

# HERITAGE RANCH COMMUNITY SERVICES DISTRICT

## MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager

**DATE:** February 20, 2025

**SUBJECT:** Hearing to consider protests to proposed sewer service rate increases and submittal for approval Resolution 25-01 adopting adjusted sewer service rates effective July 1, 2025.

### **Recommendation**

It is recommended that the Board of Directors:

- 1) Hold a hearing to consider protests to the proposed increases to sewer service rates, and upon conclusion of the hearing, determine whether there is a majority protest; and
- 2) If a majority protest is not received, approve new sewer service rates effective July 1, 2025, by adoption of Resolution 25-01.

### **Background**

At the January 19, 2023, meeting, your Board directed the rate study consultant to remove estimated capital costs and financing of the Water Resource Recovery Project (WRRF) from the rate study.

At the April 20, 2023, meeting your Board adopted sewer rates that excluded estimated capital costs and financing of the WRRF.

At the December 19, 2024, meeting your Board approved the final Report on Wastewater Rate Study dated December 2024 (Rate Study) prepared by Tuckfield & Associates that does include the WRRF project, and directed staff to proceed with the public notification and hearing process for adoption of new sewer service rates at today's meeting.

The Rate Study analyzed and provided the District's financial plan for the sewer fund and proposed rate increases over a five year period. The District mailed notices of the proposed sewer service rate increases on January 1, 2025, to all parcel owners and customers of record that receive sewer services from the District.

### **Discussion**

Attached for your Board's consideration is a resolution adopting adjusted sewer service rates effective July 1, 2025, as presented in the approved Rate Study. The adjustments are

proposed to gradually phase in over five years with the first increase effective July 1, 2025. If a majority protest on the sewer service rate increases is not received, staff recommends approval of the attached Resolution 25-01 per Government Code §61115 establishing sewer service rates.

Only one protest per parcel is allowed. The number of parcels served by the District on the date of the public hearing is used to determine whether a majority protest exists. To achieve a majority protest, 50% + 1 of the parcels served is required. A report on the number of parcels served will be given at the time of the public hearing.

#### Compliance with Procedural Requirements:

- The District mailed notices of the proposed sewer service rate increases to record owners of identified parcels upon which the sewer service rate increases will be imposed if adopted.
- The District mailed notices of the proposed sewer service rate increases to property owners and tenants to the addresses which the water service billing statements are customarily mailed.
- The notices were mailed at least 45 days prior to the public hearing to determine whether a majority protest exists against the proposed rates.
- The notices included the amount of the proposed increases.
- The notices included the basis upon which the proposed rates are calculated.
- The notices included the reasons for the proposed rate increases.
- The notices included the date, time and location of this public hearing to consider protests against the proposed rates.

#### Compliance with Substantive Requirements:

- The proposed rates do not exceed the funds required to provide service.
- The proposed rates will not be used for any purpose other than that for which the rates are being imposed.
- The rates do not exceed the proportional cost of service attributable to the property.
- The rates will not be imposed unless the service is actually used by, or immediately available to, the owner of the property.
- The rates will not be used for general governmental services where the service is available to the public in substantially the same manner as it is to property owners.

## **Fiscal Implications**

The current sewer rates need to be updated to include estimated capital costs and financing of the WRRF.

### **Alternatives to Consider:**

The State of California Central Coast Regional Water Quality Control Board (CCRWQCB) granted the District an extension of our permit and Time Schedule Order (TSO) so we can develop, fund, and construct the WRRF to bring the plant up standards.

If, in the opinion of the CCRWQCB Executive Officer, the District fails to comply with any provisions of the TSO or fails to consistently demonstrate substantive progress towards achieving full compliance with final effluent limitations in the TSO, then the Executive Officer may terminate the TSO. In that case, or if compliance with the final effluent limitations of our permit, as renewed or revised, is not achieved by the full compliance dates in the TSO, the District would not be exempt from the mandatory minimum penalties for violation of those effluent limitations and may also be subject to issuance of a cease-and-desist order in accordance with CWC section 13301.

Alternatively, the Executive Officer may refer this matter to the Attorney General for judicial enforcement, may issue a complaint for administrative civil liability, or may take other enforcement actions. Failure to comply with this order may result in the assessment of administrative civil liability of up to \$10,000 per violation, per day, depending on the violation, pursuant to the Water Code, including sections 13350 and 13385. The CCRWQCB reserves its right to take any enforcement action authorized by law.

## **Results**

Considering protests to the proposed increase to sewer service rates and ensuring compliance with the procedural and substantive requirements of Proposition 218, are important to demonstrate that the District is acting in an open and transparent manner and promoting a well governed community. Approval of the recommended actions are necessary for the District to continue to provide safe and reliable sewer services to the residents of Heritage Ranch and promote the financial stability of the District.

In addition, the recommended action will result in updating the District's sewer rates so the community can move forward with the WRRF project that is required to meet new State of California regulatory requirements.

Attachments: Resolution 25-01

File: Rates, Fees, Charges

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
RESOLUTION NO. 25-01**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH  
COMMUNITY SERVICES DISTRICT ADOPTING ADJUSTED SEWER SERVICE  
RATES EFFECTIVE JULY 1, 2025**

**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**, the District Board of Directors reviewed drafts of the rate increase reports and provided direction to staff on October 25, 2024; and

**WHEREAS**, the District Board of Directors reviewed and approved a Report on Wastewater Rate Study prepared by Tuckfield & Associates dated December 2024 (2024 Rate Study) on December 19, 2024, providing a five year financial plan that indicates the projected costs to provide sewer services is more than the current rates charged, recommending increases to sewer rates phased-in over five years, and provided opportunities for public testimony and input on this analysis and associated recommendations; and

**WHEREAS**, the rates imposed by this resolution cover no more than the cost that the District incurs to provide sewer services as detailed in the 2024 Rate Study; and

**WHEREAS**, official notice of the proposed sewer rate increases was mailed to each customer, including all property owners of record and tenant customers, on January 1, 2025; and

**WHEREAS**, the public hearing, noticed in the manner and time required by law, was conducted by the District Board of Directors on February 20, 2025, at which time all interested persons were afforded an opportunity to be heard on matters pertaining to the revision of sewer service rates and submit written protests; and

**WHEREAS**, the total parcels provided sewer service by the District is 1,781 and to achieve a majority protest, 50% + 1 of the parcels served sewer service is required, or 891; and

**WHEREAS**, at the conclusion of the public hearing on February 20, 2025, the Board found that majority protests did not exist; and

**WHEREAS**, the approval of this resolution is categorically exempt from CEQA pursuant to Public Resources Code Section 21080(b)(8) (rates or charges not designed to increase services or expand a system) as demonstrated by the cost justification for the new sewer rates as detailed in the 2024 Rate Study.

