

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS' REGULAR MEETING**  
*Minutes of April 21, 2022*

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

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

**2. ROLL CALL**

Secretary Gelos called the roll. Directors Burgess and Capps were absent. All other Directors were present.

Staff present: General Manager Scott Duffield, Office Supervisor/Board Secretary Kristen Gelos, Operations Manager Mike Wilcox and District Counsel Jeff Minnery.

**3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA**

There were no public comments.

**4. CONSENT ITEMS**

- a. **Meeting Minutes:** Receive/approve minutes of regular meeting of March 17, 2022.
- b. **Warrant Register:** Receive/approve March 2022 warrants.
- c. **Treasurer's Report:** Receive/file March 2022 reports.
- d. **Treasurer's Report:** Receive/file FY 2022 3<sup>rd</sup> quarter report.
- e. **Fiscal Report:** Receive/file March 2022 status reports.
- f. **Office Report:** Receive/file March 2022 reports.

There were no public comments.

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

Ayes: Barker, Cousineau, Rowley

Absent: Burgess, Capps

**5. DISCUSSION ITEMS**

- a. **Request to approve an interim year solid waste services rate adjustment and the notice to property owners, and schedule a public hearing for June 16, 2022 for adoption of the adjusted rates.**

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

Director Burgess arrived during item at 4:15.

Aron Kardashian with San Miguel Garbage explained the breakdown of the fees and increase necessity.

Public comment from a ranch resident, Sam Poppen, "San Miguel Garbage deserves the increase because they do a great job".

Director Barker made a motion to approve an interim year solid waste services rate adjustment and the notice to property owners, and schedule a public hearing for June 16, 2022 for adoption of the adjusted rates. Director Rowley seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

**b. Submittal for approval Resolution 22-02 adopting conformed Code of Ordinances.**

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

There were no public comments.

Director Burgess made a motion to approve Resolution 22-02 adopting conformed Code of Ordinances. Director Rowley seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

**c. Request to receive and file a report on the status of Nacimiento Reservoir for 2022 and provide direction to staff.**

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

There were no public comments.

The board directed staff to come back with a new resolution rescinding previous Resolution 21-07 and 21-08, declaring drought conditions for 2022, and implementing the emergency water shortage regulations and staged water use reduction plan as each stage is triggered.

**d. Request to approve the purchase of a utility vehicle for a not to exceed price of \$20,000 and authorize a corresponding budget adjustment from reserves.**

Manager Duffield and Operations Manager Wilcox provided a Utility Vehicle comparison table and answered any questions the board had.

There were no public comments.

Director Burgess made a motion to approve the purchase of a utility vehicle and a C-Train for storage, for a not to exceed price of \$25,000 and authorize a

corresponding budget adjustment from reserves. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

**e. Receive and file the Water Resource Recovery Facility project progress report.**

Dylan Wade with WSC provided a brief summary of the item and answered any questions the board had.

There were no public comments.

The report was received and filed.

**6. MANAGER REPORT**

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

There were no public comments.

The April 2022 report was received and filed.

**7. DISTRICT ENGINEER REPORT**

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

There were no public comments.

The April 2022 report was received and filed.

**8. OPERATIONS MANAGER REPORT**

Operations Manager Wilcox provided a brief summary of the and answered any questions the board had.

There were no public comments.

The April 2022 report was received and filed.

**9. COMMITTEE AND DIRECTOR REPORTS**

There were no reports.

**10. ADJOURNMENT**

On a motion by Director Barker and seconded by Director Burgess the meeting adjourned at 5:26 pm to the next scheduled regular meeting on Thursday, May 19, 2022.

**APPROVED:**

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**Reg Cousineau, President  
Board of Directors**

**ATTEST:**

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**Kristen Gelos, Secretary  
Board of Directors**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/4/2022	CALPERS HEALTH BENEFITS EMPLOYEE PAID HEALTH BENEFIT	799.85	
	EMPLOYEE PAID HEALTH BENEFIT	799.85	\$ 1,599.70
4/4/2022	CALPERS HEALTH BENEFITS CALPERS HEALTH BENEFITS	15,358.30	\$ 15,358.30
4/4/2022	J.B. DEWAR. INC. FUEL & OIL	1,334.88	\$ 1,334.88
4/4/2022	GREAT WESTERN ALARM ALARM & ANSWERING SERVICE	309.21	\$ 309.21
4/4/2022	FERGUSON ENTERPRISES INC WTP FILTERS RENOVATION PROJECT	43.26	
	WTP FILTERS RENOVATION PROJECT	244.35	\$ 287.61
4/4/2022	ADAMSKI, MOROSKI, MADDEN, CUMB LEGAL & ATTORNEY	1,150.00	\$ 1,150.00
4/4/2022	USA BLUEBOOK LAB TESTING	451.88	\$ 451.88
4/4/2022	BRENNTAG PACIFIC, INC CHEMICALS	2,660.08	\$ 2,660.08
4/4/2022	FGL ENVIRONMENTAL LAB TESTING	39.00	\$ 39.00
4/4/2022	STAR DRUG TESTING, INC DUES & SUBSCRIPTIONS	149.00	\$ 149.00
4/4/2022	ALPHA ELECTRICAL SERVICE WTP FILTERS RENOVATION PROJECT	991.50	\$ 991.50
4/4/2022	CORE & MAIN LP MAINTENANCE FIXED EQUIPMENT	604.48	\$ 604.48
4/4/2022	WESTERN EXTERMINATOR COMPANY STRUCTURES & GROUNDS	92.00	
	STRUCTURES & GROUNDS	90.00	\$ 182.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/4/2022	U.S. BANK		
	TELEPHONE	214.00	
	SUPPLIES	37.53	
	OFFICE SUPPLIES	9.64	
	SMALL TOOLS & EQUIPMENT	429.60	
	SMALL TOOLS & EQUIPMENT	278.44	
	WTP FILTERS RENOVATION PROJECT	153.11	
	MAINTENANCE FIXED EQUIPMENT	1,219.43	
	WTP FILTER RENO PRJCT/SUPPLIES	27.86	
	WTP FILTERS RENOVATION PROJECT	117.12	\$ 2,486.73
4/4/2022	BURT INDUSTRIAL SUPPLY		
	SUPPLIES	90.09	
	SUPPLIES	122.63	
	WTP FILTERS RENOVATION PROJECT	38.42	
	SUPPLIES	28.22	\$ 279.36
4/4/2022	RIVAL TECHNOLOGY INC.		
	PROFESSIONAL SERVICES	816.66	
	COMPUTERS/SOFTWARE	130.00	\$ 946.66
4/4/2022	WEYRICK COMPANIES		
	SUPPLIES	796.73	\$ 796.73
4/4/2022	JORANDA MARKETING, INC. / JAN- STRUCTURES & GOUNDS		
		266.60	\$ 266.60
4/4/2022	INDEPENDENT ELECTRIC SUPPLY IN SUPPLIES		
		11.42	
	WTP FILTERS RENOVATION PROJECT	482.95	\$ 494.37
4/8/2022	R. ARNOLD		
	NET PAYROLL	2,430.60	\$ 2,430.60
4/8/2022	J. PRITCHETT		
	NET PAYROLL	2,436.83	\$ 2,436.83
4/8/2022	M. HUMPHREY		
	NET PAYROLL	2,029.30	\$ 2,029.30
4/8/2022	B. VOGEL		
	NET PAYROLL	2,072.69	\$ 2,072.69

