



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS' REGULAR MEETING**
Minutes of October 15, 2020

This meeting was held virtually pursuant to the virtual meeting protocols as outlined in the President's Declaration of April 6, 2020.

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

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

2. ROLL CALL

Secretary Gelos called the roll. Director Burgess was absent. All other Directors were present.

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

3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

HROA General Manager, Tina Platt wanted to coordinate upcoming road work with the District with regards to District manholes or valves.

4. CONSENT ITEMS

- a. **Meeting Minutes:** Receive/approve minutes of regular meeting of September 20 2020.
- b. **Warrant Register:** Receive/approve September 2020 warrants.
- c. **Treasurer's Report:** Receive/file September 2020 report.
- d. **Treasurer's Report:** Receive/file 3rd Quarter 2020 report.
- e. **Fiscal Report:** Receive/file August 2020 status report.

Manager Duffield updated the Board on a change to item E (Fiscal Report) with regards to the Worker's Comp line item.

Director Barker made a motion to approve all consent items with revised change to the Fiscal report. Director Rowley seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Capps, Cousineau, Rowley
Absent: Burgess

5. DISCUSSION ITEMS

- a. **Request to receive and file an update on development of a Wastewater Treatment Plant project and provide direction to staff.**

Eileen Shields with MKN provided an Alternative Analysis power-point presentation and answered any questions the Board had.

The report was received and filed.

b. Request to receive and file Photovoltaic System Project updates.

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

The report was received and filed.

6. MANAGER'S REPORT

Manager Duffield provided a brief a brief summary of the item.

The report was received and filed.

7. STAFF REPORTS

The reports were received and filed.

8. COMMITTEE AND DIRECTOR REPORTS

Director Cousineau would like to figure out a way to express gratitude to the operations crew for their hard work installing the tank mixer system.

9. ADJOURNMENT

On a motion by Director Barker and seconded by Director Cousineau, the meeting adjourned at 6:04 pm to the next scheduled regular meeting on Thursday, November 19, 2020.

APPROVED:

**Dan Burgess, President
Board of Directors**

ATTEST:

**Kristen Gelos, Secretary
Board of Directors**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/1/2020	PITNEY BOWES POSTAGE	200.00	\$ 200.00
10/2/2020	CALPERS 457 DEFFERED COMP PROG PERS 457- DEFFERED COMP.	1,028.00	\$ 1,028.00
10/2/2020	CALPERS RETIREMENT SYSTEM PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	2,433.72 1,075.89 307.25 5.58	\$ 3,822.44
10/3/2020	CALPERS HEALTH BENEFITS CALPERS HEALTH BENEFITS EMPLOYEE PAID HEALTH BENEFIT EMPLOYEE PAID HEALTH BENEFIT	9,792.93 819.88 819.88	\$ 11,432.69
10/5/2020	J.B. DEWAR. INC. FUEL & OIL	108.63	\$ 108.63
10/8/2020	J.B. DEWAR. INC. FUEL & OIL	335.26	\$ 335.26
10/8/2020	PG&E ELECTRICITY	30,163.01	\$ 30,163.01
10/8/2020	PITNEY BOWES POSTAGE	200.00	\$ 200.00
10/9/2020	R. BRINK NET PAYROLL	2,152.38	\$ 2,152.38
10/9/2020	R. ARNOLD NET PAYROLL	2,494.63	\$ 2,494.63
10/9/2020	J. PRITCHETT NET PAYROLL	2,905.69	\$ 2,905.69
10/9/2020	M. HUMPHREY NET PAYROLL	1,735.64	\$ 1,735.64
10/9/2020	B. VOGEL NET PAYROLL	1,571.33	\$ 1,571.33

