jeffery Smith and Mr. Tom Swanson. Both candidates gave a brief speech to the Directors and answered any questions the board had.

Director Camou made a motion to appoint Mr. Tom Swanson to the vacant seat. Director Yaffee seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Camou, Yaffee

Newly appointed director, Mr. Tom Swanson read the Oath of Office statement and took a seat at the table with the directors to participate for the remainder of the meeting.

b. **Request to approve a rate adjustment for solid waste services provided by San Miguel Garbage Company based on the Consumer Price Index and schedule a public hearing for June 20, 2024 for adoption of the adjusted rates.**

There were no public comments.

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

Director Barker made a motion to approve a rate adjustment for solid waste services and schedule a public hearing for June 20, 2024 for adoption of the adjusted rates. Director Yaffee seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Camou, Swanson, Yaffee

c. **Report on the findings of the Telemetry Survey project by SPICE Integration; Request to approve the procurement of the recommended equipment (\$12,000), approve a proposal from SPICE Integration LLC for design and installation of the recommended equipment and authorize the General Manager to execute a professional services agreement in an amount not to exceed \$80,000.**

There were no public comments.

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

Director Barker made a motion to approve a proposal from SPICE Integration LLC for design and installation of the recommended equipment and authorize the General Manager to execute a professional services agreement in an amount not to exceed \$80,000. Director Camou seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Camou, Swanson, Yaffee

d. Request to authorize a budget adjustment from reserves in the amount of \$16,000 to provide for the cost of a replacement network server.

There were no public comments.

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

No action was taken on this item.

6. GENERAL MANAGER REPORT

There were no public comments.

Report was received and filed.

7. COMMITTEE REPORTS

There were no public comments.

The WRRF ad hoc committee reported.

8. FUTURE AGENDA ITEMS

There were no public comments.

The Board determined to add the following to a future agenda: none

9. ADJOURN TO CLOSED SESSION

On a motion by Director Yaffee and seconded by Director Camou, the board adjourned to closed session at 5:42 pm.

10. RECONVENE TO OPEN SESSION

The board reconvened to open session at 6:14 pm. District Counsel reported that there was no reportable action from Closed Session.

11. ADJOURNMENT

On a motion by Director Yaffee and seconded by Director Camou the meeting adjourned at 6:16 pm to the next scheduled meeting on Thursday, May 16, 2024.

APPROVED:

ATTEST:

**Dan Burgess, President
Board of Directors**

**Kristen Gelos, Secretary
Board of Directors**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/5/2024	R. ARNOLD NET PAYROLL	2,718.89	\$ 2,718.89
4/5/2024	M. HUMPHREY NET PAYROLL	2,561.54	\$ 2,561.54
4/5/2024	B. VOGEL NET PAYROLL	2,428.96	\$ 2,428.96
4/5/2024	T. SHOGREN NET PAYROLL	2,298.81	\$ 2,298.81
4/5/2024	J. MARTY NET PAYROLL	1,743.04	\$ 1,743.04
4/5/2024	K. GELOS NET PAYROLL	2,767.33	\$ 2,767.33
4/5/2024	D. BURGESS NET PAYROLL	184.70	\$ 184.70
4/5/2024	B. BARKER NET PAYROLL	277.05	\$ 277.05
4/5/2024	S. DUFFIELD NET PAYROLL	4,483.97	\$ 4,483.97
4/5/2024	M. WILCOX NET PAYROLL	3,210.05	\$ 3,210.05
4/5/2024	D. GROSHART NET PAYROLL	4,332.22	\$ 4,332.22
4/5/2024	M. CAMOU NET PAYROLL	184.70	\$ 184.70
4/5/2024	M. YAFFEE NET PAYROLL	369.40	\$ 369.40
4/3/2024	CALPERS HEALTH BENEFITS EMPLOYEE PAID HEALTH BENEFIT EMPLOYEE PAID HEALTH BENEFIT	905.74 905.74	\$ 1,811.48

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/3/2024	CALPERS HEALTH BENEFITS CALPERS HEALTH BENEFITS	19,032.14	\$ 19,032.14
4/5/2024	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FICA WITHIHOLDING MEDICARE	2,987.32 136.40 1,096.38	\$ 4,220.10
4/5/2024	EMPLOYMENT DEVELOPMENT DEPARTM SDI STATE WITHHOLDING	403.77 1,162.27	\$ 1,566.04
4/5/2024	CALPERS RETIREMENT SYSTEM CALPERS UNIFORM ALLOWANCE PERS-IRC 457 CONTRIBUTIONS PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	10.47 1,443.08 1,628.91 1,886.11 2,841.58 8.37	\$ 7,818.52
4/6/2024	J.B. DEWAR. INC. FUEL & OIL	779.73	\$ 779.73
4/8/2024	PG&E ELECTRICITY	6,810.58	\$ 6,810.58
4/9/2024	SAN MIGUEL GARBAGE DELINQUENT SOLID WASTE FEES	513.00	\$ 513.00
4/15/2024	STATE WATER RESOURCES CONTROL LICENSES & PERMITS	95.00	\$ 95.00
4/15/2024	AMERICAN WATER WORKS ASSOCIATI AMERICAN WATER WORKS ASSOCIATI	501.00	\$ 501.00
4/15/2024	GREAT WESTERN ALARM ALARM / ANSWERING SERVICE	343.70	\$ 343.70
4/15/2024	KRITZ EXCAVATING & TRUCKING, I SUPPLIES	975.23	\$ 975.23
4/15/2024	BRENNTAG PACIFIC, INC CHEMICALS	4,149.06	\$ 4,149.06

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/15/2024	TYLER TECHNOLOGIES PROFESSIONAL SERVICES	12.00	\$ 12.00
4/15/2024	FGL ENVIRONMENTAL LAB TESTING	155.00	\$ 155.00
4/15/2024	STAR DRUG TESTING, INC DUES & SUBSCRIPTIONS	149.00	\$ 149.00
4/15/2024	SAN MIGUEL ROLL OFF COMPANY, I MAINTENANCE FIXED EQUIPMENT	580.27	\$ 580.27
4/15/2024	RENTAL DEPOT EQUIPMENT RENT/LEASE	1,436.40	\$ 1,436.40
4/15/2024	ABALONE COAST ANALYTICAL, INC. LAB TESTING	3,119.00	\$ 3,119.00
4/15/2024	CORE & MAIN LP MAINTENANCE FIXED EQUIPMENT	171.60	\$ 171.60
4/15/2024	DATA PROSE LLC PROFESSIONAL SERVICES MARCH BILLING	374.80 1,412.20	\$ 1,787.00
4/15/2024	WESTERN EXTERMINATOR STRUCTURES & GROUNDS	110.90	\$ 110.90
4/15/2024	RIVAL TECHNOLOGY INC. PROFESSIONAL SERVICES COMPUTER/SOFTWARE	909.36 130.00	\$ 1,039.36
4/15/2024	MID-STATE REPAIR SERVICE VEHICLES	1,197.88	\$ 1,197.88
4/15/2024	MIKE WILCOX TRAINING & TRAVEL	464.42	\$ 464.42
4/15/2024	JORANDA MARKETING, INC. / JAN- STRUCTURES & GROUNDS	274.60	\$ 274.60
4/15/2024	SPEEDY COASTAL MESSENGER, INC. LAB TESTING	420.00	\$ 420.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/15/2024	SPICE INTEGRATION MAINTENANCE FIXED EQUIPMENT	1,336.61	\$ 1,336.61
4/15/2024	CIVIC PLUS LLC DUES & SUBSCRIPTIONS	1,323.00	\$ 1,323.00
4/15/2024	AMAZON SMALL TOOLS & EQUIPMENT	205.98	\$ 205.98
4/15/2024	EVOQUA WATER TECHNOLOGIES LLC GAC PROJECT	1,501.50	\$ 1,501.50
4/16/2024	STAPLES CREDIT PLAN OFFICE SUPPLIES	91.12	\$ 91.12
4/16/2024	CHARTER COMMUNICATIONS INTERNET INTERNET	89.99 89.99	\$ 179.98
4/16/2024	EBAY VEHICLES	1,196.24	\$ 1,196.24
4/16/2024	HILTON TRAINING & TRAVEL	381.00	\$ 381.00
4/16/2024	RING CENTRAL TELEPHONE	300.74	\$ 300.74
4/16/2024	AMAZON TRAINING & TRAVEL	90.86	\$ 90.86
4/16/2024	STARLINK INTERNET	250.00	\$ 250.00
4/16/2024	ZOOM VIDEO COMMUNICATIONS INC COMPUTER / SOFTWARE	149.90	\$ 149.90
4/16/2024	BURRIS COMPUTER FORMS OFFICE SUPPLIES	55.65	\$ 55.65
4/16/2024	CALPERS HEALTH BENEFITS EMPLOYEE PAID HEALTH BENEFIT EMPLOYEE PAID HEALTH BENEFIT	905.74 905.74	\$ 1,811.48

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/17/2024	EVOQUA WATER TECHNOLOGIES LLC GAC PROJECT	1,501.50	\$ 1,501.50
4/19/2024	R. ARNOLD NET PAYROLL	2,694.82	\$ 2,694.82
4/19/2024	M. HUMPHREY NET PAYROLL	2,303.23	\$ 2,303.23
4/19/2024	B. VOGEL NET PAYROLL	2,767.78	\$ 2,767.78
4/19/2024	T. SHOGREN NET PAYROLL	2,324.74	\$ 2,324.74
4/19/2024	J. MARTY NET PAYROLL	1,743.04	\$ 1,743.04
4/19/2024	K. GELOS NET PAYROLL	2,767.33	\$ 2,767.33
4/19/2024	S. DUFFIELD NET PAYROLL	4,320.49	\$ 4,320.49
4/19/2024	M. WILCOX NET PAYROLL	3,210.05	\$ 3,210.05
4/19/2024	D. GROSHART NET PAYROLL	4,332.22	\$ 4,332.22
4/19/2024	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES MEDICARE	2,896.71 1,058.18	\$ 3,954.89
4/19/2024	EMPLOYMENT DEVELOPMENT DEPARTM SDI STATE WITHHOLDING	401.37 1,122.01	\$ 1,523.38
4/19/2024	CALPERS RETIREMENT SYSTEM PERS-IRC 457 CONTRIBUTIONS PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	1,443.08 1,628.91 1,886.11 2,841.58 8.37	\$ 7,808.05