### Procedural Requirements:

- **Finding:** The District mailed notices of the proposed sewer rates to record owners of identified parcels upon which the sewer rates will be imposed if adopted.
- **Finding:** The District mailed notices of the proposed sewer rates to property owners and tenants to the addresses which the service billing statements are customarily mailed.
- **Finding:** The notices were mailed at least 45 days prior to the public hearing to determine whether a majority protest exists against the proposed sewer rates.
- **Finding:** The notices included the amount of the proposed sewer rate increases. Attached as (Exhibit “A”) is the mailed notice that includes the amount of the proposed sewer rates.
- **Finding:** The notice (Exhibit “A”) included the reasons for the increases.
- **Finding:** The notice (Exhibit “A”) included the date, time and location of this public hearing to consider protests against the proposed rates.

### Substantive Requirements:

- **Finding:** The rates and charges do not exceed the funds required to provide service. The evidence establishing that the rates and charges do not exceed the funds required to provide service include, but are not limited to, the following:
  - i. Report on Wastewater Rate Study prepared by Tuckfield & Associates dated December 2024 (2024 Rate Study).
  - ii. Actual costs incurred for the sewer service provided to District customers.
  - iii. The District’s actual water and sewer consumption and conservation data.
  - iv. Additional documentation and information considered by the Board of Directors during prior District meetings, which is a matter of public record.
- **Finding:** The proposed sewer rates will not be used for any purpose other than that for which the rates and charges are being imposed.
- **Finding:** The proposed sewer rates do not exceed the proportional cost of service attributable to the property and the rates will not be imposed unless the service is actually used by, or immediately available to, the owner of the property.
- **Finding:** The proposed sewer rates will not be used for general governmental services.

**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 substantive requirements including but not limited to Article XIID of the California Constitution and the Proposition 218 Omnibus Implementation Act.
2. The Board of Directors adopts the adjusted sewer rates as provided in Exhibit “A”, effective July 1, 2025; and
3. The Board of Directors amends Chapter 3 Section 3.900 (B) of the Rate and Fee Schedule for Heritage Ranch Community Services District replacing it with the sewer rates provided in Exhibit “A”, effective July 1, 2025; and

District staff is directed to retain the written protest statements in District records for the statutory period of two years and destroy them at the end of that time period, on or after February 20, 2027.

**PASSED, APPROVED AND ADOPTED** by the Board of Directors of the Heritage Ranch Community Services District on the 20<sup>th</sup> day of February 2025, by the following roll call vote.

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

**APPROVED:**

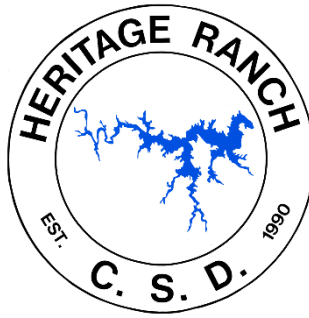
**ATTEST:**

\_\_\_\_\_  
**Michael Camou, President**  
**Board of Directors**

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

**APPROVED AS TO FORM**  
**AND LEGAL EFFECT:**

\_\_\_\_\_  
**Jeffrey A. Minnery**  
**District Counsel**



**Notice of Proposed Sewer Rate Increase**

January 1, 2025

Dear Property Owner:

This notice is intended to inform you that the Heritage Ranch Community Services District (HRCSD) will hold a public hearing regarding proposed increases to utility charges for customers receiving HRCSD sewer services. The proposed sewer rate increases will be considered by the HRCSD Board of Directors at the date, time and location specified below.

Consistent with the requirements of Proposition 218, this notice also provides you with the following information:

- The amount of the proposed increases to sewer rates;
- The basis upon which the amount of the proposed increases to sewer rates was calculated; and
- How to protest the proposed increases to sewer rates.

**Notice of Public Hearing**

Public Hearing for the proposed increases to sewer rates will be held on:

**Date: Thursday, February 20, 2025**  
**Time: 4:00 p.m.**  
**Place: 4870 Heritage Road, Heritage Ranch, California, 93446**

This notice has been sent to all record owners of property that are responsible for payment of HRCSD sewer rates. Once adopted by the HRCSD Board of Directors, the proposed increases to sewer rates would become effective July 1, 2025, and first appear on bills issued on August 1, 2025.

**Questions**

Please review this notice and the HRCSD website at [www.heritageranchcsd.ca.gov](http://www.heritageranchcsd.ca.gov) for more information on the Rate Study. Additional information may also be obtained by contacting the HRCSD at (805) 227-6230.

# Exhibit A

## Proposed Sewer Rate Increases

Increases to the monthly base rates for sewer are proposed for all customer classifications as presented in this notice. Sewer rates are fixed rates established on an “Equivalent Dwelling Unit” (EDU) basis that uses metered water consumption as representative of sewer flow. One EDU is defined as the average water consumption of a sewer residential dwelling unit.

### Proposed Wastewater Monthly Fixed Charges

Description	EDU Ratio	Current Charge	July 1, FY 25-26	July 1, FY 26-27	July 1, FY 27-28	July 1, FY 28-29	July 1, FY 29-30
Residential/Condo	1.00	\$62.75	\$74.71	\$89.43	\$107.05	\$128.13	\$131.99
RV Space	0.80	\$50.20	\$59.77	\$71.54	\$85.64	\$102.50	\$105.59
Commercial	3.50	\$181.98	\$261.49	\$313.01	\$374.68	\$448.46	\$461.97
Restrooms	2.50	\$144.33	\$186.78	\$223.58	\$267.63	\$320.33	\$329.98
Dump Station	12.50	\$784.38	\$933.88	\$1,117.88	\$1,338.13	\$1,601.63	\$1,649.88
Holiday Condo	30.00	\$1,862.50	\$2,241.30	\$2,682.90	\$3,211.50	\$3,843.90	\$3,959.70

## Basis and Reasons for the Proposed Sewer Rate Increases

The HRCSD Sewer Treatment Plant was originally built in 1978. The Plant operates 24 hours a day, 7 days a week, supporting public health and protecting local water quality. Currently, the facility treats approximately 200,000 gallons of sewer a day. Treated water is then discharged into a drainage channel that is a tributary to the Nacimiento River.