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/8/2022	T. SHOGREN NET PAYROLL	2,131.73	\$ 2,131.73
4/8/2022	K. GELOS NET PAYROLL	2,454.59	\$ 2,454.59
4/8/2022	D. BURGESS NET PAYROLL	92.35	\$ 92.35
4/8/2022	B. BARKER NET PAYROLL	92.35	\$ 92.35
4/8/2022	M. ROWLEY NET PAYROLL	92.35	\$ 92.35
4/8/2022	R. COUSINEAU NET PAYROLL	92.35	\$ 92.35
4/8/2022	S. DUFFIELD NET PAYROLL	3,886.27	\$ 3,886.27
4/8/2022	D. CAPPS NET PAYROLL	92.35	\$ 92.35
4/8/2022	M. WILCOX NET PAYROLL	1,989.93	\$ 1,989.93
4/8/2022	D. GROSHART NET PAYROLL	4,147.07	\$ 4,147.07
4/8/2022	CALPERS 457 DEFFERED COMP PROGRAM PERS 457- DEFFERED COMP.	2,258.00	\$ 2,258.00
4/8/2022	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FICA WITHIHOLDING MEDICARE	2,378.73 62.00 974.48	\$ 3,415.21
4/8/2022	EMPLOYMENT DEVELOPMENT DEPARTMENT SDI STATE WITHHOLDING	364.13 943.51	\$ 1,307.64

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/8/2022	CALPERS RETIREMENT SYSTEM PERS RETIREMENT	1,850.97	
	PERS RETIREMENT TIER 2	1,538.26	
	PERS RETIREMENT PEPRA	1,991.31	
	SURVIVOR BENEFIT	8.37	\$ 5,388.91
4/8/2022	CALPERS RETIREMENT SYSTEM CALPERS UNIFORM ALLOWANCE	14.69	\$ 14.69
4/8/2022	PG&E ELECTRICITY	5,705.24	\$ 5,705.24
4/15/2022	SAN MIGUEL GARBAGE DELINQUENT SOLID WASTE FEES	3,821.00	\$ 3,821.00
4/19/2022	FERGUSON ENTERPRISES INC SUPPLIES	12.51	\$ 12.51
4/19/2022	WALLACE GROUP VERTICAL INTAKE PROJECT	177.00	\$ 177.00
4/19/2022	AT&T INTERNET	77.97	\$ 77.97
4/19/2022	USA BLUEBOOK WTP FILTERS RENOVATION PROJECT	781.87	
	SM TOOLS & EQUIPMENT/SUPPLIES	1,555.82	
	SMALL TOOLS & EQUIPMENT	203.16	
	MAINT. FIXED EQUIP. / SUPPLIES	325.76	\$ 2,866.61
4/19/2022	KRITZ EXCAVATING & TRUCKING, I MAINTENANCE FIXED EQUIPMENT	971.82	\$ 971.82
4/19/2022	THE BLUEPRINTER CONSULTING & ENGINEERING	27.73	
	CONSULTING & ENGINEERING	31.00	\$ 58.73
4/19/2022	TYLER TECHNOLOGIES PROFESSIONAL SERVICES	252.50	\$ 252.50
4/19/2022	FARM SUPPLY COMPANY MAINTENANCE FIXED EQUIPMENT	138.43	\$ 138.43



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/19/2022	FGL ENVIRONMENTAL LAB TESTING LAB TESTING	18.00 490.00	\$ 508.00
4/19/2022	ROY ARNOLD CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
4/19/2022	SAN MIGUEL ROLL OFF COMPANY, I MAINTENANCE FIXED EQUIPMENT	476.60	\$ 476.60
4/19/2022	AMERICAN WATER WORKS ASSOCIATI DUES & SUBSCRIPTIONS	473.00	\$ 473.00
4/19/2022	NAPA AUTO PARTS VEHICLES	125.36	\$ 125.36
4/19/2022	ABALONE COAST ANALYTICAL, INC. LAB TESTING	3,586.00	\$ 3,586.00
4/19/2022	KRISTEN GELOS CELL & INTERNET ALLOWANCE	40.00	\$ 40.00
4/19/2022	CORE & MAIN LP SUPPLIES	129.43	\$ 129.43
4/19/2022	BURT INDUSTRIAL SUPPLY SUPPLIES	14.22	\$ 14.22
4/19/2022	DATA PROSE LLC MARCH BILLING	1,213.06	\$ 1,213.06
4/19/2022	TOUGH AUTOMATION WTP FILTERS RENOVATION PROJECT	600.00	\$ 600.00
4/19/2022	SCOTT DUFFIELD CELL & INTERNET ALLOWANCE	40.00	\$ 40.00
4/19/2022	MARK HUMPHREY CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
4/19/2022	MID-STATE REPAIR SERVICE VEHICLES	518.66	\$ 518.66