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/23/2024	CALPERS RETIREMENT SYSTEM CALPERS UNFUNDED LIABILITY	8,760.67	\$ 8,760.67
4/30/2024	J.B. DEWAR. INC. FUEL & OIL	660.38	\$ 660.38
4/30/2024	GREAT WESTERN ALARM ALARM / ANSWERING SERVICE	325.32	\$ 325.32
4/30/2024	FERGUSON ENTERPRISES INC SUPPLIES	337.13	\$ 337.13
4/30/2024	ADAMSKI, MOROSKI, MADDEN, CUMB LEGAL & ATTORYNEY	450.00	\$ 450.00
4/30/2024	CLEATH-HARRIS GEOLOGISTS, INC. VERTICAL INTAKE #2	495.00	\$ 495.00
4/30/2024	AT&T TELEPHONE	84.29	\$ 84.29
4/30/2024	PG&E ELECTRICITY ELECTRICITY	6,705.53 7,972.62	\$ 14,678.15
4/30/2024	TYLER TECHNOLOGIES COMPUTER / SOFTWARE	180.00	\$ 180.00
4/30/2024	ROY ARNOLD CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
4/30/2024	LAHR ELECTRIC MOTORS, INC MAINTENANCE FIXED EQUIPMENT	3,614.35	\$ 3,614.35
4/30/2024	RENTAL DEPOT EQUIPMENT RENT/LEASE	1,436.40	\$ 1,436.40
4/30/2024	FLUID RESOURCE MANAGEMENT PROFESSIONAL SERVICES	995.00	\$ 995.00
4/30/2024	KRISTEN GELOS CELL PHONE/INTERNET ALLOWANCE MEDICAL REIMBURSEMENT	80.00 247.00	\$ 327.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
WARRANT REGISTER
APRIL 2024**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
4/30/2024	CORE & MAIN LP SUPPLIES	583.71	\$ 583.71
4/30/2024	BURT INDUSTRIAL SUPPLY MAINT. FIXED EQUIP/VEHICLES	181.51	\$ 181.51
4/30/2024	SCOTT DUFFIELD CELL PHONE/INTERNET ALLOWANCE MEDICAL REIMBURSEMENT	80.00 126.21	\$ 206.21
4/30/2024	WESTERN EXTERMINATOR STRUCTURES & GROUNDS	125.00	\$ 125.00
4/30/2024	RIVAL TECHNOLOGY INC. COMPUTER / SOFTWARE	15,589.47	\$ 15,589.47
4/30/2024	MARK HUMPHREY CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
4/30/2024	BRIAN VOGEL CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
4/30/2024	MIKE WILCOX CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
4/30/2024	TROY SHOGREN CELL PHONE/INTERNET ALLOWANCE TRAINING & TRAVEL LICENSES & PERMITS	80.00 206.92 126.14	\$ 413.06
4/30/2024	DOUGLAS GROSHART CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
4/30/2024	JORANDA MARKETING, INC. / JAN- STRUCTURES & GROUNDS	274.60	\$ 274.60
4/30/2024	JERED MARTY CELL PHONE/INTERNET ALLOWANCE LICENSES & PERMITS TRAINING & TRAVEL	80.00 51.00 372.35	\$ 503.35
4/30/2024	DEPARTMENT OF INDUSTRIAL RELAT LICENSES & PERMITS	585.00	\$ 585.00
TOTAL ALL WARRANTS			\$ 188,424.85

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
TREASURER'S REPORT
APRIL 2024**

SUMMARY REPORT OF ALL ACCOUNTS

Beginning Balance:	\$ 4,202,569
Ending Balance:	\$ 4,314,759
Variance:	\$ 112,190
Interest Earnings for the Month Reported:	\$ 43,299
Interest Earnings Fiscal Year-to-Date:	\$ 161,492

ANALYSIS OF REVENUES

Total operating income for water and sewer was:	\$ 206,716
Non-operating income was:	\$ 84,321
Franchise fees paid to the District by San Miguel Garbage was:	\$ 7,762
Interest earnings for the LAIF account was:	\$ 42,490
Interest earnings for the Five Star Bank checking account was:	\$ 10
Interest earnings for the Five Star Bank DWR Loan Services account was:	\$ 5
Interest earnings for the Five Star Bank DWR Reserve account was:	\$ 413
Interest earnings for the Mechanics Bank money market account was:	\$ 0

ANALYSIS OF EXPENSES

Five Star Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ 257,538
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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
APRIL 2024**

BEGINNING BALANCE ALL ACCOUNTS **\$ 4,202,568.74**

OPERATING CASH IN DRAWER **\$ 300.00**

FIVE STAR BANK DWR LOAN REPAYMENT (1994-2029):

BEGINNING BALANCE 2/29/2024	1,343.12	
QUARTERLY DEPOSIT	-	
INTEREST EARNED	4.65	
SEMI-ANNUAL PAYMENT	-	
ENDING BALANCE 3/31/2024		\$ 1,347.77

FIVE STAR BANK DWR RESERVE ACCOUNT

BEGINNING BALANCE 2/29/2024	119,128.57	
INTEREST EARNED	412.54	
ENDING BALANCE 3/31/2024		\$ 119,541.11

FIVE STAR BANK SDWSRF LOAN SERVICES ACCOUNT

BEGINNING BALANCE 2/29/2024	15,653.24	
QUARTERLY DEPOSIT	-	
INTEREST EARNED	54.21	
SEMI-ANNUAL PAYMENT	-	
ENDING BALANCE 3/31/2024		\$ 15,707.45

FIVE STAR BANK SDWSRF RESERVE ACCOUNT

BEGINNING BALANCE 2/29/2024	61,647.68	
INTEREST EARNED	213.49	
ENDING BALANCE 3/31/2024		\$ 61,861.17

MECHANICS BANK MONEY MARKET ACCOUNT

BEGINNING BALANCE 2/29/2024	4,337.20	
DEPOSIT REVENUE - CASH	2,355.82	
INTEREST EARNED	0.09	
REVENUE TRANSFER <i>To Five Star Checking</i>		
ENDING BALANCE 3/31/2024		\$ 6,693.11

FIVE STAR BANK - MONEY MARKET

BEGINNING BALANCE 2/29/2024	71,519.22	
INTEREST EARNED	114.17	
REVENUE TRANSFER <i>To Five Star Checking</i>	(50,000.00)	
ENDING BALANCE 3/31/2024		\$ 21,633.39

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
STATUS REPORT FOR ALL ACCOUNTS
APRIL 2024**

FIVE STAR BANK - CHECKING

BEGINNING BALANCE 2/29/2024	39,868.59	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	257,538.13	
INTEREST EARNED	10.23	
TOTAL CHECKS, FEES AND EFT'S	(191,002.88)	
REVENUE TRANSFER <i>From Five Star Money Market</i>	50,000.00	
ENDING BALANCE 3/31/2024		\$ 156,414.07

LOCAL AGENCY INVESTMENT FUND (LAIF)

BEGINNING BALANCE 2/29/2024	3,888,771.12	
INTEREST EARNED	42,489.65	
ENDING BALANCE 3/31/2024		\$ 3,931,260.77

ENDING BALANCE ALL ACCOUNTS		\$ 4,314,758.84
DIFFERENCE FROM LAST MONTH	Increase	\$ 112,190.10

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2023/24 Budget**

OPERATING REVENUE	Budget FY 23/24	Actual April	Actual Year to Date	Percentage Year to Date	Variance Explanation
Water Fees	1,364,806	111,737	1,213,543	89%	
Sewer Fees	1,018,537	92,380	809,357	79%	
Hook-Up Fees	2,400	0	1,200	50%	
Turn on Fees	3,500	175	1,825	52%	
Late Fees	18,830	2,336	27,666	147%	Fluctuates based on activity
Plan Check & Inspection	1,600	0	0	0%	
Miscellaneous Income	500	88	3,565	713%	
TOTAL OPERATING	\$2,410,173	\$206,716	\$2,057,156	85%	

FRANCHISE REVENUE					
Solid Waste Franchise Fees	88,698	7,762	81,336	92%	
TOTAL FRANCHISE	\$88,698	\$7,762	\$81,336	92%	

TOTAL OPERATING \$2,498,871 \$214,478 \$2,138,493 86%

NON-OPERATING REVENUE					
Standby Charges	242,200	12,937	171,373	71%	
Property Tax	454,384	28,085	343,156	76%	
Interest	30,000	43,299	161,492	538%	Fluctuates based on activity
Connection Fees	70,580	0	28,232	40%	
TOTAL NON-OPERATING	\$797,164	\$84,321	\$704,253	88%	

RESERVE REVENUE					
Capital Reserves	539,887	158	218,160	40%	
Operating Reserves	1,767,061	3,340	457,595	26%	
TOTAL RESERVE	\$2,306,948	\$3,498	\$675,755	29%	

TOTAL NON-OPERATING \$3,104,112 \$87,819 \$1,380,008 44%

TOTAL ALL INCOME	\$5,602,983	\$302,297	\$3,518,501	63%	
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HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2023/24 Budget

OPERATING EXPENSES

SALARIES AND BENEFITS	Budget FY 23/24	Actual April	Actual Year to Date	Percentage Year to Date	Variance Explanation
Salaries	993,973	71,804	740,348	74%	
Health Insurance	183,739	15,400	139,996	76%	
Health Insurance - Retirees	51,408	4,006	41,557	81%	
Pers Retirement	176,138	16,047	162,671	92%	
OPEB Funding/Transfer	10,181	0	0	0%	
Standby	13,200	997	9,978	76%	
Overtime	7,930	144	5,627	71%	
Workers Comp. Ins.	24,000	0	23,025	96%	
Directors' Fees	36,000	1,100	5,700	16%	
Medicare/FICA	14,616	1,145	11,424	78%	
Car Allowance	3,000	250	2,500	83%	
SUI/ETT	1,000	0	448	45%	
Uniforms	5,000	0	3,942	79%	
TOTAL SALARIES & BENEFITS	\$1,520,185	\$110,893	\$1,147,216	75%	

UTILITIES

Electricity	129,263	20,772	149,938	116%	
Propane	1,525	0	531	35%	
Water Purchase	28,600	0	30,148	105%	Paid Semiannually
Telephone/Internet	12,801	1,535	13,468	105%	
TOTAL UTILITIES	\$172,189	\$22,307	\$194,084	113%	

MAINTENANCE & SUPPLIES

Chemicals	82,160	4,149	66,359	81%	
Computer/Software	35,256	16,049	25,593	73%	
Equip. Rental/Lease	2,600	2,873	19,828	763%	
Fixed Equip.	194,480	5,777	149,274	77%	
Fuel & Oil	15,600	1,440	13,691	88%	
Lab Testing	61,360	3,694	42,000	68%	
Office Supplies	1,560	147	1,031	66%	
Parks & Recreation	1,000	0	0	0%	
Struct./Grnds.	15,537	785	11,545	74%	
Small Tools/Equip.	3,120	206	5,700	183%	
Supplies	4,680	1,896	12,197	261%	
Meters/Equip.	12,480	0	13,889	111%	
Vehicles	6,240	2,501	20,234	324%	
TOTAL MAINT. & SUP.	\$436,073	\$39,518	\$381,341	87%	

HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2023/24 Budget

GENERAL & ADMINISTRATION	Budget FY 23/24	Actual April	Actual Year to Date	Percentage Year to Date	Variance Explanation
Ads./Advertising	1,500	0	1,798	120%	Fluctuates based on activity
Alarm/Answering Service	4,160	669	3,652	88%	
Audit	10,000	0	9,225	92%	
Bank Charges/Fees	1,000	0	0	0%	
Consulting/Engineering	10,000	0	23	0%	
Dues/Subscription	10,400	1,973	11,360	109%	
Elections	0	0	0	0%	
Insurance	44,000	0	46,459	106%	Paid Annually
LAFCO	7,700	0	7,281	95%	Paid Annually
Legal/Attorney	25,000	450	21,542	86%	
Licenses/Permits	30,160	857	31,755	105%	
Plan Check & Inspection	1,600	0	15	1%	
Postage/Billing	15,600	1,412	13,569	87%	
Professional Service	92,872	2,291	40,747	44%	
Tax Collection	7,300	0	0	0%	
Staff Training & Travel	12,480	1,516	8,346	67%	
Board Training & Travel	1,000	0	2,001	200%	
TOTAL G & A	\$274,772	\$9,168	\$197,773	72%	