New regulations require substantial improvements to the plant. In 2017 the State of California Central Coast Regional Water Quality Control Board (CCRWQCB) modified the discharge requirements for Heritage Ranch's NPDES Permit limiting the presence of copper, nitrate, and ammonia in receiving waters. The CCRWQCB carefully evaluated the HRCSD's sewer treatment facility and determined that it is not in compliance with these new regulations.

Despite on-going negotiations with the CCRWQCB, along with several attempts to modify the existing plant operations to come into compliance, it was determined a new treatment process is needed to meet these current and future regulatory requirements.

A long-term solution that meets the needs of the community and environment is required by the CCRWQCB. As required, HRCSD is developing a new Water Resource Recovery Facility that will provide cost-effective, adaptable, compliant sewer treatment that sustainably meets the long-term needs of the community and the environment. Project benefits include:



#### COMPLIANCE

The new facility will meet current and future Federal and State discharge requirements.



#### ENVIRONMENTAL PROTECTION

The project will improve water quality, protecting the Nacimiento River and surrounding habitat



#### RELIABLE SERVICES

The existing wastewater plant is over 50 years old. Investing in new infrastructure will ensure reliable services for decades to come.



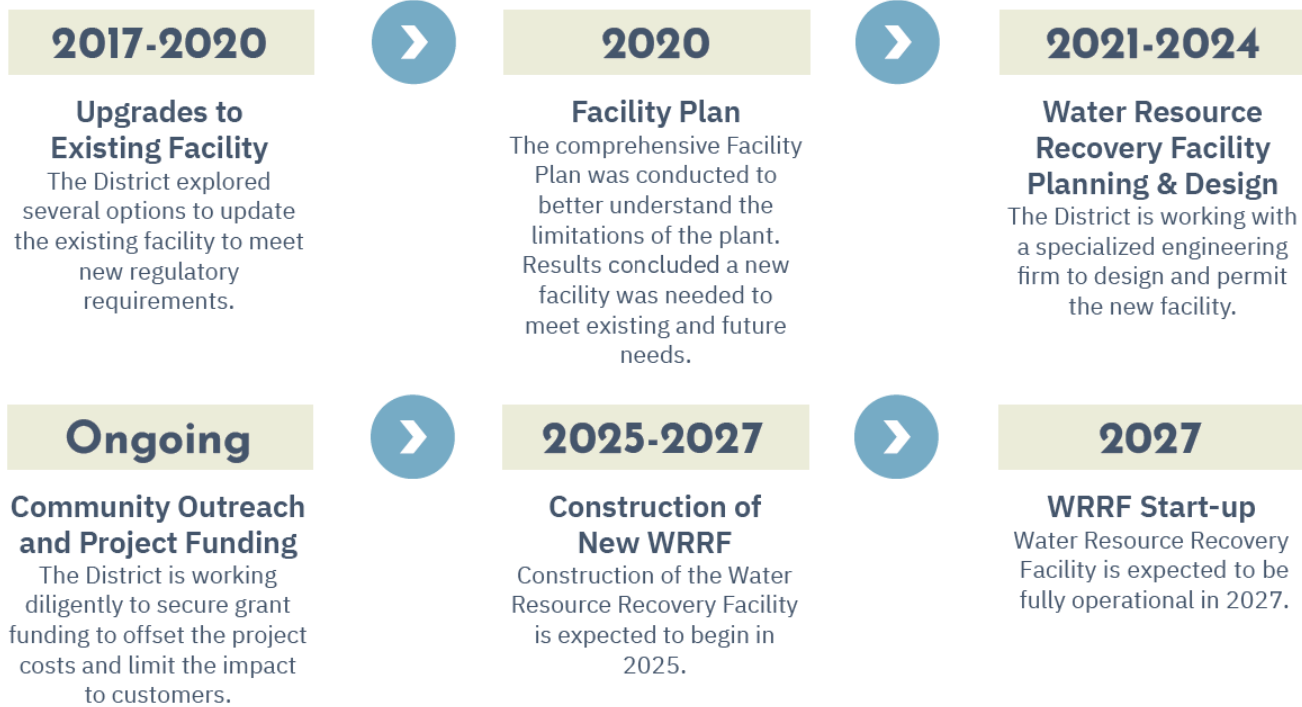
#### POSITIONING FOR WATER REUSE

The state-of-the-art treatment process will position the District for future recycled water and reuse.



## Exhibit A

Currently, the HRCSD is working on the design of the facility. Construction of the facility is anticipated to begin in 2025, with start-up required by September 2027. See project timeline below.



The HRCSD continually strives to keep utility rates affordable for its customers. However, after several years of negotiating with CCRWQCB, making operational changes to the existing plant, and considering project alternatives, a long-term solution is needed to address Heritage Ranch's infrastructure challenges. If the HRCSD fails to meet discharge requirements, HRCSD and its customers are subject to costly fines.

The new, state-of-the-art, Water Resource Recovery Facility will meet regulatory requirements, preserve treatment capacity, and provide reliable services for generations to come. This critical project requires significant investment from the Heritage Ranch community. As a result, customer rates are expected to increase starting in July 2025. The HRCSD is actively pursuing Federal funding and grants to offset project costs and limit impacts to customers.

The goal of the project is to provide cost-effective, adaptable sewer treatment that achieves reliable compliance and sustainably meets the long-term needs of the community and environment.

### **Written Protest**

Pursuant to Proposition 218, you may express written support or opposition to any or all of the proposed increases to the sewer rates prior to the close of the public hearing referenced above. A written protest must contain:

1. A statement that it is a protest against the proposed rate or rates which are the subject of the hearing; and
2. Name of the record owner; and
3. Identity of the affected parcel by the Assessor's Parcel Number (APN) or service address; and
4. Original signature of the record owner with respect to the identified parcel.