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/19/2022	BRIAN VOGEL CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
4/19/2022	MIKE WILCOX CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
4/19/2022	TROY SHOGREN CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
4/19/2022	DOUGLAS GROSHART CELL & INTERNET ALLOWANCE	40.00	\$ 40.00
4/19/2022	SPEEDY COASTAL MESSENGER, INC. LAB TESTING	240.00	\$ 240.00
4/19/2022	HERC RENTALS INC. WTP FILTERS RENOVATION PROJECT	1,570.13	\$ 1,570.13
4/20/2022	KIMBROUGH, DAVID FINAL ACCOUNT REFUND	69.35	\$ 69.35
4/21/2022	PG&E ELECTRICITY	1,932.36	\$ 1,932.36
4/22/2022	R. ARNOLD NET PAYROLL	2,280.95	\$ 2,280.95
4/22/2022	J. PRITCHETT NET PAYROLL/FINAL CHECK	4,712.60	\$ 4,712.60
4/22/2022	M. HUMPHREY NET PAYROLL	2,005.85	\$ 2,005.85
4/22/2022	B. VOGEL NET PAYROLL	2,228.34	\$ 2,228.34
4/22/2022	T. SHOGREN NET PAYROLL	2,300.78	\$ 2,300.78
4/22/2022	K. GELOS NET PAYROLL	2,454.59	\$ 2,454.59

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/22/2022	S. DUFFIELD NET PAYROLL	3,720.10	\$ 3,720.10
4/22/2022	M. WILCOX NET PAYROLL	1,989.93	\$ 1,989.93
4/22/2022	D. GROSHART NET PAYROLL	4,147.07	\$ 4,147.07
4/22/2022	CALPERS 457 DEFFERED COMP PROGRAM PERS 457- DEFFERED COMP.	2,258.00	\$ 2,258.00
4/22/2022	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES MEDICARE	2,318.24 952.26	\$ 3,270.50
4/22/2022	EMPLOYMENT DEVELOPMENT DEPARTMENT SDI STATE WITHHOLDING	361.21 907.20	\$ 1,268.41
4/22/2022	CALPERS 457 DEFFERED COMP PROGRAM PERS 457- DEFFERED COMP.	50.00	\$ 50.00
4/22/2022	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES MEDICARE	145.68 84.34	\$ 230.02
4/22/2022	EMPLOYMENT DEVELOPMENT DEPARTMENT SDI STATE WITHHOLDING	31.99 28.75	\$ 60.74
4/22/2022	CALPERS RETIREMENT SYSTEM PERS RETIREMENT SURVIVOR BENEFIT	288.78 0.93	\$ 289.71
4/23/2022	CALPERS RETIREMENT SYSTEM PERS RETIREMENT U/L PERS RETIREMENT U/L PERS RETIREMENT U/L	7,832.92 51.75 82.75	\$ 7,967.42

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
APRIL 2022  
WARRANT REGISTER**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
4/22/2022	CALPERS RETIREMENT SYSTEM		
	PERS RETIREMENT	1,850.97	
	PERS RETIREMENT TIER 2	1,538.26	
	PERS RETIREMENT PEPRA	1,991.31	
	SURVIVOR BENEFIT	8.37	\$ 5,388.91
<b>GRAND TOTAL FOR ALL WARRANTS</b>			<b>\$ 139,495.20</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
TREASURER'S REPORT  
APRIL 2022**

**SUMMARY REPORT OF ALL ACCOUNTS**

Beginning Balance:	\$ 4,790,187.29
Ending Balance:	\$ 4,906,330.97
Variance:	\$ 116,143.68
Interest Earnings for the Month Reported:	\$ 3,558.78
Interest Earnings Fiscal Year-to-Date:	\$ 12,871.00

**ANALYSIS OF REVENUES**

Total operating income for water and sewer was:	\$ 179,271.33
Non-operating income was:	\$ 77,158.91
Franchise fees paid to the District by San Miguel Garbage was:	\$ 6,387.67
Interest earnings for the P.P.B. checking account was:	\$ 0.51
Interest earnings for the P.P.B. SRF Loan Services account was:	\$ 0.68
Interest earnings for the LAIF account was:	\$ 3,520.99
Interest earnings for the Five Star Bank checking account was:	\$ 13.29
Interest earnings for the Five Star Bank DWR Loan Services account was:	\$ 0.03
Interest earnings for the Five Star Bank DWR Reserve account was:	\$ 23.22
Interest earnings for the Mechanics Bank money market account was:	\$ 0.06

**ANALYSIS OF EXPENSES**

Pacific Premier Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ (148.95)
Five Star Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ (141,307.98)

**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 2022**

**BEGINNING BALANCE ALL ACCOUNTS** **\$4,790,187.29**

**OPERATING CASH IN DRAWER** **\$300.00**

**PACIFIC PREMIER BANK - CHECKING**

<b>BEGINNING BALANCE 3/31/2022</b>	\$61,876.38	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	\$0.00	
INTEREST EARNED	\$0.51	
TOTAL CHECKS, FEES AND EFT'S	-\$148.95	
REVENUE TRANSFERS	\$0.00	
<b>ENDING BALANCE 4/30/2022</b>		<b>\$61,727.94</b>

**PACIFIC PREMIER BANK SDWSRF LOAN SERVICES ACCOUNT**

<b>BEGINNING BALANCE 3/31/2022</b>	\$29,632.52	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.68	
SEMI-ANNUAL PAYMENT	\$0.00	
<b>ENDING BALANCE 4/30/2022</b>		<b>\$29,633.20</b>

**LOCAL AGENCY INVESTMENT FUND (LAIF)**

<b>BEGINNING BALANCE 3/31/2022</b>	\$4,468,115.00	
INTEREST EARNED	\$3,520.99	
REVENUE TRANSFERS	\$0.00	
<b>ENDING BALANCE 4/30/2022</b>		<b>\$4,471,635.99</b>

**FIVE STAR BANK - CHECKING**

<b>BEGINNING BALANCE 2/28/2022</b>	\$112,615.93	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	\$252,938.21	
INTEREST EARNED	\$13.29	
TOTAL CHECKS, FEES AND EFT'S	-\$141,307.98	
REVENUE TRANSFERS	\$0.00	
<b>ENDING BALANCE 4/30/2022</b>		<b>\$224,259.45</b>