CAPITAL PROJECTS & EQUIPMENT

Structures/Improvements	2,271,948	3,498	675,755	30%	
Equipment	35,000	0	0	0%	
TOTAL CAPITAL EXPENSE	\$2,306,948	3,498	675,755	29%	

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
Western Alliance Lease-PVS	153,314	76,733	153,313	100%	paid semiannually
TOTAL DEBT	\$315,683	\$76,733	\$286,311		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$240,000	83%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

TOTAL EXPENSE	\$5,313,850	\$286,116	\$3,122,480	59%	
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CAPACITY CHARGES TRANSFER \$70,580 \$0 \$28,232 40%

SOLID WASTE FEES TRANSFER \$26,109 \$1,736 \$24,092 92%

FUND TOTAL	\$192,444	\$14,445	\$343,697		
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OFFICE REPORT**

APRIL 2024

Utility Billing

- On May 1st, 1,938 bills were processed for a total dollar amount of \$216,034 for water and sewer user fees for the month of April.
- 211 penalties were posted for bills that were due by April 25th.
- 74 Intent To Disconnect letters were mailed to customers that were more than 60 days delinquent.
- 26 48-hour notices were issued and 4 meters were locked for non-payment.

Customer Service Orders

- Staff completed a total of 12 service orders for the month of April. The breakdown by job code is as follows:

OCCUPANT CHANGE	4	LEAK	1
LOCKED	4	UNLOCK	3

Administration

- Nothing to report.

San Miguel Garbage Franchise Fees Received

- The total Franchise Fees received for the Month of March was \$ 8,082.26. The breakdown is as follows:

Residential Garbage Collection - \$ 6,392.65
Commercial Garbage Collection - \$ 1,189.01
Roll-Off Collection - \$ 500.60

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

District Engineer Report For the Month of May 2024

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

Operations Support

- Working with Operations Staff re:
 - GAC project operation, troubleshooting for pilot study, data analysis
 - PRV project for order and scope of work
 - TOC Analyzer installation, operation and calibration
 - Contacted Video Inspection Specialists regarding possible assistance with sewer system jetting, video inspection and I&I investigation.

Capital Improvement Projects

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

- DBP/Compliance: See separate agenda item and report regarding this issue.
- SCADA water system: Ongoing discussions with operations re: additional instrumentation/automation that can be added in the future to assist with operations.
- SCADA Telemetry: Met with SPICE Integration for a project kickoff. We discussed the order of installation, potential areas for cost savings and overall schedule. SPICE has begun procuring equipment and will soon begin installation.
- SCADA wastewater collection system: The installation of the telemetry system will aid in improving the operation of the wastewater collection system. We will be moving the existing lift stations off of their current and unsupported DAQFactory program and on to Ignition, which we are using in the water treatment plant and will be using in the new WRRF facility.
- PRV Project – PRVs have been received. Coordinating final equipment order and mobilization with Raminha.
- Lift Station 1-5 rehabilitation design phase: Still working on project scoping to determine the most cost-effective solution. LS #3 is the top priority, followed by #2 and then #1. All SCADA will be updated at all 5 lift stations as well. Coordinating with WRRF project to determine if any pump modifications will be required as a part of the project.

- Vertical Intake #2 – See DBP update for information on this project.

- Wastewater collection system model and infiltration / inflow: Discussed our system needs with Video Inspection Specialists. They provided many services related to sewer collection systems, I&I studies, system improvements, etc.

- Development – Responding to requests for existing water and sewer system documents as they come up. Discussing existing system and future developments with potential developers as they make contact.

- WRRF Project – Continuing to work with the General Manager, the ad hoc committee, and the Board to determine a path forward on the project.

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Operations Report For the Month of May 2024

Operators

- 4 of our 5 operators have successfully advanced their certification levels again this year with the 5th operator scheduled to complete an exam later this month.

Water treatment

- The online TOC monitor has been installed and functioning for about 3-4 weeks now. Full integration with the SCADA system went exceedingly well.

Water distribution

- The water meter for the condos failed recently requiring replacement. Fortunately, we had a meter in inventory to get these customers back as active consumers.

Wastewater collection

- The annual jetting of the collection system has been postponed due to the contractors' equipment failure. The subsequent flushing of the water distribution system has also been postponed because of this. An alternate contractor was located by our District Engineer and a backup plan with new pricing is forthcoming.
- One of the pumps at lift station #2 is vibrating violently. Staff investigated the issue and determined that the impeller is either severely worn out or plugged with debris. The district does not have a replacement pump for this location and due to obsolescence, one is not available. Staff is investigating replacement options. An impeller was located, but the quoted value likely exceeds the value of a new pump and motor assembly. This repair will likely turn into a capital replacement project.

Wastewater treatment

- The large aerator in pond #1 came loose and tangled with the power cord requiring replacement of the cord. New flotation buoys are needed to prevent this from happening again.

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: May 16, 2024

SUBJECT: Discussion and direction regarding disinfection byproducts.

Background

The District water system is exceeding the maximum contaminant level for haloacetic acids, a disinfection byproduct. This is not an immediate health risk and you do not need to use an alternative water supply. Your Board has been updated regularly on this issue.

Discussion

Sample data

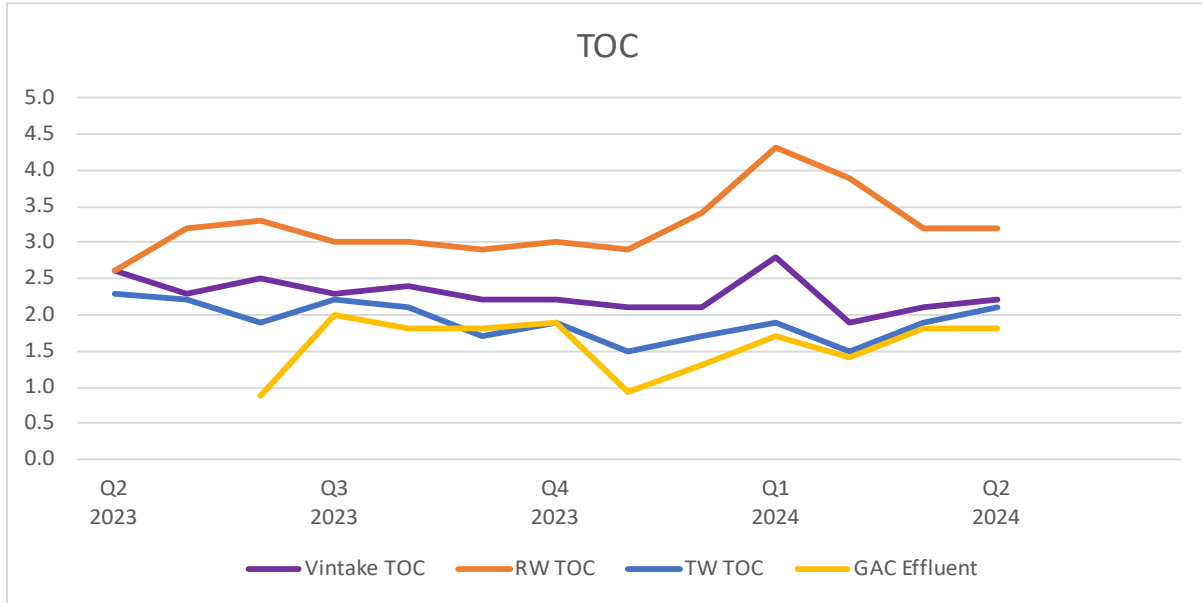
The sample data for haloacetic acids (HAA5) over the last several quarters is shown below. This data is for individual samples. The maximum contaminant level for HAA5 is 60 parts per billion (ppb). In the table below, "Vintake TOC" is the TOC level of the water from the vertical intake; "RW TOC" is the TOC reading for Raw Water; "TW TOC" is the TOC reading for Treated Water; and "GAC Effluent" shows the TOC reading after the GAC vessels and before chlorination.

The reportable data required by the Division of Drinking Water (DDW) is the Locational Running Annual Average (LRAA) by calendar quarter. The maximum contaminate level (MCL) for HAA5 is 60 ppb.

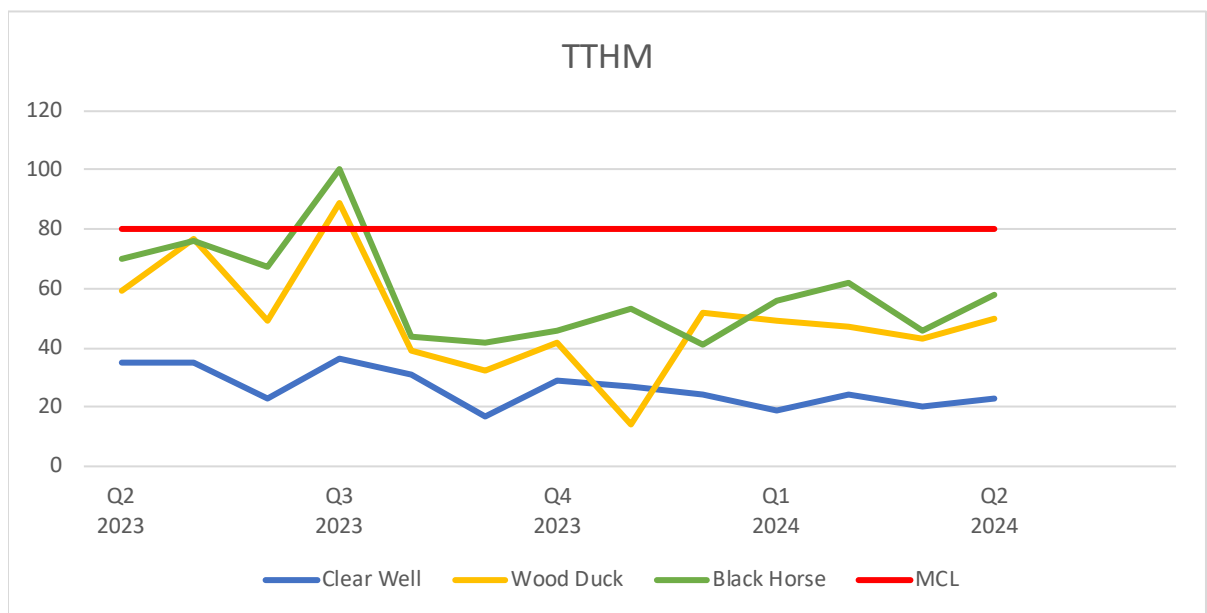
The most recent LRAA for HAA5 is 62 ppb at the Black Horse Lane location and 51 ppb at the Wood Duck Lane location. The Wood Duck Lane LRAA is now under the MCL. We continue to send quarterly notices to customers until such a time we are under the maximum contaminant level at both locations and as required by the DDW.