## Exhibit A

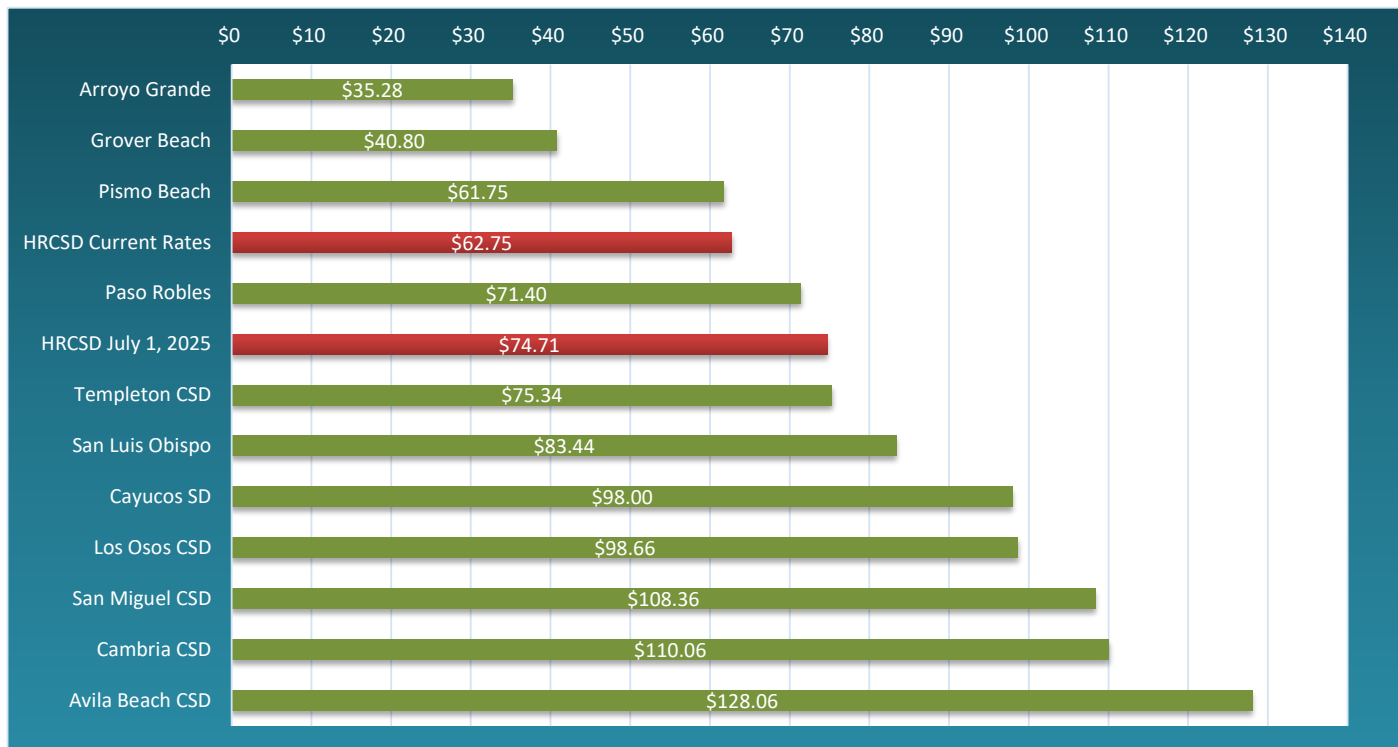
Written protest must be submitted to the HRCSD Secretary by the date of the hearing at 4:00 PM by:

1. Mail or delivery to the Heritage Ranch Community Services District Office at 4870 Heritage Road, Paso Robles, CA 93446.
2. Personally submitting the protest at the public hearing.

A protest may only be submitted by the record owner who signed the protest, or an individual authorized in writing by the record owner to submit the protest. That written authorization shall be provided to the HRCSD Secretary so the protest can be accepted from someone other than the person who signed it. Any challenges to the proposed sewer rate increases must be filed as validation suits within 120 days in compliance with SB 323, which added Section 53759 to the Government Code, and any other applicable laws.

### **Survey of Sewer Rates of Other San Luis Obispo County Agencies**

A survey of sewer rates for single family residential throughout San Luis Obispo County as of October 2024 is presented below. All agencies have different costs to produce the services, so rates vary. A key issue is that HRCSD is one of the smaller agencies that performs sewer collection, treatment, and disposal. Many agencies that perform these functions have larger populations and can spread out costs to many customers. HRCSD serves a small population in comparison and thus costs must be borne by fewer customers. The survey rates are reported as monthly for comparison purposes and show the proposed first year new rates for HRCSD. The survey reveals that the monthly median sewer rate of the agencies is \$82.83. The HRCSD proposed monthly sewer is \$74.71.





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

*January 16, 2025*

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

President Burgess called the meeting to order and led the flag salute.

**2. ROLL CALL**

Secretary Gelos called the roll.

Directors present: Dan Burgess, Michael Camou, and Mason Yaffee.

Directors absent: Bill Barker, Tom Swanson

Staff present: General Manager, Scott Duffield, District Engineer, Doug Groshart, and Operations Manager, Brian Vogel.

**3. APPOINTMENTS TO DISTRICT COMMITTEES**

There were no public comments.

Director Burgess made a motion to approve appointments to District Committees for 2025-2026 as follows:

Finance & Audit: Camou & Burgess

Operations & Engineering: Barker & Burgess

Personnel: Camou & Swanson

Safety: Swanson & Yaffee

Public Relations: Barker & Yaffee

WRRF (Ad-hoc): Barker & Yaffee

Director Yaffee seconded the motion. The motion passed by the following roll call vote:

Ayes: Burgess, Camou, Yaffee

Absent: Barker, Swanson

**4. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA**

There were no public comments.

**5. CONSENT ITEMS**

**a. Meeting Minutes:** Receive/approve minutes of regular meeting of December 19, 2024.

**b. Warrant Register:** Receive/approve December 2024 warrants.

- c. **Treasurer's Report:** Receive/file December 2024 report.
- d. **Treasurer's Report:** Receive/file 4<sup>th</sup> Quarter 2024 report.
- e. **Fiscal Report:** Receive/file December 2024 status report.
- f. **Office Report:** Receive/file December 2024 report.
- g. **District Engineer Report:** Receive/file January 2025 report.
- h. **Operations Manager Report:** Receive/file January 2025 report.
- i. **Updates regarding disinfection byproducts.**

There were no public comments.