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

**LOAN SERVICES ACCOUNT**

<b>BEGINNING BALANCE 3/31/2022</b>	\$147.16	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.03	
SEMI-ANNUAL PAYMENT	\$0.00	
REVENUE TRANSFERS	\$0.00	
<b>ENDING BALANCE 4/30/2022</b>		<b>\$147.19</b>

**FIVE STAR BANK DWR RESERVE ACCOUNT**

<b>BEGINNING BALANCE 3/31/2022</b>	\$113,482.58	
INTEREST EARNED	\$23.22	
REVENUE TRANSFERS	\$0.00	
<b>ENDING BALANCE 4/30/2022</b>		<b>\$113,505.80</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
STATUS REPORT FOR ALL ACCOUNTS  
APRIL 2022**

<b>MECHANICS BANK MONEY MARKET ACCOUNT</b>		
<b>BEGINNING BALANCE 3/31/2022</b>	\$4,017.72	
DEPOSIT REVENUE - CASH	\$1,103.62	
INTEREST EARNED	\$0.06	
REVENUE TRANSFERS		
<b>ENDING BALANCE 4/30/2022</b>		<b>\$5,121.40</b>
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<b>ENDING BALANCE ALL ACCOUNTS</b>		<b>\$4,906,330.97</b>
<b>DIFFERENCE FROM LAST MONTH</b>	<b>Increase</b>	<b>\$116,143.68</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2021/22 Budget**

<b>OPERATING REVENUE</b>	<b>Budget FY 21/22</b>	<b>Actual April</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Water Fees	1,107,981	103,344	1,031,068	93%	
Sewer Fees	704,110	62,974	601,094	85%	
Hook-Up Fees	3,000	0	3,100	103%	Fluctuates based on activity
Turn on Fees	3,500	175	3,175	91%	
Late Fees	18,500	2,223	20,656	112%	Fluctuates based on activity
Plan Check & Inspection	10,000	0	1,293	13%	
Miscellaneous Income	500	10,556	61,024	12205%	Sale of assets/Delq. W/S Fees
<b>TOTAL OPERATING</b>	<b>\$1,847,591</b>	<b>\$179,271</b>	<b>\$1,721,410</b>	<b>93%</b>	

<b>FRANCHISE REVENUE</b>					
Solid Waste Franchise Fees	77,220	6,388	65,720	85%	
<b>TOTAL FRANCHISE</b>	<b>\$77,220</b>	<b>\$6,388</b>	<b>\$65,720</b>	<b>85%</b>	

**TOTAL OPERATING**    \$1,924,811    \$185,659    \$1,787,130    93%

<b>NON-OPERATING REVENUE</b>					
Standby Charges	242,144	21,305	188,480	78%	
Property Tax	404,308	52,295	345,620	85%	
Interest	50,000	3,559	12,871	26%	
Connection Fees	70,580	0	68,443	97%	Fluctuates based on activity
<b>TOTAL NON-OPERATING</b>	<b>\$767,032</b>	<b>\$77,159</b>	<b>\$615,413</b>	<b>80%</b>	

<b>RESERVE REVENUE</b>					
Capital Reserves	656,000	60	92,360	14%	
Operating Reserves	1,858,986	5,153	423,882	23%	
<b>TOTAL RESERVE</b>	<b>\$2,514,986</b>	<b>\$5,214</b>	<b>\$516,243</b>	<b>21%</b>	

**TOTAL NON-OPERATING**    \$3,282,018    \$82,373    \$1,131,656    34%

<b>TOTAL ALL INCOME</b>	<b>\$5,206,829</b>	<b>\$268,032</b>	<b>\$2,918,786</b>	<b>56%</b>	
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2021/22 Budget**

**OPERATING EXPENSES**

<b>SALARIES AND BENEFITS</b>	<b>Budget FY 21/22</b>	<b>Actual April</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Salaries	810,774	67,345	637,883	79%	
Health Insurance	149,611	11,381	94,850	63%	
Health Insurance - Retirees	44,584	3,978	37,487	84%	
PERS	146,225	14,335	141,362	97%	
Standby	13,100	961	10,877	83%	
Overtime	15,600	292	9,171	59%	
Workers Comp. Ins.	18,355	0	16,185	88%	Paid Annually
Directors' Fees	9,000	500	6,100	68%	
Medicare/FICA	11,953	1,037	10,032	84%	
Car Allowance	3,000	250	2,500	83%	
SUI/ETT	1,500	0	637	42%	
Uniforms	5,000	0	3,069	61%	
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$1,228,702</b>	<b>\$100,078</b>	<b>\$970,152</b>	<b>79%</b>	

**UTILITIES**

Electricity	121,527	7,608	102,948	85%	
Propane	1,025	0	984	96%	
Water Purchase	23,114	0	23,114	100%	Paid Semiannually
Telephone/Internet	10,800	812	9,309	86%	
<b>TOTAL UTILITIES</b>	<b>\$156,466</b>	<b>\$8,420</b>	<b>\$136,355</b>	<b>87%</b>	

**MAINTENANCE & SUPPLIES**

Chemicals	87,000	2,660	51,018	59%	
Computer/Software	29,450	130	16,199	55%	
Equip. Rental/Lease	2,500	0	1,007	40%	
Fixed Equip.	172,000	3,499	82,044	48%	
Fuel & Oil	10,000	1,335	11,389	114%	
Lab Testing	38,400	4,825	48,714	127%	
Office Supplies	1,500	10	1,224	82%	
Parks & Recreation	0	0	0	0%	
Struct./Grnds.	8,140	449	6,641	82%	
Small Tools/Equip.	3,000	2,267	4,171	139%	
Supplies	2,500	1,694	3,801	152%	
Meters/Equip.	12,000	0	371	3%	
Vehicles	6,000	644	7,685	128%	
<b>TOTAL MAINT. &amp; SUP.</b>	<b>\$372,490</b>	<b>\$17,512</b>	<b>\$234,264</b>	<b>63%</b>	