Additionally, HAA5 results for the last nine consecutive months at both locations have been within the MCL as can also be seen in the following table and graph.

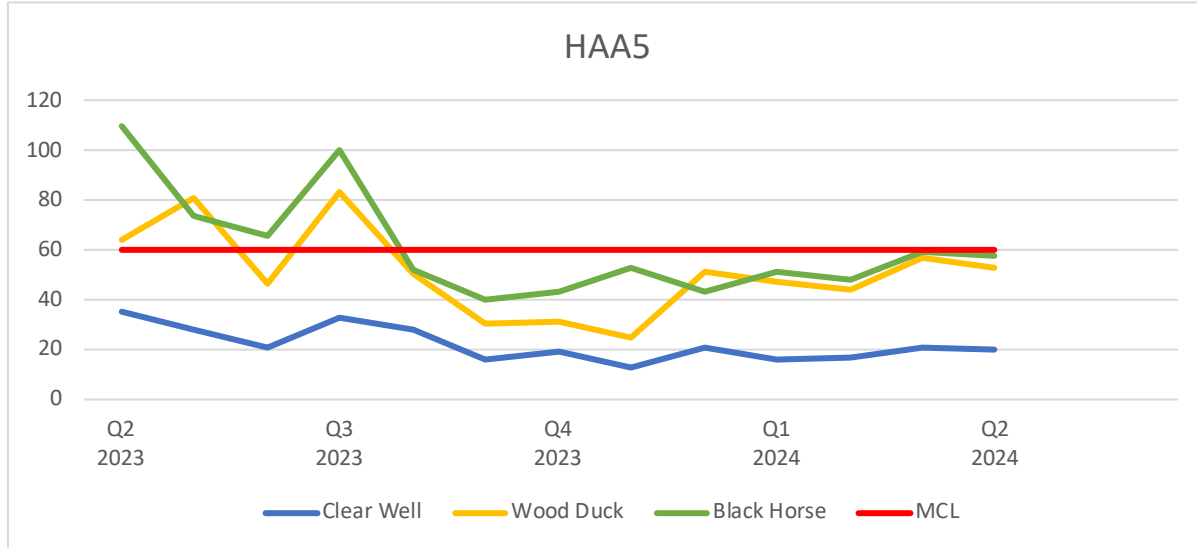
TOC	Q2 2023			Q3 2023			Q4 2023			Q1 2024			Q2 2024	
Vintake TOC	2.6	2.3	2.5	2.3	2.4	2.2	2.2	2.1	2.1	2.8	1.9	2.1	2.2	
RW TOC	2.6	3.2	3.3	3.0	3.0	2.9	3.0	2.9	3.4	4.3	3.9	3.2	3.2	
TW TOC	2.3	2.2	1.9	2.2	2.1	1.7	1.9	1.5	1.7	1.9	1.5	1.9	2.1	
GAC Effluent			0.9	2.0	1.8	1.8	1.9	0.9	1.3	1.7	1.4	1.8	1.8	



TTHM	Q2 2023			Q3 2023			Q4 2023			Q1 2024			Q2 2024	
Clear Well	35	35	23	36	31	17	29	27	24	19	24	20	23	
Wood Duck	59	77	49	89	39	32	42	14	52	49	47	43	50	
Black Horse	70	76	67	100	44	42	46	53	41	56	62	46	58	
MCL	80	80	80	80	80	80	80	80	80	80	80	80	80	



HAA5	Q2 2023			Q3 2023			Q4 2023			Q1 2024			Q2 2024		
Clear Well	35	28	21	33	28	16	19	13	21	16	17	21	20		
Wood Duck	64	81	46	83	50	30	31	25	51	47	44	57	53		
Black Horse	110	74	66	100	52	40	43	53	43	51	48	59	58		
MCL	60	60	60	60	60	60	60	60	60	60	60	60	60		



Operations and project updates

The Operations staff has made no major operational changes to the water treatment process since last month's report. We installed a new TOC analyzer that is now online, connected to SCADA and measuring TOC at the outlet of the filters and the outlet of the GAC. The new analyzer allows us to track the TOC levels more consistently in both the filtered water and the GAC-treated water. Previously, we were able to take samples and determine UVA/UVT levels onsite, but TOC results needed to be shipped off and had a 30-day turnaround time typically.

The GAC adsorbers installed on November 9, 2023 were replaced and the new GAC adsorbers were placed online on April 26, 2024. The previous GAC was coconut-based and was in service for 165 days in total. Data collected by Staff during that time period showed that, while the coconut-based GAC showed a large amount of removal of organics early on (100% removal to start), that removal rate quickly dropped (below 50% after 20 days). The removal rate dropped to the 20% range after 60 days. DBP results during that time period were still in compliance and, in the interest of gathering data to see how long the GAC would remain at least marginally effective, we continued with the coconut-based GAC until the removal rate was consistently below 20%. Again, even during this time period, DBP results remained in compliance. Based on the data gathered in the 165 days with the coconut-based GAC, Evoqua (our vendor) recommended a coal-based GAC. Per Evoqua, this GAC has slightly larger pores and should maintain a higher level of removal for a longer period of time. This GAC is slightly more expensive and the expected time until breakthrough (the time at which we need to replace the GAC) is yet to be determined. As of May 8, the new GAC is still showing 100% removal after 12 days

in service. The previous GAC had already dropped to 53% removal after 12 days. We will provide an additional update at the meeting.

Additional improvements in the planning phases include but are not limited to chemical injection refinement and safety entailing continuing upgrades to all chemical injection stations and fully integrating them into the PLC programming. This will enhance the Operator's ability to adjust chemical feed rates and obtain immediate feedback from those adjustments.

Also, per last month's report, staff continues to research if MIEX (Magnetic Ion Exchange) will be a feasible option for the removal of TOC/DOC and the lowering of DBPs. IXOM (the manufacturer of MIEX) completed their initial analysis and the technology was effective in lowering TOC/DOC by 50%. IXOM also completed their analysis to determine the expected effect on DBPs based on the MIEX treated water. The results were promising, and we are working with them to begin a small scale (2-3 gpm) pilot study in the future.

Lastly, Cleath-Harris Geologists (CHG) has completed and submitted draft technical specifications for Phase 1 of the second vertical intake project. The next step is for Staff to review and comment on the draft and then compile the rest of the contract documents for putting the new vertical intake out to bid. The current schedule is to have the installation of the new vertical intake completed in our low demand period but prior to the rainy season (between Labor Day and Thanksgiving). Once Phase 1 is completed, CHG will provide Staff with design criteria for the new pump and associated piping, valving, etc. (based on flow testing done after installation of the casing). Staff will use this information to design the new pump, wellhead, piping and valving for connecting the new intake to the existing Pump Station 1. A second vertical intake will increase our capacity for drawing water from the vertical intakes that is typically considerably lower in TOC than the water from the gallery wells. This allows us to lessen the organics in our raw water, leading to lower DBPs.

Fiscal Implications

The 5-year Capital Improvement Plan approved by your Board includes spending a total of \$1,000,000 for a DBP project(s) through Fiscal Year End 2027. The current year budget includes \$325,000 for a DBP project(s), as well as \$50,000 for the design phase of Vertical Intake No. 2.

File: OPERATIONS_DBP

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Finance & Audit Committee (Burgess, Yaffee)
Scott Duffield, General Manager

DATE: May 16, 2024

SUBJECT: Receive and file the first draft of the FY 2024/25 Budget and provide direction to staff.

Recommendation

It is recommended that the Board of Directors receive and file the first draft of the FY 2024/25 Budget and provide direction to staff.

Background

This is the first budget meeting of this year with your Board. The budget year is July 1 through June 30. A preliminary budget should be adopted by your Board at the June meeting and a final budget at the July meeting. A final budget must be adopted by your Board before September 1, 2024.

Discussion

Attached is the first draft FY 2024/25 Budget. Each fund has its own budget. The consolidated budget provides a summary of the water, sewer, general, and solid waste funds. The first draft budgets include the following information:

- Previous fiscal year
- Budgeted current fiscal year
- Actual current fiscal year through 9 months
- Annualized current fiscal year
- Preliminary Budget Fiscal Year 2024/25

Current Fiscal Year Budget

The current water fund appears to be performing above the budgeted amount. The annualized column shows a surplus of \$251,295. (water fund cell E109, page 3)

The current sewer fund appears to be performing above the budgeted amount. The annualized column shows a surplus of \$163,231. (sewer fund cell E109, page 5)

First Draft Fiscal Year 2024/25 Budget

The following talking points are referenced to the Consolidated Budget. (page 9 - 11)

Revenue Categories

1. Operating Revenue. The preliminary budgets for the water and sewer funds use the analysis from the 2023 Rate Study. **Total operating revenue less solid waste franchise fees is budgeted to increase by \$420,747 or 17.5%. (Consolidated Budget cell F15)**
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 \$3,104 or 3.5%. (Consolidated Budget cell F20)**
3. Non-Operating Revenue. This item includes standby charges, interest earned, property tax, and connection fees. The County Auditor-Controller provided us with 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 increase by \$28,897 or 3.6%. (Consolidated Budget cell F31)**
4. Total Revenue. This item is the sum of the above plus the change in reserve revenue. This fiscal year the proposed budget includes less reserves allocated to capital projects for this year, -\$202,256. All surplus revenue goes back to reserves. **Total revenue is budgeted to increase by \$250,492 or 4.5%. (Consolidated Budget cell F44).**

Total revenue less reserve revenue is budgeted to increase by \$452,748 or 13.7%. (Consolidated Budget cell F44 minus F38)

Expense Categories

1. Personnel Budget. This item includes salaries, employee pensions and health insurance, retiree health insurance, other post-employment benefits, workers compensation insurance, payroll taxes, Director fees, anticipated staff overtime and standby time, and uniforms. For budgeting purposes, the following assumptions are made: 5% cost of living increase in base salary for all staff; 8% increase in medical insurance costs with 90% of lowest cost premium paid by District; current staff of nine full-time employees, and one vacant Treatment Operator I position (for 9 months), and five directors. **Total personnel budget expense is budgeted to increase by \$152,070 or 10.0%. (Consolidated Budget cell F77)**

2. Utilities. The water contract with the County is a fixed fee for total allocated water of 1,100 acre-feet-per-year. Electricity and other utility costs utilize the 2023 Rate Study which assumes to be the current budget expense plus 4%. **Total utilities expense is budgeted to increase by \$5,744 or 3.3%. (Consolidated Budget cell F86)**

3. Maintenance and Supplies. This category is dominated by chemical costs, 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 preliminary budgets use the analysis from the 2023 Rate Study. **Total maintenance and supplies expense is budgeted to increase by \$16,403 or 3.8%. (Consolidated Budget cell F104)**

4. General and Administrative. The preliminary budgets use the analysis from the 2023 Rate Study or estimates from the agencies that fall within these categories. This category includes costs for election costs this year. **Total general and administrative expenses are budgeted to increase by \$17,568 or 6.4%. (Consolidated Budget cell F134)**

5. Projects and Equipment. The District Engineer and Operations Manager in coordination with the General Manager, and consultants as needed, are the staff that manage capital projects and equipment. Some projects take many years to plan and construct. Others are less complex but still take months of working with staff, contractors, and vendors to plan and implement. Your Board approved an updated 5-year Capital Improvement Program (CIP) in August 2022.