Director Yaffee made a motion to approve all items as presented. Director Burgess seconded the motion. The motion passed unanimously.

## 6. BUSINESS ITEMS

- a. **Request to consider nominating a Director as a candidate for two Regular Special District seats on the San Luis Obispo Local Agency Formation Commission.**

There were no public comments.

There were no nominations.

- b. **Request to consider nominating a Director as a candidate for the Special District Representative seat on the San Luis Obispo County Integrated Waste Management Authority.**

There were no public comments.

There were no nominations.

## 7. GENERAL MANAGER REPORT

There were no public comments.

Report was received and filed.

## 8. COMMITTEE REPORTS

There were no public comments.

There were no committee reports.

## 9. FUTURE AGENDA ITEMS

There were no public comments.

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

## 10. ADJOURNMENT TO CLOSED SESSION

As per legal code, the Board was unable to go into closed session on this matter without Legal Counsel present.

Director Burgess made a motion to table this item at the next meeting. Director Yaffee seconded the motion. The motion passed unanimously.

## **11. ADJOURNMENT**

On a motion by Director Burgess and seconded by Director Camou the meeting adjourned at 4:43 pm to the next scheduled meeting on Thursday, February 20, 2025.

**APPROVED:**

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**Michael Camou, President  
Board of Directors**

**ATTEST:**

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**Kristen Gelos, Secretary  
Board of Directors**

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/3/2025	CALPERS HEALTH BENEFITS		
	CALPERS HEALTH BENEFITS	20,349.62	
	EMPLOYEE PAID HEALTH BENEFIT	933.67	
	EMPLOYEE PAID HEALTH BENEFIT	933.67	\$ 22,216.96
1/6/2025	STAPLES CREDIT PLAN		
	OFFICE SUPPLIES	64.09	
	OFFICE SUPPLIES	131.16	
	OFFICE SUPPLIES	49.49	\$ 244.74
1/6/2025	GREAT WESTERN ALARM		
	ALARM & ANSWERING SERVICE	316.32	\$ 316.32
1/6/2025	AT&T		
	TELEPHONE	90.92	\$ 90.92
1/6/2025	BLAKES INC		
	MAINTENANCE FIXED EQUIPMENT	5.92	\$ 5.92
1/6/2025	PG&E		
	ELECTRICITY	11,709.20	\$ 11,709.20
1/6/2025	USA BLUEBOOK		
	MAINTENANCE FIXED EQUIPMENT	762.05	
	MAINTENANCE FIXED EQUIPMENT	329.38	
	MAINTENANCE FIXED EQUIPMENT	744.32	\$ 1,835.75
1/6/2025	PASO ROBLES SAFE & LOCK		
	SUPPLIES	208.15	\$ 208.15
1/6/2025	FGL ENVIRONMENTAL		
	LAB TESTING	101.00	
	LAB TESTING	186.00	\$ 287.00
1/6/2025	SWRCB		
	LICENSES & PERMITS	881.00	\$ 881.00
1/6/2025	ROY ARNOLD		
	CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/6/2025	DELTA LIQUID ENERGY		
	PROPANE	380.13	
	PROPANE	183.74	\$ 563.87

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/6/2025	LAHR ELECTRIC MOTORS, INC MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT	5,508.21 6,892.30	\$ 12,400.51
1/6/2025	FLUID RESOURCE MANAGEMENT PROFESSIONAL SERVICES PROFESSIONAL SERVICES	670.00 625.00	\$ 1,295.00
1/6/2025	KRISTEN GELOS CELL PHONE/INTERNET ALLOWANCE MEDICAL REIMBURSEMENT	80.00 150.00	\$ 230.00
1/6/2025	TUCKFIELD & ASSOCIATES PROFESSIONAL SERVICES	3,197.48	\$ 3,197.48
1/6/2025	CORE & MAIN LP MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT PRV PROJECT PRV PROJECT	160.66 93.31 296.53 3,110.25 433.61	\$ 4,094.36
1/6/2025	DATA PROSE LLC JANUARY BILLING	1,504.14	\$ 1,504.14
1/6/2025	SCOTT DUFFIELD CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/6/2025	WESTERN EXTERMINATOR STRUCTURES & GROUNDS	125.00	\$ 125.00
1/6/2025	RIVAL TECHNOLOGY INC. PROFESSIONAL SERVICES COMPUTER / SOFTWARE WATER SCADA PROJECT PRO. SVCS / COMPUTER/SOFTWARE	909.36 130.00 1,567.98 1,249.83	\$ 3,857.17
1/6/2025	TABORDA SOLUTIONS COMPUTER/SOFTWARE	508.80	\$ 508.80
1/6/2025	MID-STATE REPAIR SERVICE VEHICLES VEHICLES	267.44 285.11	\$ 552.55

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/6/2025	BRIAN VOGEL CELL PHONE/INTERNET ALLOWANCE MEDICAN REIMBURSEMENTS	80.00 720.42	\$ 800.42
1/6/2025	TROY SHOGREN CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/6/2025	DOUGLAS GROSHART CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/6/2025	JORANDA MARKETING, INC. / JAN- STRUCTURES & GROUNDS	304.60	\$ 304.60
1/6/2025	SPEEDY COASTAL MESSENGER, INC. LAB TESTING	485.00	\$ 485.00
1/6/2025	JERED MARTY CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/6/2025	HYDROSCIENCE ENGINEERS INC WRRF PROJECT	178,349.50	\$ 178,349.50
1/6/2025	AUSTIN GRAY CELL PHONE/INTERNET ALLOWANCE TRAINING & TRAVEL/LIC & PERMIT TRAINING & TRAVEL	80.00 302.80 180.46	\$ 563.26
1/6/2025	JASON GULARTE CELL PHONE/INTERNET ALLOWANCE TRAINING & TRAVEL/LIC.&PERMITS	80.00 305.82	\$ 385.82
1/10/2025	R. ARNOLD NET PAYROLL	3,321.48	\$ 3,321.48
1/10/2025	T. SHOGREN NET PAYROLL	2,390.98	\$ 2,390.98
1/10/2025	J. MARTY NET PAYROLL	3,535.93	\$ 3,535.93
1/10/2025	A. GRAY NET PAYROLL	1,647.54	\$ 1,647.54