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/9/2020	K. GELOS NET PAYROLL	2,390.73	\$ 2,390.73
10/9/2020	D. BURGESS NET PAYROLL	92.35	\$ 92.35
10/9/2020	B. BARKER NET PAYROLL	92.35	\$ 92.35
10/9/2020	M. ROWLEY NET PAYROLL	92.35	\$ 92.35
10/9/2020	R. COUSINEAU NET PAYROLL	92.35	\$ 92.35
10/9/2020	S. DUFFIELD NET PAYROLL	3,711.47	\$ 3,711.47
10/9/2020	D. CAPPS NET PAYROLL	92.35	\$ 92.35
10/13/2020	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FICA WITHIHOLDING MEDICARE	1,775.94 278.46 694.60	\$ 2,749.00
10/13/2020	EMPLOYMENT DEVELOPMENT DEPARTM ETT SDI SUI STATE WITHHOLDING	1.75 202.65 41.89 679.17	\$ 925.46
10/13/2020	PG&E PVS PROJECT	1,864.96	\$ 1,864.96
10/15/2020	SWRCB MAINTENANCE FIXED EQUIPMENT	1,017.50	\$ 1,017.50
10/15/2020	THOMAS MARTINO REFUND HROADUES	315.00	\$ 315.00
10/16/2020	CALPERS 457 DEFFERED COMP PROG PERS 457- DEFFERED COMP.	1,028.00	\$ 1,028.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/16/2020	CALPERS RETIREMENT SYSTEM		
	EMPLOYER'S CONTRIBUTION	15.27	
	PERS RETIREMENT	2,433.72	
	PERS RETIREMENT TIER 2	1,075.89	
	PERS RETIREMENT PEPRA	307.25	
	SURVIVOR BENEFIT	5.58	\$ 3,837.71
10/16/2020	WALLACE GROUP		
	CONSULTING & ENGINEERING	585.00	
	PVS PROJECT	243.75	
	VERTICAL INTAKE PROJECT	1,651.68	\$ 2,480.43
10/16/2020	ADAMSKI, MOROSKI, MADDEN, CUMB		
	LEGAL&ATTORNEY/VERT.INTAKE	1,425.00	\$ 1,425.00
10/16/2020	RYAN BRINK		
	MEDICAL REIMBURSEMENT	878.63	\$ 878.63
10/16/2020	MOSS, LEVY & HARTZHEIM LLP		
	AUDIT - FY2019/20	6,000.00	\$ 6,000.00
10/16/2020	USA BLUEBOOK		
	MAINTENANCE FIXED EQUIPMENT	52.71	
	FIXED EQUIPMENT / SUPPLIES	457.14	\$ 509.85
10/16/2020	BRENNTAG PACIFIC, INC		
	CHEMICALS	1,958.59	
	CHEMICALS	3,475.15	
	CHEMICALS	2,734.70	\$ 8,168.44
10/16/2020	TYLER TECHNOLOGIES		
	PROFESSIONAL SERVICES	12.30	\$ 12.30
10/16/2020	FGL ENVIRONMENTAL		
	LAB TESTING	70.00	\$ 70.00
10/16/2020	COUNTY OF SAN LUIS OBISPO		
	PROFESSIONAL SERVICES	274.10	\$ 274.10
10/16/2020	FLUID RESOURCE MANAGEMENT		
	PROFESSIONAL SERVICES	240.00	
	PROFESSIONAL SERVICES	759.40	
	PROFESSIONAL SERVICES	585.60	\$ 1,585.00

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/16/2020	TELSTAR INSTRUMENTS INC. PROFESSIONAL SERVICES	10,680.00	\$ 10,680.00
10/16/2020	U.S. BANK CORPORATE PAYMENT SY TRAINING & TRAVEL	190.00	
	CHEMICALS	279.07	
	EQUIPMENT RENT/LEASE	148.20	
	TELEPHONE	199.99	
	MAINTENANCE FIXED EQUIPMENT	599.53	
	ADVERTISING	299.00	
	MAINTENANCE FIXED EQUIPMENT	358.45	
	MAINTENANCE FIXED EQUIPMNET	452.34	
	SUPPLIES	21.42	
	ADVERTISING	160.00	\$ 2,708.00
10/16/2020	BURT INDUSTRIAL SUPPLY MAINTENANCE FIXED EQUIPMENT	498.25	\$ 498.25
10/16/2020	MICHAEL K. NUNLEY & ASSOCIATES PROJECT X	7,108.81	\$ 7,108.81
10/16/2020	RIVAL TECHNOLOGY INC. PROFESSIONAL SERVICES	630.70	\$ 630.70
10/16/2020	KENWOOD ENERGY PVS PROJECT	1,023.75	\$ 1,023.75
10/16/2020	ALL WAYS CLEAN STRUCTURES & GROUNDS	400.00	\$ 400.00
10/20/2020	AT&T TELEPHONE & INTERNET	173.65	\$ 173.65
10/23/2020	R. BRINK NET PAYROLL	2,181.68	\$ 2,181.68
10/23/2020	R. ARNOLD NET PAYROLL	2,332.92	\$ 2,332.92
10/23/2020	J. PRITCHETT NET PAYROLL	2,536.13	\$ 2,536.13