The projects listed in the CIP are included in the proposed budget as are any equipment requests. For budgeting purposes, the list of projects in the CIP are budgeted in full but may not be completed in the fiscal year. Any unexpended budget for projects and equipment will roll forward to next year. Similarly, projects shown with a * below are budgeted or in progress from a previous year. **Total Capital Projects & Equipment is budgeted at \$2,104,692, a decrease of -\$202,256 or 8.8%. (Consolidated Budget cell F141)**

A summary of projects and equipment budgeted year is:

- \$452,838 for Water Resource Recovery Facility upgrade - design phase*
- \$200,000 for Lift Station 1-5 Rehabilitation – design/construction phase*
- \$168,415 for Water System SCADA Upgrade*
- \$90,369 for GAC System - pilot study*
- \$163,070 for Pressure Reducing Valves at Waterview and Equestrian*
- \$225,000 for Raw Water Vertical Intake No. 2 – design/construction phase*

- \$400,000 for a DBP Project
 - \$200,000 for Wastewater Collection System SCADA upgrade*
 - \$75,000 for Wastewater Collection System Model & I/I Investigation*
 - \$15,000 for pump station covers – design phase
 - \$50,000 for electric gate at corporation yard
 - \$65,000 for equipment / vehicle purchase / replacement
6. Debt. The water treatment plant debt and the PVS project debt are contractual and cannot be reduced. The PVS debt is not the exact amount every year but very near. **Total debt expense is budgeted to be the essentially the same as this year. (Consolidated Budget cell F149)**
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 2022/23 audited depreciation expense was \$469,050. **Total depreciation expense is budgeted to remain the same as this year's budget of \$288,000. (Consolidated Budget cell F151)**
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 \$28,232 is budgeted to be transferred to capital reserves. The \$24,450 anticipated surplus from the solid waste fund budget would also be transferred to solid waste reserves. **Total transfer to reserves is budgeted at \$52,682, a decrease of \$44,007 or 45.5%. (Consolidated Budget cell F160)**

First Draft FY 2024/25 Budget Summary

The Budget is a planning document; these numbers will change at the Preliminary Budget and Final Budget stages, and over the course of the fiscal year.

- The first draft of next year's budget has a \$135,787 surplus in the water fund and a \$362,086 surplus in the sewer fund. Any surplus is transferred to reserves.
- Total operating revenue (rates, fees, etc.) is budgeted at a \$423,851 or 17% increase. **(Consolidated Budget cell F23)**

- Total non-operating revenue (property taxes, standby and capacity charges, etc.) is budgeted at a \$28,897 or 3.6% increase. **(Consolidated Budget cell F31)**
- Total expense less capital in this first draft of next year's budget represents an increase of \$191,328 or 6.4% compared to this year's budget. **(Consolidated Budget cell F155-F141)**
- Total capital budget in this first draft of next year's budget represents a decrease of \$202,256 or -8.8% compared to this year's budget. **(Consolidated Budget cell F141)**

There may be changes in revenue and expenses as we receive updated information and estimates before the Final Budget is presented to your Board. There are very few major expense items that can be reduced and maintain operations, and very little flexibility to reduce expenses such as insurances, utilities, supplies, and permits to name a few.

Attachment: First Draft FY 2024/25 Budget

File: FY 2024/25 Budget

HERITAGE RANCH COMMUNITY SERVICES DISTRICT
Draft 2024/25 Capital & Equipment Budget

PROJECTS	Total Budget	Funding Source						
		Capital Reserves		Operating Budget			Operating Reserves	
		Water	Sewer	Water	Sewer	General	Water	Sewer
WRF Upgrade Project (design, env, admin)	\$452,838		\$158,493					\$294,345
Lift Station 1-5 Rehab (const)	\$200,000							\$200,000
Water System SCADA Upgrade	\$168,415	\$53,893					\$114,522	
GAC System (Pilot Study)	\$90,369						\$90,369	
Pressure Reducing Valves (Waterview, Equestrian)	\$163,070						\$163,070	
Raw Water Vertical Intake No. 2 (design and const)	\$225,000	\$72,000					\$153,000	
DBP Project	\$400,000						\$400,000	
Wastewater Collection System SCADA Upgrade	\$200,000		\$68,000					\$132,000
Wastewater Collection System Model & I / I	\$75,000		\$25,500					\$49,500
Pump Station Covers (design)	\$15,000	\$4,800					\$10,200	
Electric Gate at Corp Yard	\$50,000	\$9,600	\$6,800				\$20,400	\$13,200
subtotal Projects	\$2,039,691	\$140,293	\$258,793	\$0	\$0	\$0	\$951,561	\$689,045
EQUIPMENT								
Vehicle replacement (small pickup)	\$35,000						\$21,000	\$14,000
Air Compressor	\$30,000						\$18,000	\$12,000
subtotal Equipment	\$65,000	\$0	\$0	\$0	\$0	\$0	\$39,000	\$26,000
TOTAL CAPITAL	\$2,104,691	\$140,293	\$258,793	\$0	\$0	\$0	\$990,561	\$715,045

	A	B	C	D	E	F	H
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - WATER FUND						
2	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft						
3							
4							
5							
6							
7	OPERATING REVENUE	Un-audited 22/23	Budget 23/24	Actual 9 month 7/1/23 - 3/31/24	Annualized F.Y.E. 6/30/24	Draft 24/25	
8	Water Fees	1,238,169	1,364,806	1,101,805	1,469,074	1,563,732	
9	Late Fees	15,618	11,130	14,895	19,860	11,160	
10	Hook-Up Fees	1,500	2,000	1,000	1,333	2,000	
11	Turn on Fees	1,125	2,000	990	1,320	2,000	
12	Plan Check & Inspection	0	800	0	0	800	
13	Miscellaneous Income	4,857	0	1,737	2,316	0	
14	TOTAL OPERATING REVENUE	\$1,261,269	\$1,380,736	\$1,120,428	\$1,493,904	\$1,579,692	14.41%
15							
16							
17	NON-OPERATING REVENUE						
18	Standby Charges	199,958	203,000	131,502	175,336	203,000	
19	Property Tax	250,249	249,911	173,289	231,052	261,596	
20	Interest	63,624	22,800	91,627	122,169	60,800	
21	Connection Fees	19,022	31,745	12,681	16,909	12,698	
22	TOTAL NON-OPERATING REVENUE	\$532,853	\$507,456	\$409,099	\$545,466	\$538,094	6.04%
23							
24							
25	RESERVE REVENUE						
26	Capital Reserves	0	76,713	6,820	9,094	140,293	
27	General Reserves	338,327	685,023	62,063	82,750	990,561	
28	TOTAL RESERVE REVENUE	\$338,327	\$761,736	\$68,883	\$91,844	\$1,130,854	48.46%
29							
30	TOTAL REVENUE	\$2,132,449	\$2,649,928	\$1,598,410	\$2,131,213	\$3,248,640	22.59%
31							
32							
33	OPERATING EXPENSES						
34							
35	SALARIES AND BENEFITS						
36	Salaries	226,200	329,221	163,276	217,701	364,752	
37	Overtime	5,356	4,758	3,290	4,386	4,605	
38	Standby	7,862	7,900	5,389	7,185	7,900	
39	Health Insurance	52,639	70,473	46,101	61,467	86,792	
40	Pers Retirement	58,307	57,738	44,018	58,690	63,995	
41	Workers Comp. Ins.	11,168	12,720	12,203	16,271	14,920	
42	Medicare/FICA	3,462	4,661	2,487	3,317	5,131	
43	Uniforms	2,187	3,000	2,365	3,154	3,240	
44	TOTAL SALARIES & BENEFITS	\$367,181	\$490,471	\$279,128	\$372,171	\$551,336	12.41%
45							
46							
47	UTILITIES						
48	Electricity	47,281	94,228	52,464	69,952	97,997	
49	Water Purchase	23,114	28,600	28,600	28,600	28,600	
50	Telephone/Internet	4,388	4,417	3,938	5,251	4,594	
51	TOTAL UTILITIES	\$74,783	\$127,245	\$85,002	\$103,803	\$131,191	3.10%
52							
53							
54							
55							

	A	B	C	D	E	F	H
56	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - WATER FUND						
57	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft						
58							
59							
60		Un-audited	Budget	Actual 9 month	Annualized	Draft	
61	MAINTENANCE & SUPPLIES	22/23	23/24	7/1/23 - 3/31/24	F.Y.E. 6/30/24	24/25	
62	Chemicals	59,882	64,480	43,645	58,193	67,059	
63	Computer/Software	1,960	8,684	336	448	9,031	
64	Equip. Rental/Lease	14,401	2,080	16,955	22,607	2,163	
65	Fixed Equip.	158,337	131,560	121,500	162,000	136,822	
66	Fuel & Oil	11,290	9,360	7,351	9,801	9,734	
67	Lab Testing	17,388	35,776	18,959	25,279	37,207	
68	Struct./Grnds.	4,511	3,884	2,690	3,587	4,040	
69	Small Tools/Equip.	5,037	1,872	3,296	4,395	1,947	
70	Supplies	11,550	3,120	9,331	12,441	3,245	
71	Meters/Equip.	11,819	12,480	13,889	18,519	12,979	
72	Vehicles	5,944	3,744	10,640	14,186	3,894	
73	TOTAL MAINT. & SUP.	\$302,118	\$277,040	\$248,591	\$331,454	\$288,122	4.00%
74							
75	GENERAL & ADMINISTRATION						
76	Allocation of General Fund	446,539	405,781	332,918	443,890	437,791	
77	Alarm/Answering Service	855	1,040	746	994	1,082	
78	Bank Charges/Fees	0	0	0	0	0	
79	Consulting/Engineering	96	5,000	14	18	5,000	
80	Dues/Subscription	3,988	6,448	5,962	7,950	6,706	
81	Insurance (Property/Liability)	-137	18,480	19,513	26,017	18,790	
82	Legal/Attorney	0	0	0	0	0	
83	Licenses/Permits	18,350	16,744	19,511	26,015	17,414	
84	Plan Check & Inspection	0	800	15	20	800	
85	Professional Service	44,887	54,080	3,531	4,708	56,243	
86	Training & Travel	5,100	3,120	1,650	2,200	3,245	
87	TOTAL G & A	\$519,680	\$511,493	\$383,859	\$511,812	\$547,070	6.96%
88							
89							
90	CAPITAL PROJECTS & EQUIPMENT						
91	Project	264,424	740,736	68,883	91,844	1,091,854	
92	Equipment	73,903	21,000	0	0	39,000	
93	TOTAL CAPITAL	\$338,327	\$761,736	\$68,883	\$91,844	\$1,130,854	48.46%
94							
95	DEBT						
96	State Loan Payment-DWR	103,628	103,629	103,628	103,629	103,628	
97	State Loan Payment Phase II-SRF	58,739	58,740	29,369	58,740	58,740	
98	Western Alliance Lease-PVS	114,051	114,556	114,556	114,556	114,215	
99	TOTAL DEBT	\$276,418	\$276,925	\$247,553	\$276,925	\$276,583	-0.12%
100							
101							
102	FUNDED DEPRECIATION	175,000	175,000	131,250	175,000	175,000	
103	UNFUNDED DEPRECIATION	0	0	0	0	0	
104							
105	TOTAL EXPENSE	\$2,053,507	\$2,619,910	\$1,444,267	\$1,863,010	\$3,100,155	18.33%
106							
107	TRANSFER TO RESERVES	\$19,022	\$31,745	\$12,681	\$16,909	\$12,698	
108							
109	FUND TOTAL	\$59,919	(\$1,726)	\$141,462	\$251,295	\$135,787	-7965.77%