**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/10/2025	J. GULARTE NET PAYROLL	1,673.88	\$ 1,673.88
1/10/2025	K. GELOS NET PAYROLL	3,045.22	\$ 3,045.22
1/10/2025	D. BURGESS NET PAYROLL	92.35	\$ 92.35
1/10/2025	B. BARKER NET PAYROLL	92.35	\$ 92.35
1/10/2025	S. DUFFIELD NET PAYROLL	4,856.99	\$ 4,856.99
1/10/2025	B. VOGEL NET PAYROLL	3,015.99	\$ 3,015.99
1/10/2025	D. GROSHART NET PAYROLL	4,483.52	\$ 4,483.52
1/10/2025	M. CAMOU NET PAYROLL	92.35	\$ 92.35
1/10/2025	M. YAFFEE NET PAYROLL	92.35	\$ 92.35
1/10/2025	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FICA WITHIHOLDING MEDICARE	3,261.03 49.60 1,136.38	\$ 4,447.01
1/10/2025	EMPLOYMENT DEVELOPMENT DEPARTM ETT SDI SUI STATE WITHHOLDING	37.69 465.43 603.04 1,382.88	\$ 2,489.04
1/10/2025	PERS RETIREMENT PEPR SURVIVOR BENEFIT	2,635.67 8.37	\$ 7,967.32

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/10/2025	CALPERS RETIREMENT SYSTEM CALPERS UNIFORM ALLOWANCE PERS-IRC 457 CONTRIBUTIONS PERS-IRC 457 CONTRIBUTIONS PERS RETIREMENT PERS RETIREMENT TIER 2	10.51 320.00 1,173.08 1,763.13 2,056.56	
1/19/2025	J.B. DEWAR. INC. FUEL & OIL	809.62	\$ 809.62
1/21/2025	PG&E ELECTRICITY	4,314.37	\$ 4,314.37
1/22/2025	AT&T TELEPHONE	89.20	\$ 89.20
1/22/2025	KRITZ EXCAVATING & TRUCKING, I STRUCTURES & GROUNDS	1,193.48	\$ 1,193.48
1/22/2025	BRENNTAG PACIFIC, INC CHEMICALS CHEMICALS	4,946.42 4,722.32	\$ 9,668.74
1/22/2025	TYLER TECHNOLOGIES PROFESSIONAL SERVICES	35.20	\$ 35.20
1/22/2025	COUNTY OF SAN LUIS OBISPO PROFESSIONAL SERVICES	956.30	\$ 956.30
1/22/2025	ROY ARNOLD CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	NAPA AUTO PARTS MAINTENANCE FIXED EQUIPMENT	50.89	\$ 50.89
1/22/2025	ABALONE COAST ANALYTICAL, INC. LAB TESTING LAB TESTING	3,116.00 2,846.00	\$ 5,962.00
1/22/2025	KRISTEN GELOS CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	RINCON CONSULTANTS, INC.		

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
	WRRF PROJECT	25,416.79	\$ 25,416.79
1/22/2025	BURT INDUSTRIAL SUPPLY MAINTENANCE FIXED EQUIPMENT	12.25	\$ 12.25
1/22/2025	SCOTT DUFFIELD CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	MID-STATE REPAIR SERVICE VEHICLES	607.80	\$ 607.80
1/22/2025	BRIAN VOGEL CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	TROY SHOGREN CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	DOUGLAS GROSHART CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	HARBOR FREIGHT STRUCTURES & GROUNDS	52.19	\$ 52.19
1/22/2025	JERED MARTY CELL PHONE/INTERNET ALLOWANCE UNIFORM ALLOWANCE	80.00 65.21	\$ 145.21
1/22/2025	HYDROSCIENCE ENGINEERS INC WRRF PROJECT	127,956.25	\$ 127,956.25
1/22/2025	THE JAM LAW GROUP LEGAL & ATTORNEY LEGAL & ATTORNEY	3,543.20 1,139.50	\$ 4,682.70
1/22/2025	AUSTIN GRAY CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	JASON GULARTE CELL PHONE/INTERNET ALLOWANCE	80.00	\$ 80.00
1/22/2025	AMERICAN WATER WORKS ASSOCIATI TRAINING & TRAVEL	95.39	\$ 95.39

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/22/2025	STAPLES CREDIT PLAN OFFICE SUPPLIES	56.59	\$ 56.59
1/22/2025	CHARTER COMMUNICATIONS INTERNET	230.23	\$ 230.23
1/22/2025	SHERWIN WILLIAMS CHEMICALS	23.65	\$ 23.65
1/22/2025	ZORO SUPPLIES	165.38	\$ 165.38
1/22/2025	LOWE'S STRUCTURES & GROUNDS	219.09	\$ 219.09
1/22/2025	RING CENTRAL TELEPHONE	297.49	\$ 297.49
1/22/2025	AMAZON COMPUTER/SOFTWARE COMPUTER/SOFTWARE	146.88 31.42	\$ 178.30
1/22/2025	STARLINK INTERNET	250.00	\$ 250.00
1/24/2025	CALPERS RETIREMENT SYSTEM PERS UNFUNDED LIABILITY	10,325.42	\$ 10,325.42
1/24/2025	R. ARNOLD NET PAYROLL	2,992.97	\$ 2,992.97
1/24/2025	T. SHOGREN NET PAYROLL	2,986.71	\$ 2,986.71
1/24/2025	J. MARTY NET PAYROLL	2,023.99	\$ 2,023.99
1/24/2025	A. GRAY NET PAYROLL	1,647.54	\$ 1,647.54
1/24/2025	J. GULARTE NET PAYROLL	1,904.09	\$ 1,904.09

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
WARRANT REGISTER  
JANUARY 2025**