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2021/22 Budget**

<b>GENERAL &amp; ADMINISTRATION</b>	<b>Budget FY 21/22</b>	<b>Actual April</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Ads./Advertising	1,500	0	1,028	69%	
Alarm/Answering Service	4,000	309	2,870	72%	
Audit	10,000	0	8,485	85%	
Bank Charges/Fees	8,000	293	5,323	67%	
Consulting/Engineering	20,000	59	7,744	39%	
Dues/Subscription	9,850	622	9,315	95%	
Elections	0	0	0	0%	
Insurance	36,590	-728	36,042	99%	Paid Annually
LAFCO	6,600	0	6,269	95%	Paid Annually
Legal/Attorney	15,000	1,150	13,354	89%	
Licenses/Permits	32,100	0	25,945	81%	
Plan Check & Inspection	10,000	0	1,293	13%	
Postage/Billing	15,000	1,213	12,404	83%	
Professional Service	44,300	1,069	40,573	92%	
Tax Collection	6,000	0	0	0%	
Staff Training & Travel	8,000	0	410	5%	
Board Training & Travel	1,000	0	100	10%	
<b>TOTAL G &amp; A</b>	<b>\$227,940</b>	<b>\$3,987</b>	<b>\$171,154</b>	<b>75%</b>	

**CAPITAL PROJECTS & EQUIPMENT**

Structures/Improvements	2,259,986	5,214	426,695	19%	
Equipment	255,000	0	89,316	35%	
<b>TOTAL CAPITAL EXPENSE</b>	<b>\$2,514,986</b>	<b>5,214</b>	<b>516,012</b>	<b>21%</b>	

**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	152,849	0	152,850	100%	paid semiannually
<b>TOTAL DEBT</b>	<b>\$315,218</b>	<b>\$0</b>	<b>\$285,847</b>		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$237,500	82%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

<b>TOTAL EXPENSE</b>	<b>\$5,103,802</b>	<b>\$159,210</b>	<b>\$2,551,285</b>	<b>50%</b>	
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CAPACITY CHARGES TRANSFER      \$70,580                      \$0                      \$68,443                      97%

SOLID WASTE FEES TRANSFER      \$30,783                      \$3,024                      \$24,799                      81%

<b>FUND TOTAL</b>	<b>\$1,664</b>	<b>\$105,797</b>	<b>\$274,259</b>		
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# HERITAGE RANCH COMMUNITY SERVICES DISTRICT

## Office Report For the Month of April 2022

### Utility Billing

- On May 1<sup>st</sup>, 1,935 bills were processed for a total dollar amount of \$ 161,556 for water and sewer user fees for the month of April.
- We processed 260 Late Notices for bills that were due by April 25<sup>th</sup>.
- Mailed out 28 Intent to Disconnect Notices to customers who have a past due balance which is 60 days or more delinquent.

### Customer Service Orders

- Staff completed a total of 18 service orders for the month of April. The breakdown by job code is as follows:

Occupant Change	12	USA Marking	2
Miscellaneous	2	Sewer Inspection	1
Unlock Meter	1		

### Administration

- Closed all accounts with Pacific Premier Bank and moved funds to Five Star Bank.

### San Miguel Garbage Franchise Fees Received

- The total Franchise Fees received for the Month of March was \$ 6,387.67. The breakdown is as follows:

Residential Garbage Collection - \$ 5,271.12  
Commercial Garbage Collection - \$ 776.17  
Roll-Off Collection - \$ 340.38

# HERITAGE RANCH COMMUNITY SERVICES DISTRICT

## MEMORANDUM

**TO:** Board of Directors

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

**DATE:** May 19, 2022

**SUBJECT:** Submittal for approval Resolution 22-03 Confirming Water and Sewer Standby Charges for Property within the District for Fiscal Year 2022/23.

### **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 22-03 Confirming Water and Sewer Standby Charges for Property within the District for FY 2022/23.

### **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 2022/23 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*

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

*Table 2 Use by Charge*

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

**Results**

Resolution 22-03 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 22-03 Confirming Water and Sewer Standby Charges for  
Property within the District for Fiscal Year 2022/23  
Resolution 22-01  
Engineering Report for Standby Charges

File: Standby Charges FY 2022/23

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 22-03  
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 2022/23**

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 17, 2022, the Board of Directors adopted Resolution No. 22-01 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 22-01 notice was given as required by law and pursuant to California Government Code §6066, a public hearing was held on May 19, 2022, and all objections were considered by the Board of Directors; and

**WHEREAS**, at the end of the public hearing on May 19, 2022, and pursuant to the District Code of Ordinances Section 3.340, the Board of Directors found that written protests representing 15% or more 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 19<sup>th</sup> day of May 2022, by the following roll call vote:

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**APPROVED:**

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**Reginald Cousineau, President**  
**Board of Directors**

**ATTEST:**

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**Kristen Gelos**  
**Board Secretary**



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 22-01**

**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 2022/23**

**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 19, 2022 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 17<sup>th</sup> day of March 2022, by the following roll call vote:

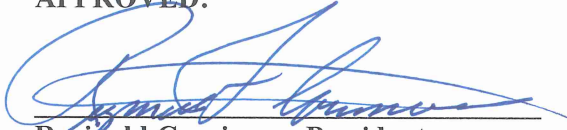
**AYES: Barker, Burgess, Capps, Cousineau, Rowley**

**NOES:**

**ABSTAIN:**

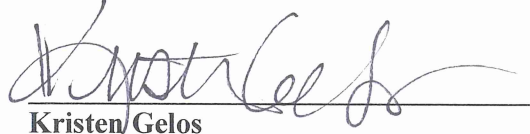
**ABSENT:**

**APPROVED:**



**Reginald Cousineau, President  
Board of Directors**

**ATTEST:**



**Kristen Gelos  
Board Secretary**

# MEMORANDUM

## Heritage Ranch Community Services District Engineering Report - Standby Charges

**Date:** March 17, 2022

**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**

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 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.

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 2022/23 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, 2022 (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 19, 2022, 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:

# HERITAGE RANCH COMMUNITY SERVICES DISTRICT

## MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager

**DATE:** May 19, 2022

**SUBJECT:** Submittal for approval Resolution 22-04 declaring drought conditions and implementing the Emergency Water Shortage Regulations and Staged Water Use Reduction Plan.

### Recommendation

It is recommended that the Board of Directors:

1. Hold a Public Hearing; and
2. At the close of the Public Hearing consider declaring drought conditions and implementing the Emergency Water Shortage Regulations and Staged Water Use Reduction Plan by adopting Resolution 22-04.