	A	B	C	D	E	F	H	
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SEWER FUND							
2	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft							
3								
4								
5								
6								
7	OPERATING REVENUE	Un-audited 22/23	Budget 23/24	Actual 9 month 7/1/23 - 3/31/24	Annualized F.Y.E. 6/30/24	Draft 24/25		
8	Sewer Fees	756,097	1,018,537	716,977	955,969	1,240,328		
9	Late Fees	9,801	7,700	10,435	13,913	7,700		
10	Hook-Up Fees	300	400	200	267	400		
11	Turn on Fees	750	1,500	660	880	1,500		
12	Plan Check & Inspection	0	800	0	0	800		
13	Miscellaneous Income	3,234	0	1,039	1,385	0		
14	TOTAL OPERATING REVENUE	\$770,182	\$1,028,937	\$729,311	\$972,415	1,250,728	21.56%	
15								
16								
17	NON-OPERATING REVENUE							
18	Standby Charges	40,955	39,200	26,934	35,912	39,200		
19	Property Tax	136,499	136,315	94,521	126,029	142,689		
20	Interest	18,397	7,200	26,566	35,422	19,200		
21	Connection Fees	23,326	38,835	15,551	20,734	15,534		
22	TOTAL NON-OPERATING REVENUE	\$219,178	\$221,550	\$163,573	\$218,097	\$216,623	-2.22%	
23								
24			\$1,250,487		\$1,190,512		-4.80%	
25	RESERVE REVENUE							
26	Capital Reserves	133,838	463,174	211,181	281,575	258,793		
27	General Reserves	297,825	1,082,038	392,193	522,924	715,045		
28	TOTAL RESERVE	\$431,663	\$1,545,212	\$603,374	\$804,499	\$973,838	-36.98%	
29								
30	TOTAL REVENUE	\$1,421,024	\$2,795,699	\$1,496,258	\$1,995,010	\$2,441,189	-12.68%	
31								
32	OPERATING EXPENSES							
33								
34	SALARIES AND BENEFITS							
35	Salaries	150,800	219,481	108,850	145,134	243,168		
36	Overtime	3,570	3,172	2,193	2,924	3,070		
37	Standby	5,241	5,300	3,593	4,790	5,300		
38	Health Insurance	35,567	46,982	31,149	41,532	57,862		
39	Pers Retirement	38,507	38,492	29,082	38,776	42,663		
40	Workers Comp. Ins.	7,375	8,400	8,059	10,745	9,853		
41	Medicare/FICA	2,308	3,107	1,658	2,211	3,421		
42	Uniforms	1,242	2,000	1,577	2,102	2,160		
43	TOTAL SALARIES & BENEFITS	\$244,610	\$326,934	\$186,161	\$248,215	\$367,497	12.41%	
44								
45								
46	UTILITIES							
47	Electricity	73,825	34,817	76,622	102,162	36,210		
48	Telephone/Internet	3,059	3,079	2,745	3,660	3,202		
49	TOTAL UTILITIES	\$76,884	\$37,896	\$79,367	\$105,822	\$39,412	4.00%	
50								
51								
52								
53								
54								

	A	B	C	D	E	F	H	
55	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SEWER FUND							
56	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft							
57								
58								
59								
60		Un-audited	Budget	Actual 9 month	Annualized	Draft		
61	MAINTENANCE & SUPPLIES	22/23	23/24	7/1/23 - 3/31/24	F.Y.E. 6/30/24	24/25		
62	Chemicals	26,906	17,680	18,565	24,753	18,387		
63	Computer/Software	406	8,476	336	448	8,815		
64	Equip. Rental/Lease	2,282	520	0	0	541		
65	Fixed Equip.	25,585	62,920	21,997	29,330	65,437		
66	Fuel & Oil	7,527	6,240	4,900	6,534	6,490		
67	Lab Testing	26,189	25,584	19,347	25,796	26,607		
68	Struct./Grnds.	9,022	7,769	5,380	7,173	8,080		
69	Small Tools/Equip.	3,358	1,248	2,197	2,930	1,298		
70	Supplies	2,841	1,560	970	1,293	1,622		
71	Vehicles	3,963	2,496	7,093	9,457	2,596		
72	TOTAL MAINT. & SUP.	\$108,077	\$134,493	\$80,786	\$107,715	\$139,873	4.00%	
73								
74								
75	GENERAL & ADMINISTRATION							
76	Allocation of General Fund	343,492	312,139	256,090	341,454	336,762		
77	Alarm/Answering Service	855	1,040	746	994	1,082		
78	Bank Charges/Fees	0	0	0	0	0		
79	Consulting/Engineering	64	5,000	9	12	5,000		
80	Dues/Subscription	1,806	3,952	3,425	4,566	4,110		
81	Insurance (Property/Liability)	-104	14,080	14,867	19,823	14,316		
82	Legal/Attorney	0	0	0	0	0		
83	Licenses/Permits	10,871	13,416	11,387	15,183	13,953		
84	Plan Check & Inspection	0	800	0	0	800		
85	Professional Service	25,676	26,000	18,499	24,665	27,040		
86	Training & Travel	897	3,120	1,133	1,511	3,245		
87	TOTAL G & A	\$383,557	\$379,547	\$306,156	\$408,208	\$406,307	7.05%	
88								
89								
90								
91	CAPITAL PROJECTS & EQUIPMENT							
92	Project	382,395	1,531,212	603,374	804,499	947,838		
93	Equipment	49,269	14,000	0	0	26,000		
94	TOTAL CAPITAL	\$431,664	\$1,545,212	\$603,374	\$804,499	\$973,838	-36.98%	
95								
96	DEBT							
97	Western Alliance Lease-PVS	38,587	38,758	38,758	38,587	38,642		
98	TOTAL DEBT	\$38,587	\$38,758	\$38,758	\$38,587	\$38,642		
99								
100								
101	FUNDED DEPRECIATION	98,000	98,000	73,500	98,000	98,000		
102	UNFUNDED DEPRECIATION	0	0	0	0	0		
103								
104	TOTAL EXPENSE	\$1,381,379	\$2,560,840	\$1,368,101	\$1,811,045	\$2,063,569	-19.42%	
105								
106	TRANSFER TO RESERVES	\$23,326	\$38,835	\$15,551	\$20,734	\$15,534		
107								
108								
109	FUND TOTAL	\$16,319	\$196,025	\$112,606	\$163,231	\$362,086	84.71%	

	A	B	C	D	E	F	H
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - SOLID WASTE FUND						
2	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft						
3							
4							
5							
6		Un-audited	Budget	Actual 9 month	Annualized	Draft	
7	OPERATING REVENUE	22/23	23/24	7/1/23 - 3/31/24	F.Y.E. 6/30/24	24/25	
8	TOTAL FRANCHISE FEES	\$84,883	\$88,698	\$73,574	\$98,099	\$91,802	3.50%
9							
10							
11							
12							
13	EXPENSE						
14	Allocation of General Fund	68,698	62,589	51,218	68,291	67,352	
15	TOTAL EXPENSES	\$68,698	\$62,589	\$51,218	\$68,291	\$67,352	7.61%
16							
17	TRANSFER TO RESERVES	\$16,185	\$26,109	\$22,356	\$29,808	\$24,450	
18							
19	FUND TOTAL	\$0	\$0	\$0	\$0	\$0	
20							

	A	B	C	D	E	F	H	
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - GENERAL FUND							
2	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft							
3								
4								
5								
6		Un-audited	Budget	Actual 9 month	Annualized	Draft		
7	OPERATING REVENUE	22/23	23/24	7/1/23 - 3/31/24	F.Y.E. 6/30/24	24/25		
8	Transfer from other Funds	0	0	0	0	0		
9	Miscellaneous Income	8,069	500	702	935	500		
10	TOTAL OPERATING	\$8,069	\$500	\$702	\$935	\$500	0.00%	
11								
12								
13								
14	NON-OPERATING REVENUE							
15	Property Tax	68,250	68,158	47,261	63,014	71,344		
16	Interest	0	0	0	0	0		
17	TOTAL NON-OPERATING	\$68,250	\$68,158	\$47,261	\$63,014	\$71,344	4.68%	
18								
19								
20								
21	RESERVE REVENUE							
22	Capital Reserves	0	0	0	0	0		
23	General Reserves	0	0	0	0	0		
24	TOTAL RESERVE	\$0	\$0	\$0	\$0	\$0		
25								
26	TOTAL REVENUE	\$76,318	\$68,658	\$47,962	\$63,950	\$71,844	4.64%	
27								
28								
29								
30	OPERATING EXPENSES							
31								
32	SALARIES AND BENEFITS							
33	Salaries	532,521	445,271	396,418	528,557	455,227		
34	Overtime	0	0	0	0	0		
35	Health Insurance	54,062	66,284	47,347	63,129	73,337		
36	Health Insurance - Retirees	47,785	51,408	37,551	50,068	55,521		
37	Pers Retirement	95,099	79,908	73,525	98,033	83,836		
38	OPEB Funding/Transfer	28,306	10,181	0	0	35,000		
39	Workers Comp. Ins.	2,529	2,880	2,763	3,684	3,378		
40	Directors' Fees	6,900	36,000	4,600	6,133	36,000		
41	Medicare/FICA	8,293	6,848	6,132	8,177	7,123		
42	Car Allowance	3,000	3,000	2,250	3,000	3,000		
43	SUI/ETT	448	1,000	448	597	1,000		
44	TOTAL SALARIES & BENEFITS	\$778,943	\$702,780	\$571,033	\$761,378	\$753,422	7.21%	
45								
46								
47								
48	UTILITIES							
49	Electricity	2,664	218	80	107	226		
50	Propane	1,247	1,525	531	707	1,586		
51	Telephone/Internet	5,850	5,305	5,250	7,000	5,517		
52	TOTAL UTILITIES	\$9,761	\$7,048	\$5,861	\$7,815	\$7,330	4.00%	
53								
54								