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/23/2020	M. HUMPHREY NET PAYROLL	1,935.03	\$ 1,935.03
10/23/2020	B. VOGEL NET PAYROLL	1,571.33	\$ 1,571.33
10/23/2020	K. GELOS NET PAYROLL	2,390.73	\$ 2,390.73
10/23/2020	S. DUFFIELD NET PAYROLL	3,906.94	\$ 3,906.94
10/27/2020	CALPERS RETIREMENT SYSTEM PERS RETIREMENT U/L PERS RETIREMENT U/L	6,642.76 250.10	\$ 6,892.86
10/27/2020	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FICA WITHHOLDING MEDICARE	1,819.32 216.46 677.52	\$ 2,713.30
10/27/2020	EMPLOYMENT DEVELOPMENT DEPARTM ETT SDI SUI STATE WITHHOLDING	1.75 169.58 41.89 681.26	\$ 894.48
10/28/2020	STAPLES CREDIT PLAN COMPUTER/SOFTWARE OFFICE SUPPLIES	72.17 13.66	\$ 85.83
10/28/2020	GREAT WESTERN ALARM ALARM / ANSWERING SERVICE	272.55	\$ 272.55
10/28/2020	RYAN BRINK CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
10/28/2020	CLEATH-HARRIS GEOLOGISTS, INC. VERTICAL INTAKE PROJECT	957.50	\$ 957.50
10/28/2020	READY REFRESH BY NESTLE LAB TESTING	27.93	\$ 27.93

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/28/2020	CHARTER COMMUNICATIONS INTERNET	84.99	\$ 84.99
10/28/2020	HOME DEPOT CREDIT SERVICES MAINTENANCE FIXED EQUIPMENT	(86.18)	
	FIXED EQUIP/2MG TANK MIX PRJCT	485.84	
	MAINTENANCE FIXED EQUIPMENT	98.18	\$ 497.84
10/28/2020	KRITZ EXCAVATING & TRUCKING, I MAINTENANCE FIXED EQUIPMENT	849.31	\$ 849.31
10/28/2020	FGL ENVIRONMENTAL LAB TESTING	1,012.00	\$ 1,012.00
10/28/2020	CAL COAST IRRIGATION, INC. MAINTENANCE FIXED EQUIPMENT	109.25	
	MAINTENANCE FIXED EQUIPMENT	142.18	\$ 251.43
10/28/2020	ROY ARNOLD CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
10/28/2020	ABSOLUTE STANDARDS INC LAB TESTING	260.00	\$ 260.00
10/28/2020	NAPA AUTO PARTS VEHICLES / SUPPLIES	422.50	\$ 422.50
10/28/2020	ABALONE COAST ANALYTICAL, INC. LAB TESTING	942.00	\$ 942.00
10/28/2020	ALPHA ELECTRICAL SERVICE MAINTENANCE FIXED EQUIPMENT	315.01	\$ 315.01
10/28/2020	KRISTEN GELOS CELL & INTERNET ALLOWANCE	40.00	\$ 40.00
10/28/2020	JAMES A. PRITCHETT UNIFORM ALLOWANCE	160.99	
	CELL & INTERNET ALLOWANCE	80.00	\$ 240.99
10/28/2020	R&B COMPANY A CORE & MAIN COMP METERS & EQUIPMENT	1,088.21	\$ 1,088.21

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020
WARRANT REGISTER**

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
10/28/2020	PITNEY BOWES GLOBAL FINANCIAL POSTAGE METER LEASE	161.79	\$ 161.79
10/28/2020	SHORE-TEK INC SMALL TOOLS & EQUIPMENT	858.00	\$ 858.00
10/28/2020	BURT INDUSTRIAL SUPPLY MAINTENANCE FIXED EQUIPMENT	444.57	\$ 444.57
10/28/2020	SCOTT DUFFIELD CELL & INTERNET ALLOWANCE	40.00	\$ 40.00
10/28/2020	WESTERN EXTERMINATOR COMPANY STRUCTURES & GROUNDS	86.00	\$ 86.00
10/28/2020	MARK HUMPHREY CELL & INTERNET ALLOWANCE	80.00	\$ 80.00
10/28/2020	WATER DISTRICT JOBS ADVERTISING	145.00	\$ 145.00
10/30/2020	CALPERS 457 DEFFERED COMP PROG PERS 457- DEFFERED COMP.	1,028.00	\$ 1,028.00
10/30/2020	CALPERS RETIREMENT SYSTEM PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	2,433.72 1,075.89 322.66 5.58	\$ 3,837.85
10/30/2020	J.B. DEWAR. INC. FUEL & OIL	154.40	\$ 154.40
GRAND TOTAL FOR ALL WARRANTS		\$162,777.29	

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
TREASURER'S REPORT
OCTOBER 2020**