### Background

District Code of Ordinances provides that the General Manager shall monitor the Nacimiento Reservoir water elevation and demand for water and shall report in writing to the Board, the Reservoir water level as determined to exist or as predicted to occur during the balance of the calendar year.

At the April 21, 2022 meeting, your Board received a report on the reservoir as described above. The Board direction to staff was to prepare an item for the May 19<sup>th</sup> meeting for consideration of implementing the District's staged water use reduction plan.

### Discussion

Monterey County Water Resources Agency has published the reservoir release schedule for 2022. Due to the extended drought conditions and low reservoir elevations, the schedule only provides for minimum releases of 60 cfs from Nacimiento Reservoir. The reservoir release schedule dated April 20, 2022 (attached) indicates the water elevation will reach the District's water shortage conservation stages as follows:

June 1 = Stage I	Elevation 730' – 720'	No mandatory conservation
Sep 1 = Stage II	Elevation 720' – 700'	15% mandatory conservation goal
Dec 1 = Stage II	Elevation 712'	15% mandatory conservation goal

The release schedule does not include inflows and shows maintaining sufficient water in the reservoir to allow river flow and use of the District intake facilities.

### **Fiscal Considerations**

The fiscal impacts due to mandatory conservation measures implemented under each conservation stage would be reductions in the water fund revenue, and potential increases in expenses and staff labor costs expended implementing the program.

### **Results**

Approval of a resolution declaring drought and implementing the Staged Water Use Reduction Plan provides water shortage response procedures to minimize the effect of any existing or threatened water shortage conditions on customers.

Attachments: Resolution 22-04

MCWRA Reservoir Release Schedule\_April 20, 2022

File: Drought 2022



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 22-04**

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

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

WHEREAS, Monterey County Water Resources Agency is currently projected to release water to the Nacimiento River at an average flow of about 60 cubic feet per second (cfs) for the remainder of 2022; and

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

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

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

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

- 1) The Board of Directors finds that it has complied with all procedural and code requirements.
- 2) Resolution 21-07 and 21-08 previously declaring drought and establishing conservation measures are rescinded.
- 3) Water Conservation Stage measures pursuant to Code of Ordinances Section 5.900 shall apply to all customers and property served by the District within the District's Water Service Area boundaries.
- 4) Conservation Stages shall automatically become effective as the Nacimiento Reservoir Level reaches the respective Conservation Stage trigger.
- 5) Conservation Stages shall automatically become reduced when the Nacimiento Reservoir Level returns to the respective Conservation Stage trigger.

- 6) This drought declaration and Staged Water Use Reduction Plan shall automatically be rescinded when the Nacimiento Reservoir Level is above the elevation of 740’.
- 7) The General Manager is authorized and has sole discretion to consider and implement any of the prohibitions stated in each Conservation Stage, except for fee surcharges which shall only be implemented by separate determination(s) of the Board of Directors.

**PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 19<sup>th</sup> day of May 2022, by the following roll call vote.**

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

**APPROVED:** \_\_\_\_\_  
**Reginald Cousineau, President**  
**Board of Directors**

**ATTEST:** \_\_\_\_\_  
**Kristen Gelos, Secretary**  
**Board of Directors**

## RESERVOIR RELEASE SCHEDULE FOR 2022

Month	1		2		3		4		5		6		7		8		9		10		11		12		13		14		15		16	
	Combined Releases (cfs) <sup>1</sup>		Combined Releases (ac-ft)		NACIMIENTO																SAN ANTONIO											
			Evap. Losses (ac-ft)	Reservoir Releases (cfs) <sup>1</sup>	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) <sup>1</sup>	Reservoir Releases (ac-ft)	Beginning of Month Storage		Elev. (ft)																
Jan	77	4,713	424	67	4,098	483	353	106,350	28%	735.4	151	10	615	33,045	10%	676.9																
Feb	77	4,413	364	67	3,838	653	448	110,750	29%	737.0	158	10	575	37,557	11%	681.1																
Mar	76	4,671	642	66	4,056	905	506	108,138	29%	736.1	263	10	615	38,190	11%	681.6																
Apr	74	4,401	840	64	3,806	1,242		105,115	28%	735.0	367	10	595	38,420	11%	681.8																
May	70	4,304	1,198	60	3,689	1,481		100,229	27%	733.1	526	10	615	37,726	11%	681.2																
Jun	70	4,165	1,587	60	3,570	2,043		93,827	25%	730.7	719	10	595	36,579	11%	680.2																
Jul	70	4,304	1,614	60	3,689	2,131		86,620	23%	727.7	743	10	615	35,258	11%	679.0																
Aug	70	4,304	1,475	60	3,689	2,181		79,185	21%	724.6	662	10	615	33,905	10%	677.7																
Sep	70	4,165	1,161	60	3,570	2,143		71,847	19%	721.3	529	10	595	32,630	10%	676.5																
Oct	70	4,304	782	60	3,689	1,535		65,007	17%	718.1	372	10	615	31,513	9%	675.4																
Nov	70	4,165	383	60	3,570	1,115		59,029	16%	715.0	192	10	595	30,532	9%	674.4																
Dec	70	4,304	227	60	3,689	496		53,992	14%	712.2	121	10	615	29,748	9%	673.6																
Jan 2023								49,722	13%	709.7				29,038	9%	672.8																
<b>Totals</b>		<b>52,215</b>	<b>10,697</b>		<b>44,955</b>	<b>16,408</b>	<b>1,308</b>				<b>4,804</b>		<b>7,260</b>																			

Draft Date: 4/20/22

**Notes:**

1. Mean daily flow for the month in cubic feet per second.
2. Shaded areas denote actual values. Non-shaded areas are projected values.
3. Nacimiento Reservoir storage capacity: 377,900 acre feet; San Antonio Reservoir storage capacity: 335,000 acre feet.
4. Reservoir Operations Advisory Committee may make release considerations for fish spawn and holiday periods to benefit recreation.
5. Schedule assumes no inflow to reservoirs after April 1st. Actual elevations may be influenced by inflow.
6. "NWP Diversions" are San Luis Obispo County - Nacimiento Water Project conveyance facilities diversions. Max. allowable water year (Oct. 1 - Sept. 30) diversions: 15,750 ac-ft.
7. Nacimiento "NWP Diversions" do not include lakeside water use which is estimated at approximately 1,750 acre feet per year.
8. Updated Release Schedule developed by the Drought Operations Technical Advisory Committee, Adopted by Agency Board of Directors, 4/18/2022



## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager

**DATE:** May 19, 2022

**SUBJECT:** Request to consider voting for a candidate for the open Local Agency Formation Commission (LAFCO) Alternate Special District Member seat.