	A	B	C	D	E	F	H	
55	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - GENERAL FUND							
56	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft							
57								
58								
59								
60								
61	MAINTENANCE & SUPPLIES	Un-audited 22/23	Budget 23/24	Actual 9 month 7/1/23 - 3/31/24	Annualized F.Y.E. 6/30/24	Draft 24/25		
62	Computer/Software	30,077	18,096	8,872	11,829	18,820		
63	Equip. Rental/Lease	0	0	0	0	0		
64	Fixed Equip.	313	0	0	0	0		
65	Office Supplies	1,415	1,560	884	1,179	1,622		
66	Parks & Recreation	0	1,000	0	0	0		
67	Struct./Grnds.	4,511	3,884	2,690	3,586	4,039		
68	Supplies	0	0	0	0	0		
69	TOTAL MAINT. & SUP.	\$36,315	\$24,540	\$12,446	\$16,595	\$24,482	-0.24%	
70								
71								
72	GENERAL & ADMINISTRATION							
73	Ads./Advertising	561	1,500	1,798	2,397	1,560		
74	Alarm/Answering Service	1,710	2,080	1,491	1,988	2,163		
75	Audit	8,785	10,000	9,225	12,300	10,400		
76	Bank Charges/Fees	250	1,000	0	0	0		
77	Consulting/Engineering	0	0	0	0	0		
78	Dues/Subscription	5,425	0	0	0	0		
79	Elections	6,151	0	0	0	10,000		
80	Insurance (Property/Liability)	-85	11,440	12,079	16,106	11,632		
81	LAFCO	7,254	7,700	7,281	9,708	8,162		
82	Legal/Attorney	19,441	25,000	21,092	28,122	26,000		
83	Licenses/Permits	0	0	0	0	0		
84	Postage	16,315	15,600	12,157	16,209	16,224		
85	Professional Service	21,014	12,792	16,427	21,902	13,304		
86	Tax Collection	6,272	7,300	0	0	6,542		
87	Staff Training & Travel	1,656	6,240	4,048	5,397	6,490		
88	Board Training & Travel	279	1,000	2,001	2,668	1,040		
89	TOTAL G & A	\$95,029	\$101,652	\$87,598	\$116,797	\$113,516	11.67%	
90								
91								
92								
93	CAPITAL PROJECTS & EQUIPMENT							
94	Project	0	0	0	0	0		
95	Equipment	0	0	0	0	0		
96	TOTAL CAPITAL	\$0	\$0	\$0	\$0	\$0		
97								
98								
99	FUNDED DEPRECIATION	15,000	15,000	11,250	15,000	15,000		
100	UNFUNDED DEPRECIATION	0		0	0	0		
101								
102	TOTAL EXPENSE	\$935,048	\$851,020	\$688,188	\$917,584	\$913,750	7.37%	
103								
104	TRANSFERRED TO OTHER FUNDS	(\$858,730)	(\$782,362)	(\$640,226)	(\$853,635)	(\$841,905)	7.61%	
105								
106	FUND TOTAL	\$0	\$0	\$0	\$0	\$0		

	A	B	C	D	E	F	H
1	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET						
2	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft						
3							
4							
5							
6							
7	OPERATING REVENUE	Un-audited 22/23	Budget 23/24	Actual 9 month 7/1/23 - 3/31/24	Annualized F.Y.E. 6/30/24	Draft 24/25	
8	Water Fees	1,238,169	1,364,806	1,101,805	1,469,074	1,563,732	
9	Sewer Fees	756,097	1,018,537	716,977	955,969	1,240,328	
10	Hook-Up Fees	1,800	2,400	1,200	1,600	2,400	
11	Turn on Fees	1,875	3,500	1,650	2,200	3,500	
12	Late Fees	25,419	18,830	25,330	33,773	18,860	
13	Plan Check & Inspection	0	1,600	0	0	1,600	
14	Miscellaneous Income	16,160	500	3,478	4,637	500	
15	OPERATING	\$2,039,520	\$2,410,173	\$1,850,440	\$2,467,254	\$2,830,920	17.46%
16							
17							
18							
19	FRANCHISE REVENUE						
20	FRANCHISE	84,883	88,698	73,574	98,099	\$91,802	3.50%
21							
22							
23	TOTAL OPERATING	\$2,124,403	\$2,498,871	\$1,924,014	\$2,565,353	\$2,922,722	16.96%
24							
25							
26	NON-OPERATING REVENUE						
27	Standby Charges	240,913	242,200	158,436	211,248	242,200	
28	Property Tax	454,998	454,384	315,071	420,095	475,629	
29	Interest	82,022	30,000	118,193	157,591	80,000	
30	Connection Fees	42,348	70,580	28,232	37,643	28,232	
31	TOTAL NON-OPERATING	\$820,281	\$797,164	\$619,933	\$826,577	\$826,061	3.62%
32							
33							
34							
35	RESERVE REVENUE						
36	Capital Reserves	133,838	539,887	218,001	290,668	399,086	
37	General Reserves	636,152	1,767,061	454,256	605,674	1,705,606	
38	TOTAL RESERVE	\$769,990	\$2,306,948	\$672,257	\$896,342	\$2,104,692	-8.77%
39							
40							
41	TOTAL NON-OPERATING	\$1,590,271	\$3,104,112	\$1,292,190	\$1,722,919	\$2,930,753	
42							
43							
44	TOTAL ALL REVENUE	\$3,714,674	\$5,602,983	\$3,216,204	\$4,288,272	\$5,853,475	4.47%
45							
46							
47							
48							
49							
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52							
53							
54							

	A	B	C	D	E	F	H
55	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET						
56	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft						
57							
58							
59							
60	OPERATING EXPENSES						
61							
62		Un-audited	Budget	Actual 9 month	Annualized	Draft	
63	SALARIES AND BENEFITS	22/23	23/24	7/1/23 - 3/31/24	F.Y.E. 6/30/24	24/25	
64	Salaries	909,521	993,973	668,544	891,392	1,063,147	
65	Health Insurance	142,268	183,739	124,596	166,128	217,991	
66	Health Insurance - Retiree	47,785	51,408	37,551	50,068	55,521	
67	Pers Retirement	191,914	176,138	146,624	195,499	190,494	
68	OPEB Funding/Transfer	28,306	10,181	0	0	35,000	
69	Standby	13,104	13,200	8,981	11,975	13,200	
70	Overtime	8,926	7,930	5,483	7,310	7,676	
71	Workers Comp. Ins.	21,072	24,000	23,025	30,700	28,151	
72	Directors' Fees	6,900	36,000	4,600	6,133	36,000	
73	Medicare/FICA	14,063	14,616	10,278	13,704	15,675	
74	Car Allowance	3,000	3,000	2,250	3,000	3,000	
75	SUI/ETT	448	1,000	448	597	1,000	
76	Uniforms	3,429	5,000	3,942	5,256	5,400	
77	TOTAL SALARIES & BENEFITS	\$1,390,734	\$1,520,185	\$1,036,323	\$1,381,764	\$1,672,255	10.00%
78							
79							
80							
81	UTILITIES						
82	Electricity	123,770	129,263	129,166	172,221	134,433	4.00%
83	Propane	1,247	1,525	531	707	1,586	
84	Water Purchase	23,114	28,600	28,600	28,600	28,600	
85	Telephone/Internet	13,297	12,801	11,933	15,911	13,313	
86	TOTAL UTILITIES	\$161,428	\$172,189	\$170,230	\$217,440	\$177,932	3.34%
87							
88							
89							
90	MAINTENANCE & SUPPLIES						
91	Chemicals	86,788	82,160	62,210	82,947	85,446	
92	Computer/Software	32,442	35,256	9,544	12,725	36,666	
93	Equip. Rental/Lease	16,683	2,600	16,955	22,607	2,704	
94	Fixed Equip.	184,235	194,480	143,497	191,329	202,259	
95	Fuel & Oil	18,817	15,600	12,251	16,334	16,224	
96	Lab Testing	43,577	61,360	38,306	51,075	63,814	
97	Office Supplies	1,415	1,560	884	1,179	1,622	
98	Parks & Recreation	0	1,000	0	0	0	
99	Struct./Grnds.	18,044	15,537	10,760	14,346	16,159	
100	Small Tools/Equip.	8,394	3,120	5,494	7,325	3,245	
101	Supplies	14,391	4,680	10,301	13,734	4,867	
102	Meters/Equip.	11,819	12,480	13,889	18,519	12,979	
103	Vehicles	9,907	6,240	17,733	23,643	6,490	
104	TOTAL MAINT. & SUP.	\$446,511	\$436,073	\$341,823	\$455,764	\$452,476	3.76%
105							
106							
107							
108							
109							

	A	B	C	D	E	F	H
110	HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET						
111	2022/23 un-audited, 2023/24 Summary & 2024/25 Draft						
112							
113							
114							
115		Un-audited	Budget	Actual 9 month	Annualized	Draft	
116	GENERAL & ADMINISTRATION	22/23	23/24	7/1/23 - 3/31/24	F.Y.E. 6/30/24	24/25	
117	Ads./Advertising	561	1,500	1,798	2,397	1,560	
118	Alarm/Answering Service	3,421	4,160	2,983	3,977	4,326	
119	Audit	8,785	10,000	9,225	12,300	10,400	
120	Bank Charges/Fees	250	1,000	0	0	0	
121	Consulting/Engineering	160	10,000	23	31	10,000	
122	Dues/Subscription	11,219	10,400	9,387	12,516	10,816	
123	Elections	6,151	0	0	0	10,000	
124	Insurance (Property/Liability)	-326	44,000	46,459	61,946	44,737	
125	LAFCO	7,254	7,700	7,281	9,708	8,162	
126	Legal/Attorney	19,441	25,000	21,092	28,122	26,000	
127	Licenses/Permits	29,221	30,160	30,898	41,198	31,366	
128	Plan Check & Inspection	0	1,600	15	20	1,600	
129	Postage/Billing	16,315	15,600	12,157	16,209	16,224	
130	Professional Service	91,578	92,872	38,456	51,275	96,587	
131	Tax Collection	6,272	7,300	0	0	6,542	
132	Staff Training & Travel	7,652	12,480	6,831	9,108	12,979	
133	Board Training & Travel	279	1,000	2,001	2,668	1,040	
134	TOTAL G & A	\$208,234	\$274,772	\$188,605	\$251,474	\$292,340	6.39%
135							
136							
137							
138	CAPITAL PROJECTS & EQUIPMENT						
139	Structures/Improvements	646,819	2,271,948	672,257	896,342	2,039,692	
140	Equipment	123,172	35,000	0	0	65,000	
141	TOTAL CAPITAL	\$769,991	\$2,306,948	\$672,257	\$896,342	\$2,104,692	-8.77%
142							
143							
144							
145	DEBT						
146	State Loan Payment - DWR	103,628	103,629	103,628	103,629	103,628	
147	State Loan Payment Phase II - SRF	58,739	58,740	29,369	58,740	58,740	
148	Western Alliance Lease-PVS	152,638	153,313	153,313	153,143	152,858	
149	TOTAL DEBT	\$315,005	\$315,682	\$286,311	\$315,512	\$315,226	-0.14%
150							
151	FUNDED DEPRECIATION	\$288,000	\$288,000	\$216,000	\$288,000	\$288,000	
152	UNFUNDED DEPRECIATION	\$0	\$0	\$0	\$0	\$0	
153							
154							
155	TOTAL EXPENSE	\$3,579,903	\$5,313,849	\$2,911,549	\$3,806,296	\$5,302,921	-0.21%
156							
157	CAPACTIY CHARGES TRANSFER	\$42,348	\$70,580	\$28,232	\$37,643	\$28,232	
158							
159	SOLID WASTE FEES TRANSFER	\$16,185	\$26,109	\$22,356	\$29,808	\$24,450	
160			\$96,689			\$52,682	-45.51%
161							
162	FUND TOTAL	\$76,238	\$192,445	\$254,067	\$414,526	\$497,873	115.40%

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: WRRF Ad Hoc Committee (Barker, Yaffee)
Scott Duffield, General Manager

DATE: May 16, 2024

SUBJECT: Consider alternatives for proceeding with the Water Resource Recovery Facility project and provide direction to Staff.