SUMMARY REPORT OF ALL ACCOUNTS

Beginning Balance:	\$ 5,132,292.39
Ending Balance:	\$ 5,081,058.45
Variance:	\$ (51,233.94)
Interest Earnings for the Month Reported:	\$ 10,324.63
Interest Earnings Fiscal Year-to-Date:	\$ 26,276.47

ANALYSIS OF REVENUES

Total operating income for water and sewer was:	\$ 166,239.56
Non-operating income was:	\$ 67,198.86
Franchise fees paid to the District by San Miguel Garbage was:	\$ 6,618.43
Interest earnings for the P.P.B. checking account was:	\$ 5.86
Interest earnings for the P.P.B. DWR Loan Services account was:	\$ -
Interest earnings for the P.P.B. DWR Reserve account was:	\$ -
Interest earnings for the P.P.B. SRF Loan Services account was:	\$ -
Interest earnings for the Western Alliance account was:	\$ 1.18
Interest earnings for the LAIF account was:	\$ 10,318.77

ANALYSIS OF EXPENSES

Pacific Premier Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ 306,229.34
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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
OCTOBER 2020**

BEGINNING BALANCE ALL ACCOUNTS **\$ 5,132,292.39**

OPERATING CASH IN DRAWER **\$300.00**

PACIFIC PREMIER BANK - CHECKING

BEGINNING BALANCE 09/30/2020	\$102,231.48	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	\$289,984.59	
INTEREST EARNED	\$5.86	
TOTAL CHECKS, FEES AND EFT'S	(\$306,229.34)	
TRANSFER TO LAIF ACCOUNT		
ENDING BALANCE 10/31/2020		\$85,992.59

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

LOAN SERVICES ACCOUNT

BEGINNING BALANCE 09/30/2020	\$133.32	
QUARTERLY DEPOSIT	\$0.00	
INTEREST EARNED	\$0.00	
SEMI-ANNUAL PAYMENT	\$0.00	
ENDING BALANCE 10/31/2020		\$133.32

PACIFIC PREMIER BANK DWR RESERVE ACCOUNT

BEGINNING BALANCE 09/30/2020	\$113,301.91	
INTEREST EARNED	\$0.00	
ENDING BALANCE 10/31/2020		\$113,301.91

PACIFIC PREMIER BANK SDWSRF LOAN SERVICES ACCOUNT

BEGINNING BALANCE 09/30/2020	\$44,246.96	
QUARTERLY DEPOSIT	\$14,685.00	
INTEREST EARNED	\$0.00	
SEMI-ANNUAL PAYMENT	\$0.00	
ENDING BALANCE 10/31/2020		\$58,931.96

WESTERN ALLIANCE

PVS PROJECT CAPITALIZED INTEREST FUND

BEGINNING BALANCE 09/30/2020	\$51,330.91	
INTEREST EARNED	\$1.18	
ENDING BALANCE 10/31/2020		\$51,332.09

LOCAL AGENCY INVESTMENT FUND (LAIF)

BEGINNING BALANCE 09/30/2020	\$4,821,047.81	
INTEREST EARNED	\$10,318.77	
TRANSFER FROM PACIFIC PREMIER CHECKING		
TRANSFER TO PACIFIC PREMIER CHECKING	(\$60,000.00)	
ENDING BALANCE 10/31/2020		\$4,771,366.58

ENDING BALANCE ALL ACCOUNTS		\$5,081,058.45
DIFFERENCE FROM LAST MONTH	Decrease	(\$51,233.94)

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

OPERATING INCOME	Budget FY 20/21	Actual October	Actual Year to Date	Percentage Year to Date	Variance Explanation
Water Fees	1,021,511	108,917	446,414	44%	
Sewer Fees	658,012	54,911	219,995	33%	
Hook-Up Fees	3,000	0	1,300	43%	Fluctuates based on activity
Turn on Fees	3,500	275	1,575	45%	
Late Fees	17,000	2,104	7,676	45%	
Plan Check & Inspection	10,000	0	0	0%	
Miscellaneous Income	2,000	32	175	9%	
TOTAL OPERATING INCOME	\$1,715,023	\$166,240	\$677,135	39%	

FRANCHISE INCOME					
Solid Waste Franchise Fees	66,984	6,618	27,513	41%	
TOTAL FRANCHISE REVENUE	\$66,984	\$6,618	\$27,513	41%	

NON-OPERATING INCOME					
Standby Charges	242,144	17,922	17,922	7%	
Property Tax	383,074	38,953	40,961	11%	
Interest	80,000	10,325	26,276	33%	Fluctuates based on activity
Connection Fees	70,580	0	25,301	36%	Fluctuates based on activity
TOTAL NON-OPERATING INCOME	\$775,798	\$67,199	\$110,460	14%	