<b>DATE</b>	<b>NAME OF PAYEE</b>	<b>ITEM AMOUNT</b>	<b>WARRANT AMOUNT</b>
1/24/2025	K. GELOS NET PAYROLL	3,045.22	\$ 3,045.22
1/24/2025	S. DUFFIELD NET PAYROLL	4,680.65	\$ 4,680.65
1/24/2025	B. VOGEL NET PAYROLL	3,015.99	\$ 3,015.99
1/24/2025	D. GROSHART NET PAYROLL	4,483.52	\$ 4,483.52
1/24/2025	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES MEDICARE	3,074.55 1,080.12	\$ 4,154.67
1/24/2025	EMPLOYMENT DEVELOPMENT DEPARTM ETT SDI SUI STATE WITHHOLDING	20.01 446.94 320.32 1,240.78	\$ 2,028.05
1/24/2025	CALPERS RETIREMENT SYSTEM PERS-IRC 457 CONTRIBUTIONS PERS-IRC 457 CONTRIBUTIONS PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	320.00 1,193.07 1,763.14 2,056.56 2,635.67 8.37	\$ 7,976.81
<b>TOTAL ALL WARRANTS</b>			<b>\$ 526,032.48</b>

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2024/25 Budget**

<b>OPERATING REVENUE</b>	<b>Budget FY 24/25</b>	<b>Actual January</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Water Fees	1,563,732	116,951	1,050,801	67%	
Sewer Fees	1,240,328	92,783	648,383	52%	
Hook-Up Fees	2,400	0	0	0%	
Turn on Fees	3,500	100	950	27%	
Late Fees	18,860	-51	18,165	96%	Fluctuates based on activity
Plan Check & Inspection	1,600	0	0	0%	
Miscellaneous Income	500	5,544	7,434	1487%	
<b>TOTAL OPERATING</b>	<b>\$2,830,920</b>	<b>\$215,327</b>	<b>\$1,725,732</b>	<b>61%</b>	

<b>FRANCHISE REVENUE</b>					
Solid Waste Franchise Fees	91,802	8,086	57,145	62%	
<b>TOTAL FRANCHISE</b>	<b>\$91,802</b>	<b>\$8,086</b>	<b>\$57,145</b>	<b>62%</b>	

**TOTAL OPERATING**    \$2,922,722    \$223,413    \$1,782,876    61%

<b>NON-OPERATING REVENUE</b>					
Standby Charges	242,200	78,861	133,594	55%	
Property Tax	475,629	148,714	281,579	59%	
Interest	80,000	18,410	168,909	211%	Fluctuates based on activity
Connection Fees	28,232	0	0	0%	
<b>TOTAL NON-OPERATING</b>	<b>\$826,061</b>	<b>\$245,985</b>	<b>\$584,081</b>	<b>71%</b>	

<b>RESERVE REVENUE</b>					
Capital Reserves	503,165	116,605	245,050	49%	
Operating Reserves	1,847,553	220,230	498,336	27%	
<b>TOTAL RESERVE</b>	<b>\$2,350,718</b>	<b>\$336,834</b>	<b>\$743,385</b>	<b>32%</b>	

**TOTAL NON-OPERATING**    \$3,176,779    \$582,819    \$1,327,467    42%

<b>TOTAL ALL REVENUE</b>	<b>\$6,099,501</b>	<b>\$806,232</b>	<b>\$3,110,343</b>	<b>51%</b>	
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET**  
**2024/25 Budget**

**OPERATING EXPENSES**

<b>SALARIES AND BENEFITS</b>	<b>Budget FY 24/25</b>	<b>Actual January</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Salaries	1,045,010	73,396	522,737	50%	
Health Insurance	229,690	16,566	103,429	45%	
Health Insurance - Retirees	55,521	4,839	28,874	52%	
Pers Retirement	185,667	17,832	130,801	70%	
OPEB Funding/Transfer	35,000	0	0	0%	
Standby	34,380	2,368	15,497	45%	
Overtime	7,184	370	2,605	36%	
Workers Comp. Ins.	28,151	0	2,003	7%	
Directors' Fees	36,000	400	3,800	11%	
Medicare/FICA	15,675	1,133	8,412	54%	
Car Allowance	3,000	250	1,750	58%	
SUI/ETT	1,000	444	455	45%	
Uniforms	8,100	65	4,617	57%	
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>\$1,684,378</b>	<b>\$117,663</b>	<b>\$824,980</b>	<b>49%</b>	

**UTILITIES**

Electricity	134,433	16,024	107,125	80%	
Propane	1,586	564	837	53%	
Water Purchase	28,600	0	28,600	100%	Paid Semiannually
Telephone/Internet	13,313	2,398	9,683	73%	
<b>TOTAL UTILITIES</b>	<b>\$177,932</b>	<b>\$18,985</b>	<b>\$146,245</b>	<b>82%</b>	

**MAINTENANCE & SUPPLIES**

Chemicals	85,446	9,692	48,667	57%	
Computer/Software	36,666	905	7,098	19%	
Equip. Rental/Lease	2,704	0	1,895	70%	
Fixed Equip.	202,259	14,856	130,580	65%	
Fuel & Oil	16,224	810	8,518	53%	
Lab Testing	63,814	6,734	31,139	49%	
Office Supplies	1,622	301	887	55%	
Parks & Recreation	0	0	0	0%	
Struct./Grnds.	16,159	1,894	5,417	34%	
Small Tools/Equip.	3,245	0	58	2%	
Supplies	4,867	374	2,432	50%	
Meters/Equip.	12,979	0	8,492	65%	
Vehicles	6,490	1,160	3,771	58%	
<b>TOTAL MAINT. &amp; SUP.</b>	<b>\$452,475</b>	<b>\$36,727</b>	<b>\$248,952</b>	<b>55%</b>	