Recommendation

It is recommended that the Board of Directors discuss and consider alternatives for proceeding with the Water Resource Recovery Facility project (Project) and provide direction to staff.

Background

At the February 15, 2024 meeting, your Board directed staff to direct WSC to stop work on the Project design, direct Tuckfield & Associates to stop work on the sewer rate study that would support the Project, and directed District Counsel to review and advise the Board regarding termination of the WSC contract.

Discussion

In addition, the Board hired Hydro Science Engineers to provide value engineering services for the Project and President Burgess appointed Director Barker and Director Yaffee to a WRRF Ad Hoc Committee.

The WRRF Ad Hoc Committee has been meeting weekly since late March.

The value engineering process kicked off with staff and Hydro Science meeting with WSC to ask questions and have initial discussion. Hydro Science subsequently provided value engineering recommendations to the District who then had a meeting with WSC to receive their responses to the value engineering recommendations. Finally, the WRRF Committee, Hydro Science, and WSC had a workshop meeting together.

Design completion alternatives to consider

- Complete design phase and bid phase work with WSC
- Complete design phase and bid phase work with Hydro Science

The WRRF Committee and staff will provide a report with the most current information available, including schedule and budget.

Financial Considerations

As mentioned above, the WRRF Committee will provide a report with the most current information available. There is still design phase work to be done. The initial value engineering work suggests there could be a total project cost savings in the millions of dollars if all of the recommendations are implemented. Financial considerations include but may not be limited to:

- Cost to complete design phase and bid phase work
- Total project cost
- Penalties/fines from the Regional Water Quality Control Board

The Project engineer of record is responsible for estimating the total capital cost of the Project. The rate consultant is responsible for using the total capital cost estimate prepared by the Project engineer of record to develop a financial plan, analyze the cost of service, and design sewer rates which are adequate to finance the Project costs. The District is responsible for ensuring that sufficient funding will be available to pay for the Project.

The total capital cost, financial plan, and sewer rates are major pieces of the Preliminary Engineering Report (PER), which is the document required and used by USDA to approve the project for funding. USDA funding is favorable to the District due to its long-term (40-years), potential for grants to offset loan amounts, and lower than market interest rates. If Project funding is approved by the USDA through the PER, their funding amount cannot increase. The establishment of the sewer rates must meet USDA requirements, including reserve and debt service ratios.

The District has complied with the reporting requirements of the TSO, including quarterly progress reports, submitting a preliminary design report by January 16, 2023, and submitting a 60% design report by November 15, 2023. On February 28, 2024, the District requested a one-year extension to the milestone actions to complete (by March 31, 2024) and submit (by April 15, 2024) the final design report. The request was submitted timely, and the justification was to provide the District with additional time to approve a design, develop rates and a financial plan, and complete the required public processes.

The Central Coast Water Board's Executive Officer considered the request and does not concur. Pursuant to section 13385 of the California Water Code, a violation of a California

Water Code section 13383 requirement may subject the Discharger to civil liability of up to \$10,000 per day for each day in which the violation occurs. If the Water Board elects to refer the matter to the Attorney General, the superior court may impose civil liability for up to \$25,000 per day for each violation (California Water Code section 13385(b)(1)). Days of violation and the associated potential civil liability continue to accrue for each day of non-compliance. The Water Board reserves its right to take any enforcement action authorized by law.

File: WRRF

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: May 16, 2024

SUBJECT: Consider virtual public participation 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.

In June 2021, your Board executed a Declaration to return to in-person meetings, and directed staff to look into the cost of a video/audio system for future meetings allowing the public to attend virtually or record live meetings for play back at a later time.

In February 2023, your Board approved the purchase, installation, and integration of audio and video equipment to record meetings to be posted to our website for playback at a later time, without live public participation.

Discussion

The Board requested this item be placed on a future agenda for discussion, specifically if the Board would like to allow live public participation via Zoom or some other virtual option.

Fiscal Considerations

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

File: Board of Directors_Meetings

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

General Manager Report For the Month of May 2024

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

Administration

- The General Manager attended the May meeting of the CSDA SLO Chapter Managers.
- The General Manager attended the quarterly meeting of the CSDA SLO Chapter.

Solid Waste

- The General Manager attended the SLO IWMA Solid Waste Summit (conference).

Development

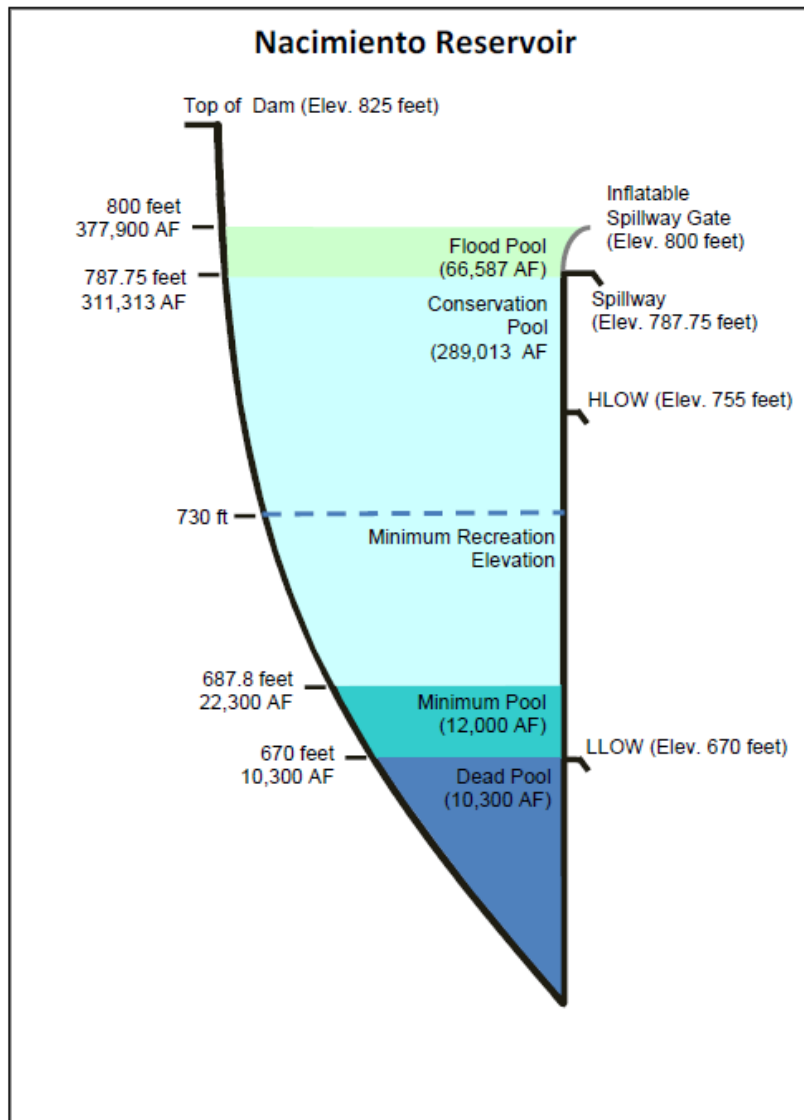
- HR Holdings has requested renewal of the conditional will serve letters for Tract 2879 and Tract 3110 that expire in July 2024. We are targeting the July 18th meeting to present an agenda item for Board consideration.

Reservoir Status

- As reported by Monterey County Water Resources Agency (MCWRA), as of May 8, 2024, the reservoir was at approximately 791.6 feet in elevation, 88% of capacity, and 331,560-acre feet of storage. MCWRA water releases were shown as 328 cfs.

The MCWRA reservoir release schedule dated 4/18/24 estimates the reservoir elevation will be 758 feet, 47% of capacity, on January 1, 2025.

Nacimiento Reservoir



RESERVOIR RELEASE SCHEDULE FOR 2024

Month	1 2		3		4		5		6		7		8		9		10		11		12		13		14		15		16																	
																															NACIMIENTO										SAN ANTONIO					
																															Combined Releases (cfs) ¹	Combined Releases (ac-ft)	Evap. Losses (ac-ft)	Reservoir Releases (cfs) ¹	Reservoir Releases (ac-ft)	NWP Orders (ac-ft)	NWP Diversions (ac-ft)	Beginning of Month Storage		Elev. (ft)	Evap. Losses (ac-ft)	Reservoir Releases (cfs) ¹	Reservoir Releases (ac-ft)	Beginning of Month Storage		Elev. (ft)
(ac-ft)	(%)	(ac-ft)	(%)																																											
Jan	70	4,304	509	60	3,689	499	70	216,430	57%	767.4	592	10	615	215,750	64%	755.1																														
Feb	97	5,582	546	87	5,006	696	120	234,025	62%	771.5	573	10	575	219,960	66%	756.1																														
Mar	441	27,120	904	430	26,426	937	128	329,688	87%	791.3	904	11	694	252,000	75%	763.6																														
Apr	841	50,068	1,701	831	49,472	910		353,120	93%	795.6	1,311	10	595	267,230	80%	766.9																														
May	360	22,136	2,406	344	21,124	1,493		331,933	88%	791.7	1,913	16	1,012	274,046	82%	768.3																														
Jun	445	26,500	3,209	350	20,827	1,966		311,809	83%	787.8	2,683	95	5,673	272,260	81%	767.9																														
Jul	574	35,306	3,277	340	20,926	2,043		285,815	76%	782.7	2,862	234	14,380	263,627	79%	766.1																														
Aug	647	39,769	2,978	348	21,422	2,043		259,578	69%	777.2	2,630	298	18,347	246,186	73%	762.3																														
Sep	502	29,852	2,334	345	20,529	2,000		233,244	62%	771.3	2,117	157	9,322	225,209	67%	757.4																														
Oct	276	16,959	1,578	266	16,344	1,535		208,290	55%	765.4	1,475	10	615	214,235	64%	754.7																														
Nov	70	4,165	803	60	3,570	1,122		189,414	50%	760.6	776	10	595	212,139	63%	754.1																														
Dec	70	4,304	483	60	3,689	503		183,922	49%	759.2	482	10	615	210,766	63%	753.8																														
Jan 2025								179,383	47%	758.0				209,687	63%	753.5																														
Totals	266,065	20,728	20,728		213,026	15,747	318				18,317			53,039																																

Draft Date: 4/18/24

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 holiday periods to benefit recreation.
5. Schedule assumes no additional storm events that provide inflow to reservoirs. 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.
8. Schedule includes release of water from Nacimiento Reservoir beginning April 5 to ensure water level is below 787.75 feet in time for scheduled spillway maintenance.