RESERVE REVENUE					
Capital Reserves	654,941	48,373	64,045	10%	
Operating Reserves	1,508,148	92,720	123,191	8%	
TOTAL RESERVE REVENUE	\$2,163,089	\$141,093	\$187,236	9%	

TOTAL ALL INCOME	\$4,720,894	\$381,150	\$1,002,344	21%	
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2020/21 Budget**

OPERATING EXPENSES

SALARIES AND BENEFITS	Budget FY 20/21	Actual October	Actual Year to Date	Percentage Year to Date	Variance Explanation
Salaries	715,567	44,141	189,648	27%	
Health Insurance	103,862	6,723	25,243	24%	
Health Insurance - Retiree	48,451	3,949	15,797	33%	
PERS	126,097	13,776	48,208	38%	
Standby	14,000	982	4,390	31%	
Overtime	16,000	1,529	5,485	34%	Fluctuates based on need & staffing
Workers Comp. Ins.	19,194	0	20,642	108%	Paid Annually
Directors' Fees	12,000	500	2,100	18%	
Medicare/FICA	10,550	934	3,490	33%	
Car Allowance	3,000	250	1,000	33%	
SUI/ETT	1,500	0	0	0%	
Uniforms	5,000	161	853	17%	
TOTAL SALARIES & BENEFITS	\$1,075,221	\$72,944	\$316,856	29%	

UTILITIES

Electricity	249,810	30,163	87,320	35%	
Propane	1,012	0	0	0%	
Water Purchase	23,114	0	11,557	50%	Paid Semiannually
Telephone/Internet	12,129	859	3,059	25%	
TOTAL UTILITIES EXPENSE	\$286,065	\$31,022	\$101,936	36%	

MAINTENANCE & SUPPLIES

Chemicals	76,000	8,448	26,920	35%	
Computer/Software	29,450	72	3,238	11%	
Equip. Rental/Lease	2,500	148	148	6%	
Fixed Equip.	142,000	5,480	23,532	17%	
Fuel & Oil	12,000	598	2,581	22%	
Lab Testing	41,000	2,312	7,845	19%	
Office Supplies	2,000	14	210	10%	
Parks & Recreation	0	0	0	0%	
Struct./Grnds.	14,140	486	3,416	24%	
Small Tools/Equip.	3,000	858	1,070	36%	
Supplies	5,000	321	1,477	30%	
Meters/Equip.	5,000	1,088	1,088	22%	Fluctuates based on activity
Vehicles	6,500	152	3,464	53%	
TOTAL MAINT. & SUPPLY EXPENSE	\$338,590	\$19,978	\$74,990	22%	

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

GENERAL & ADMINISTRATION	Budget FY 20/21	Actual October	Actual Year to Date	Percentage Year to Date	Variance Explanation
Ads./Advertising	1,500	604	948	63%	Fluctuates based on activity
Alarm/Answering Service	4,000	273	1,404	35%	
Audit	8,200	6,000	8,000	98%	
Bank Charges/Fees	4,000	111	1,430	36%	Fluctuates based on activity
Consulting/Engineering	85,000	585	9,137	11%	
Dues/Subscription	8,750	0	245	3%	
Elections	1,000	0	0	0%	
Insurance	41,370	0	41,368	100%	Paid Annually
LAFCO	6,600	0	5,870	89%	Paid Annually
Legal/Attorney	25,000	825	4,260	17%	
Licenses/Permits	32,100	0	110	0%	
Plan Check & Inspection	10,000	0	0	0%	
Postage/Billing	20,000	562	4,287	21%	
Professional Service	36,900	13,182	18,903	51%	
Tax Collection	5,300	0	0	0%	
Staff Training & Travel	8,000	190	190	2%	
Board Training & Travel	1,000	0	0	0%	
TOTAL G & A	\$298,720	\$22,331	\$96,152	32%	

CAPITAL PROJECTS & EQUIPMENT

Projects	2,078,089	141,093	187,236	9%	
Equipment	85,000	0	0	0%	
TOTAL CAPITAL EXPENSE	\$2,163,089	141,093	187,236	9%	

DEBT

State Loan Payment	103,629	0	51,814	50%	paid semiannually
State Loan Payment Phase II	58,740	0	0	0%	paid semiannually
TOTAL DEBT	\$162,369	\$0	\$51,814		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$96,000	33%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

TOTAL EXPENSE	\$4,612,054	\$311,367	\$924,984	20%	
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CONNECTION FEES TRANSFER \$70,580 \$0 \$25,301 36%

SOLID WASTE FEES TRANSFER \$30,924 \$3,613 \$13,217 43%

FUND TOTAL	\$7,336	\$66,169	\$38,842		
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HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Scott Duffield, General Manager
DATE: November 19, 2020
SUBJECT: Request to receive and file a report on the status of Nacimiento Reservoir and provide direction to staff.