#### **Recommendation**

It is recommended that the Board of Directors consider voting for a candidate for the open Local Agency Formation Commission (LAFCO) Alternate Special District Member seat.

#### **Background**

LAFCO is an independent local government agency that has planning and growth powers over all cities, counties, and special districts. San Luis Obispo County special districts have two Commissioners and one Alternate Commissioner on LAFCO. The current special district representatives on LAFCO are:

- Robert Enns, Cayucos Sanitary District – Commissioner (term to 2024)
- Marshall Ochylski, Los Osos CSD – Commissioner (term to 2022)
- Ed Eby, Nipomo CSD – Alternate Commissioner (term to 2021)

The other LAFCO representatives include two elected officials from cities, two from the County, and one member of the general public. Special district members on LAFCO do not represent their agencies but rather all County special districts.

#### **Discussion**

Each special district may vote for one candidate. The candidates for the open Alternate Commissioner seat are:

- Ed Eby – Nipomo CSD
- Devin Capps – Heritage Ranch CSD

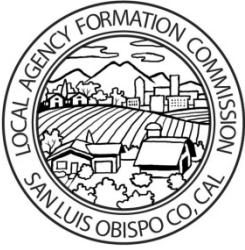
The term of this seat is through December 2025.

#### **Results**

Your Board may consider formally voting for one candidate by completing the attached ballot.

Attachments: LAFCO Memorandum and Ballot Form  
Candidate Statements

File: LAFCO



LAFCO - San Luis Obispo - Local Agency Formation Commission  
SLO LAFCO - Serving the Area of San Luis Obispo County

**COMMISSIONERS**

Chairperson  
ED WAAGE  
City Member

Vice-Chair  
DEBBIE ARNOLD  
County Member

LYNN COMPTON  
County Member

MARSHALL OCHYLSKI  
Special District Member

ROBERT ENNS  
Special District Member

STEVE GREGORY  
City Member

HEATHER JENSEN  
Public Member

**ALTERNATES**

DAWN ORTIZ-LEGG  
County Member

ED EBY  
Special District Member

CHARLES BOURBEAU  
City Member

David Watson  
Public Member

**STAFF**

ROB FITZROY  
Executive Officer

BRIAN A. PIERIK  
Legal Counsel

IMELDA MARQUEZ  
Analyst

**TO: EACH INDEPENDENT SPECIAL DISTRICT**

**FROM: ROB FITZROY, EXECUTIVE OFFICER** *RF*

**DATE: APRIL 6, 2022**

**RE: ELECTION FOR LAFCO ALTERNATE SPECIAL DISTRICT MEMBER**

**Background.** The term of the current LAFCO Alternate Special District seat expired in December 2021. The new term will last until December 2025. The Cortese-Knox-Hertzberg Act allows the existing Commissioner to remain on LAFCO until the nomination and election process is complete. A nomination period commenced on February 15, 2022, and closed March 31, 2022. This is a request to submit a ballot for one of the nominees. Two nominees have been identified:

- Ed Eby – Nipomo Community Services District
- Devin Capps – Heritage Ranch Community Services District

Due to ongoing challenges with obtaining quorums, and impacts related to Covid-19, the election will be conducted via electronic format with intent to increase participation and improve efficiency, as allowed by the Cortese, Knox, Hertzberg Act. Directions are provided below.

**Instructions.** Each district may submit one ballot for one of the nominees, see attached ballot for your use. The election period will be 60 days and commence on April 6, 2022 and end on June 6, 2022. **BALLOTS DUE BY JUNE 6, 2022 at 5PM.** If your District wishes to submit a ballot, please place this item on an agenda at a meeting of your Board of Directors as soon as possible, or if you have already been delegated by your Board as the representative of your district, you may submit a ballot on behalf of your district.

The completed ballot form may be submitted to LAFCO via email to [rfitzroy@slolafco.com](mailto:rfitzroy@slolafco.com). Please make sure the form is signed by the Board President or General Manager.

Thank you and please contact me with any questions.

Attachments: Ballot

cc: Members of the Local Agency Formation Commission  
Brian Peirik, LAFCO Legal Counsel



**San Luis Obispo  
Local Agency Formation Commission**

1042 Pacific Street, Suite A, San Luis Obispo, CA 93401

Tel: (805) 781-5795 | Fax: (805) 788-2072 | rfitzroy@slolafco.com

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**BALLOT FOR LAFCO  
ALTERNATE SPECIAL DISTRICT MEMBER ELECTION**

The \_\_\_\_\_  
(Insert Name of Special District)

Hereby selects the following individual for the Alternate Special District Member seat on the San Luis Obispo Local Agency Formation Commission:

- Ed Eby – Nipomo Community Services District
- Devin Capps – Heritage Ranch Community Services District

The Board of Director's action was taken on an agenda item on:

\_\_\_\_\_  
(Insert Date of Board Agenda and Action)

\_\_\_\_\_  
(General Manager or Chairman/President)

# **Ed Eby**

## **Nominee for LAFCO Alternate Special District Member**



### **San Luis Obispo County Activities**

- Former LAFCO Vice Chair, Commissioner and Alternate Commissioner representing Special Districts - Held elected positions on LAFCO from 2006 to 2012 and 2016 to present.
- President and Past Vice President, Nipomo Community Services District (NCSD) Board of Directors
- 16 years as NCSD Director
- Chairman NCSD Waterline Intertie Project Committee
- Chairman, 2006-2007 South County Advisory Council
- Past Elected Representative, Nipomo Community Advisory Council
- Member and Alternate Member, Water Resources Advisory Committee 2005-2012 and 2014 to present.
- Former Member, Technical Review Committee, South County Air Quality Mitigation Program
- Member, The Land Conservancy of San Luis Obispo County

### **Statement of Interest and Background**

My primary interest on LAFCO has been to assure that annexations are supported by robust municipal services. At the Nipomo Community Services District, I have supported and directed a multi-million dollar project to bring an additional 3,000 acre-feet of water per year to the Nipomo Mesa, totally rebuilding our sewer plant, and merging the Black Lake Village and Town sewer plants. I am currently reviewing the NCSD water and sewer modifications required for a potential new development with 1,300-1,400 new homes.