Recommendation

It is recommended that the Board of Directors receive and file a report on the status of Nacimiento Reservoir and provide direction to staff.

Background

District Code of Ordinances, Section 5.940 provides that the General Manager shall monitor the Nacimiento Reservoir water elevation and demand for water and shall report in writing to the Board.

Discussion

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

Stage I	Elevation 730' – 720'	(Education – no reductions)
Stage II	Elevation 720' – 700'	(Awareness – 15% reductions)
Stage III	Elevation 700' – 680'	(Drought – 30% reductions)
Stage IV	Elevation 680' – 670'	(Extreme Drought – 50% reductions)

As of April 1, 2020, the reservoir was at approximately 762 feet in elevation, 51% of capacity, or 194,405-acre feet of storage.

As of November 1, 2020, the reservoir was at approximately 730 feet in elevation, 25% of capacity, or 92,900-acre feet of storage.

MCWRA's prediction for January 1, 2021 is that the reservoir will still be at 726 feet in elevation, 22% of capacity, or 82,738-acre feet of water remaining. This assumes no inflows. Their release schedule for the remainder of 2020 will maintain enough water in the reservoir to allow river flow and the District's use of the gallery wells. The MCWRA Reservoir Release Schedule for 2020 dated 9/15/2020 is attached.

The Manager recommends that we continue to monitor the reservoir closely over the rain season and into spring and implement Stage I conservation measures if the weather remains dry for the next couple of months. Stage I is only customer education; it does not include any mandatory water use reductions. Implementation of Stage I does not require a public hearing so we can implement it at any time. If implementation of Stage II becomes more apparent, then a public hearing can be scheduled at that time. Staff will provide your Board with regular updates.

Results

The release schedule provided indicates that implementation of the mandatory conservation stages of the Staged Water Use Reduction Plan should not be necessary in 2020. The Manager will continue to monitor reservoir operations and provide your Board with updates as necessary.

Attachments: MCWRA Reservoir Release Schedule for 2020 dated 9/15/2020

FILE: Water_Conservation

RESERVOIR RELEASE SCHEDULE FOR 2020

Month	Combined Releases (cfs) ¹	Combined Releases (ac-ft)	NACIMIENTO							SAN ANTONIO						
			Evap. Losses (ac-ft)	Reservoir Releases (cfs) ¹	Reservoir Releases (ac-ft)	NWP Orders (ac-ft)	NWP Diversions (ac-ft)	Beginning of Month Storage		Evap. Losses (ac-ft)	Reservoir Releases (cfs) ¹	Reservoir Releases (ac-ft)	Beginning of Month Storage			
								(ac-ft)	(%)	(ft)				(ac-ft)	(%)	(ft)
Jan	73	4,486	431	63	3,871	625	0	194,800	52%	762.0	356	10	615	122,363	37%	727.2
Feb	70	4,027	454	60	3,451	841	0	198,355	52%	762.9	465	10	575	126,125	38%	728.5
Mar	329	20,208	857	227	13,942	1,116	0	196,775	52%	762.5	395	102	6,266	127,408	38%	729.0
Apr	391	23,238	1,251	365	21,711	1,099	124	194,405	51%	761.9	573	26	1,527	124,150	37%	727.8
May	474	29,126	1,789	217	13,321	1,820	330	198,750	53%	763.0	62	257	15,805	128,405	38%	729.3
Jun	550	32,752	2,182	291	17,288	2,270	651	185,988	49%	759.8	2,534	260	15,463	112,115	33%	723.3
Jul	589	36,239	1,368	375	23,064	2,283	1,118	165,452	44%	754.2	1,257	214	13,174	96,060	29%	716.7
Aug	669	41,160	1,631	383	23,566	2,132	1,125	138,380	37%	746.2	1,040	286	17,594	81,850	24%	710.1
Sep	348	20,702	1,503	200	11,927	2,049		112,460	30%	737.6	813	147	8,775	64,130	19%	700.2
Oct	70	4,304	1,025	60	3,689			98,225	26%	732.4	564	10	615	55,303	17%	694.5
Nov	70	4,165	517	60	3,570			91,962	24%	729.9	296	10	595	54,124	16%	693.7
Dec	70	4,304	306	60	3,689			87,056	23%	727.9	180	10	615	53,233	16%	693.1
Jan 2021								82,738	22%	726.1				52,458	16%	692.6
Totals		224,709	13,314		143,090	14,234	3,347				8,536		81,619			

Revision Date: 9/15/2020

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.



HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: November 19, 2020

SUBJECT: Request to receive and file Photovoltaic System Project updates.

Recommendation

It is recommended that the Board of Directors receive and file Photovoltaic System Project updates.

Background

Your Board approved the Photovoltaic System Project (Project) at the January 16, 2020 meeting and selected Stockman's Energy, Inc. as the most qualified proposer. The Notice to Proceed was issued March 3, 2020.

Project Updates

Project Scope

WWTP:

The driving of the posts was more difficult than the contractor expected and several of them could not be driven to the design depth of seven feet six inches. The racking design engineer provided a refusal plan that was implemented, and all the posts meet the specifications.

The contractor is continuing to construct the racking system and will then move to installation of the modules and inverters, trenching, and conduit.

The transformer and switchgear upgrades have been finalized and the switchgear itself has been ordered. The lead time is long, and it is not expected to be on site until December 28th. The contractor should be able to do the trenching and conduit installation prior to that date. The Manager understands that PG&E will not schedule their work (pull box, wire, splice, meter, transformer, etc.) until the switchgear is installed and the conduit has passed a mandrel test. The contractor is coordinating with PG&E.

WTP:

The driving of the posts at the WTP was substantially easier than the other site and only a handful could not be driven to the design depth. The same refusal plan was implemented, and all the posts meet the specifications at this site as well.

The contractor is continuing to construct the racking system and will then move to installation of the modules and inverters, trenching, and conduit.

PG&E has still not completed their review to determine if any upgrades are required on their upstream facilities to accommodate our project. PG&E has revised that timeline again which have been informed is now supposed to be completed November 29, (2020). The transformer and switchgear upgrades will then need to be finalized. The contractor is coordinating with PG&E and trying to get enough information to order the switchgear given the long lead time.

Scope changes we are tracking include:

- Land survey work at WTP site – additive change to price, no change to time
- Revised fencing at WTP site – deductive change to price, no change to time
- Electrical upgrade work at WWTP site – additive change to price, no change to time
- Electrical upgrade work at WTP site – additive change to price, tbd change to time

Project Budget

The Project is currently within budget.

Budget changes we are tracking include:

- Land survey work at WTP site – Additive \$ 2800 to contract price
- Revised fencing at WTP site – Deductive \$ (83,855) to contract price
- Electrical upgrade work at WWTP site – Additive \$ 49,039 to contract price
- Electrical upgrade work at WTP site – Additive \$TBD to contract price

PG&E direct costs to date include:

- Upgrades for WWTP – \$23,262.55
- Upgrades for WTP – \$TBD

Project Schedule

The contractor expects to meet substantial completion at both sites by the end of this calendar year which is approximately 60-Days late. The Manager and project team are

tracking this and may add some additional days to the contract time. The critical path still goes through the PG&E service upgrade work; however, some things within the contractor's control could impact that, although not likely. The latest schedules from the contractor indicate commissioning of the WWTP system April 5, 2021, and the WTP system July 13, 2021.

The most current schedules will be provided during the meeting.

File: Projects_PVS

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Manager Report For the Month of November 2020

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

Administration

- The Manager attended bi-weekly virtual Special District Managers meetings.
- The Manager attended a California Financing Coordinating Committee (CFCC) Funding Fair. The goal of this event is to connect with and receive information from federal, state, and local agencies and to discuss the financial and technical resources available for projects.
- The Manager attended a webinar sponsored by the EPA regarding disinfectants and disinfection byproducts.
- The Manager attended the CSDA SLO Chapter meeting.
- The Manager attended a webinar sponsored by the CSDA regarding Risk Assessment and Emergency Response Plans. This is a new requirement from the EPA. The Assessment is due by June 2021 and the Response Plan is due by December 2021.

Operations

- Prepared and submitted the Water Treatment Plant Monthly Report.
- Submitted the Wastewater Treatment Plant Self-Monitoring Reports.
- Prepared and submitted the Disinfection Byproduct Monthly Report.
- Prepared and submitted the Disinfection Byproduct Quarterly Report.
- The disinfection byproduct (HAA5) results for 2020 Q4 were 65 and 62; lower than Q3 which was 75 at both sample sites. The requirement is below 60 on a running annual average. Unfortunately, the running average is still elevated but the numbers are trending down from Q2 forward; hopefully due to our efforts. Staff is tracking the performance and effects the improved mixing of the 2-million-gallon tank has on the system especially in combination with the increased flushing program. The new mixer was only operating for about a week prior to the sample date. Staff continues to work on this and is communicating with the Division of Drinking Water. Staff also

anticipates trying different coagulants and other treatment adjustments this winter and looking again at opportunity to reduce the CT ratio. Staff has been hesitant to do that because of the low residuals in the distribution system that we have seen when that was tried in the past.