Prior to my 1999 retirement from Hughes Space and Communications Co., I spent 35 years as a design engineer and program manager in Southern California's aerospace industry. I am a UCLA graduate with Bachelor of Science and Master of Science in Engineering degrees, and post-graduate studies in technical and management programs. I have lived in Nipomo for the last 20 years. In my spare time, I enjoy hiking and growing fruits, vegetables, and native plants.

April 8, 2022

All Districts,

I'm Devin Capps, the CEO of Capps Construction & Concrete and a second-generation builder. I live in beautiful Heritage Ranch with my wife and two children. We love living in this wonderful community and are working to keep it a beautiful, family-friendly place to live for years to come. I started Capps Construction in 2005 with a focus on customer satisfaction. Over the years, we have become experts in building homes and the various aspects associated with building a home, I am well versed in all types of home building, concrete contracting, masonry, drought-proof landscaping, and more. We take pride in our work and our community. I would bring a valuable perspective to the LAFCO board. Thank you for your consideration.

Devin Capps



## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager  
Dylan Wade, Water Systems Consulting

**DATE:** May 19, 2022

**SUBJECT:** Receive a presentation on flows and loads as well as sizing and growth projection methodology for the Water Resource Recovery Facility Upgrade project and provide direction to staff.

#### **Recommendation**

It is requested that the Board of Directors receive a presentation on flows and loads as well as sizing and growth projection methodology for the Water Resource Recovery Facility Upgrade project and provide direction to staff.

#### **Background**

Your Board selected Water Systems Consulting (WSC) as our consultant for a design phase contract for the Water Resource Recovery Facility Upgrade project (Project) at the Board Special Meeting of August 12, 2021. The contract was executed September 16, 2021.

#### **Discussion**

WSC is working on the preliminary engineering tasks for the project including establishing current and future flows and loads. WSC has completed an analysis of facility flows and loads and will present their work for board discussions and direction.

The intent of this item is for the Board of Directors to participate in a discussion related to flows and loads as well as sizing and growth projection methodology for the Water Resource Recovery Facility Upgrade project.

#### **Results**

At the end of discussion, it is requested that your Board provide direction to staff by determining the preferred methodology for finalizing the flow and load projections.

The requested action will lead to treatment train sizing and further the design of the project.

File: Projects\_WRRF

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### Manager Report For the Month of May 2022

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

#### Administration

- The Manager attended the quarterly CSDA SLO Chapter meeting.
- The Manager started the budget process for next fiscal year.
- The Manager started work and coordination with our rate consultant for the upcoming water and sewer rate adjustments.

#### Operations

- Reviewed and submitted the monthly Wastewater Treatment Plant Self-Monitoring Report.
- Prepared and submitted the monthly Disinfection Byproduct Report.

#### Solid Waste

- The Manager attended an IWMA Board meeting.

#### Reservoir Status

- See separate agenda item.

#### Public Relations and Community

- The Manager, Staff, and San Miguel Garbage Company participated in the Heritage Ranch 50<sup>th</sup> Anniversary Community Event on Saturday May 14.

\* \* \*

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### District Engineer Report For the Month of May 2022

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

#### Administration

- Engineering staff continues the review of the files from Wallace Group as time allows, working backward from the most recent projects. Also reviewing past documents, projects, etc. as time permits so as to get better acquainted with the systems, their history, etc.

#### Operations Support

- Consulting with Staff for Capital Improvement Program to get information to assist in scoping and prioritization of CIP.
- Additional updates regarding operations can be found in the Operations Report.

#### Capital Improvement Program and Projects

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

- Vertical Intake: New intake is currently in operation and we should have data soon regarding if/how it will impact overall organic loading in the intake water.
- Water Resource Reclamation Facility Upgrade: Staff and WSC are working on the initial design phase tasks. Engineering staff completed the analysis of current flow data and is working with WSC for sizing the plant, future sizing projections, etc. Also working with WSC to determine any overlaps/interfaces between the new project and the CIP projects from a prioritization, scoping and funding standpoint.
- Lift Station 1-5 rehabilitation design phase: District Engineer is working on including these projects in the CIP, as well as adding an additional Collection System SCADA project that will help to integrate the existing Lift Stations with the new WRRF SCADA.
- Water and Wastewater Rate Study: CIP will be provided to Rate Study Consultant for inclusion in his study.
- Rebuild Treated Water Pumps at PS 3 & 4: On Hold.

- Pump Station Covers: On Hold.

### Development Review

- Engineer met with Snug Harbor team on 5/13 to discuss current plans, requested revisions, next steps, etc.

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### Operations Report For the Month of May 2022

In addition to normal operations duties, below are other tasks / updates for several areas of work:

#### Water treatment

- Staff met for several hours last week with the owner and staff from SPICE Integration to discuss opportunities for SCADA upgrades and technical support going forward. SPICE is an acronym for SCADA, PLC, Instrumentation, Controls, and Electrical. HRCSD staff was pleasantly surprised to find out that they truly are a full-service integration and support resource that bring a huge breadth and depth of experience with them to the table.

#### Water distribution

- All the Pressure Regulating Valves (PRV's) were flushed and inspected per our annual maintenance schedule.

#### Wastewater collection

- Staff was informed recently that the software used to monitor and control our lift stations, DAQ Factory, is no longer being supported. Unfortunately, this means that both the SCADA system for water and waste water now in need of replacement.
- Tri-annual hydro flushing of sewer mains and cleaning of lift station wet wells started on Monday and will continue into next week. Followed by sludge removal from the drying beds at the WTP.

#### Wastewater treatment

- A new Kubota RTV has been ordered and C-train has been purchased and delivered. The delivery date for the new Kubota is tentatively in August, but not conformed.
- A rental vehicle has not been located yet.

#### Vehicles and equipment

- Nothing new to report.