- All four water storage tanks were inspected and cleaned by a vendor, CSI Services. Minor repairs (coating, pin holes, etc.) were also performed as part of the work. A formal report and recommendations is forthcoming; however, the Manager was advised that additional work will need to be done on the coating around the rafters.
- Additional updates regarding operations can be found in the Operations Report.

Solid Waste

- Nothing significant to report.

Reservoir Status

- As reported by Monterey County Water Resources Agency (MCWRA), as of November 9, 2020, the reservoir was at approximately 729.75 feet in elevation, 24% of capacity, or 91,538-acre feet of storage. MCWRA water releases were shown as 65 cfs.

Capital Improvement Program

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

- PVS: see separate agenda item.
- Vertical Intake: Drilling and casing is completed. There were no issues encountered and the water quality and volume are reported by the contractor to be very good. Development and pump testing are planned for the week of November 9th. The District will sample the water quality once the pump testing is completed. Design of the pump and piping by the District Engineer is progressing.
- Wastewater project x: The consultant is working on the project alternatives analysis.
- Lift Station 1-5 rehabilitation design phase: Development of contract documents underway by the District Engineer.
- Vehicle / Equipment replacement: Developing purpose and need statements and specifications list.

- The 2MG Tank mixing system has been installed and is operating normally.

Development

- The Manager spoke with the applicant for the two subdivisions that have been submitted and provided additional clarifications to answer several comments the County had.

Public Relations and Community

- The District's Board room was used as a Voter Service Center for the general election.

Human Resources

- The newest member of the Operations Department staff obtained their Treatment Operator 2 and Distribution Operator 2 certifications.
- A recruitment for the Operations Manager position remains open.

Board Member & Staff Information and Learning Opportunities

- Nothing significant to report.

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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
OCTOBER 2020 OFFICE REPORT**

Water & Sewer

On November 1st, we processed 1,922 bills for a total dollar amount of \$161,039 for water and sewer user fees for the month of October. The number of Automatic Drafts processed was 572 for a total dollar amount of \$47,251. On October 26th we processed 230 delinquent account penalties.

San Miguel Garbage Franchise Fees

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

Month of September

Garbage Collection (10%) - \$ 6,101.10

Roll-Off Collection (10%) - \$517.33

Total Franchise Fees Collected - \$ 6,618.43

Service Orders Completed

Staff completed a total of 23 service orders for the month of October. Below is a breakdown by job code.

OCCUPANT CHANGE	10	DIRTY WATER COMPLAINT	1
SWAP/PULL METER	5	MISC-W/METER INFORMATION	1
USA	3	SEWER PROBLEM	2
LOCK METER	1		

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Operations Report For the Month of October 2020

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

Water treatment

- Conducted nitrate and unionized ammonia tests at Pump Station #1 to investigate for wastewater intake credits.
- Removed algal growth from river above Intake Gallery Screen #3 to improve water intake and reduce organics.
- Repaired chlorine leak and replumbed incoming chlorine feed lines.
- Un-cavitated potassium permanganate injection pump.
- Added a water line to the inside of the potassium permanganate building to more efficiently mix KMNO₄ oxidizer.

Water distribution

- Replaced two angle stop valves on Bluebird Lane.
- Performed routine cleaning and flushing of main line pressure reducing valves at nine locations.
- Repaired 6-inch water main break on Pheasant Lane, backfilled compacted and temporary asphalt repair, bacteria sample sent to lab.
- Sampled distribution system for disinfection byproducts.
- Installed new mixing system inside 2-million-gallon tank.
- Heavily flushed multiple locations in distribution system weekly to combat formations of disinfection byproducts.
- Repaired 2-inch broken wharf head feed line inside District maintenance yard.

Wastewater collections

- Conducted monthly checks at all lift stations, amps, volts, etc.
- Replaced malfunctioning low level float inside of Lift Station #1.
- Entered hot spot manholes in collections system to remove living root balls to prevent sewer blockages.

Wastewater treatment

- Reinstalled Pump #1 at Effluent Pump Station.
- Drained and cleaned effluent well at wastewater ponds.
- Removed debris blockages from sand filter sprinkler heads.
- Repaired separated line at Effluent 001a drainage way.

Vehicles and Equipment

- Repaired broken vacuum line on the Vermeer Vac Trailer.
- Replaced battery in one of the 2008 Ford Rangers.
- Repaired exhaust line on the welder/generator.

* * *