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET  
2024/25 Budget**

<b>GENERAL &amp; ADMINISTRATION</b>	<b>Budget FY 24/25</b>	<b>Actual January</b>	<b>Actual Year to Date</b>	<b>Percentage Year to Date</b>	<b>Variance Explanation</b>
Ads./Advertising	1,560	0	421	27%	Fluctuates based on activity
Alarm/Answering Service	4,327	316	2,305	53%	
Audit	10,400	0	9,685	93%	
Bank Charges/Fees	0	0	0	0%	
Consulting/Engineering	10,000	0	0	0%	
Dues/Subscription	10,816	0	11,436	106%	
Elections	10,000	0	0	0%	
Insurance	44,738	0	43,427	97%	Paid Annually
LAFCO	8,162	0	8,361	102%	Paid Annually
Legal/Attorney	26,000	4,683	17,535	67%	
Licenses/Permits	31,367	1,121	7,261	23%	
Plan Check & Inspection	1,600	0	0	0%	
Postage/Billing	16,224	1,504	10,973	68%	
Professional Service	96,587	7,555	32,542	34%	
Tax Collection	6,542	0	0	0%	
Staff Training & Travel	12,980	644	7,769	60%	
Board Training & Travel	1,040	0	0	0%	
<b>TOTAL G &amp; A</b>	<b>\$292,343</b>	<b>\$15,823</b>	<b>\$151,717</b>	<b>52%</b>	

**CAPITAL PROJECTS & EQUIPMENT**

Structures/Improvements	2,285,718	336,834	743,385	33%	
Equipment	65,000	0	0	0%	
<b>TOTAL CAPITAL EXPENSE</b>	<b>\$2,350,718</b>	<b>336,834</b>	<b>743,385</b>	<b>32%</b>	

**DEBT**

State Loan Payment	103,628	0	51,814	50%	paid semiannually
State Loan Payment Phase II	58,740	0	29,369	50%	paid semiannually
Western Alliance Lease-PVS	152,857	0	76,869	50%	paid semiannually
<b>TOTAL DEBT</b>	<b>\$315,225</b>	<b>\$0</b>	<b>\$158,052</b>		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$168,000	58%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

<b>TOTAL EXPENSE</b>	<b>\$5,561,071</b>	<b>\$550,032</b>	<b>\$2,441,332</b>	<b>44%</b>	
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CAPACITY CHARGES TRANSFER      \$28,232                      \$0                      \$0                      0%

SOLID WASTE FEES TRANSFER      \$23,285                      \$3,674                      \$14,496                      62%

<b>FUND TOTAL</b>	<b>\$486,913</b>	<b>\$252,526</b>	<b>\$654,515</b>		
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
TREASURER'S REPORT  
JANUARY 2025**

**SUMMARY REPORT OF ALL ACCOUNTS**

Beginning Balance:	\$ 4,605,051
Ending Balance:	\$ 4,565,981
Variance:	\$ (39,070)
Interest Earnings for the Month Reported:	\$ 1,397
Interest Earnings Fiscal Year-to-Date:	\$ 164,148

**ANALYSIS OF REVENUES**

Total operating income for water and sewer was:	\$ 235,386
Non-operating income was:	\$ 7,083
Franchise fees paid to the District by San Miguel Garbage was:	\$ 9,193
Interest earnings for the LAIF account was:	\$ 2,926
Interest earnings for the California CLASS account was:	\$ 14,358
Interest earnings for the Five Star Bank checking account was:	\$ 26
Interest earnings for the Five Star Bank DWR Loan Services account was:	\$ 105
Interest earnings for the Five Star Bank DWR Reserve account was:	\$ 466
Interest earnings for the Mechanics Bank money market account was:	\$ 0

**ANALYSIS OF EXPENSES**

Five Star Bank checking account total warrants, fees, and Electronic Fund Transfers was:	\$ 125,033
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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  
JANUARY 2025**

**BEGINNING BALANCE ALL ACCOUNTS** **\$4,605,050.54**

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

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

<b>BEGINNING BALANCE 12/31/2024</b>	27,751.05	
QUARTERLY DEPOSIT	-	
INTEREST EARNED	104.96	
SEMI-ANNUAL PAYMENT	-	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 27,856.01</b>

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**FIVE STAR BANK DWR RESERVE ACCOUNT**

<b>BEGINNING BALANCE 12/31/2024</b>	123,175.33	
INTEREST EARNED	465.87	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 123,641.20</b>

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**FIVE STAR BANK SDWSRF LOAN SERVICES ACCOUNT**

<b>BEGINNING BALANCE 12/31/2024</b>	1,413.19	
QUARTERLY DEPOSIT	-	
INTEREST EARNED	5.34	
SEMI-ANNUAL PAYMENT	-	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 1,418.53</b>

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**FIVE STAR BANK SDWSRF RESERVE ACCOUNT**

<b>BEGINNING BALANCE 12/31/2024</b>	63,741.84	
INTEREST EARNED	241.08	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 63,982.92</b>

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**MECHANICS BANK MONEY MARKET ACCOUNT**

<b>BEGINNING BALANCE 12/31/2024</b>	14,734.92	
DEPOSIT REVENUE - CASH	-	
INTEREST EARNED	0.08	
REVENUE TRANSFER <i>To Five Star Checking</i>	(10,734.92)	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 4,000.08</b>

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**FIVE STAR BANK - MONEY MARKET**

<b>BEGINNING BALANCE 12/31/2024</b>	175,278.11	
INTEREST EARNED	282.91	
REVENUE TRANSFER <i>To Five Star Checking</i>	(120,000.00)	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 55,561.02</b>

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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT  
STATUS REPORT FOR ALL ACCOUNTS  
JANUARY 2025**

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**FIVE STAR BANK - CHECKING**

<b>BEGINNING BALANCE 12/31/2024</b>	125,032.91	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	599,577.42	
INTEREST EARNED	25.83	
TOTAL CHECKS, FEES AND EFT'S	(526,321.89)	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 198,314.27</b>

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**LOCAL AGENCY INVESTMENT FUND (LAIF)**

<b>BEGINNING BALANCE 12/31/2024</b>	252,258.58	
INTEREST EARNED	2,925.53	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$ 255,184.11</b>

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**CALIFORNIA CLASS**

<b>BEGINNING BALANCE 12/31/2024</b>	3,821,364.61	
INTEREST EARNED	14,358.29	
<b>ENDING BALANCE 1/31/2025</b>		<b>\$3,835,722.90</b>

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<b>ENDING BALANCE ALL ACCOUNTS</b>		<b>\$4,565,981.04</b>
<b>DIFFERENCE FROM LAST MONTH</b>	<b>Decrease</b>	<b>\$ (39,069.50)</b>

# HERITAGE RANCH COMMUNITY SERVICES DISTRICT OFFICE REPORT

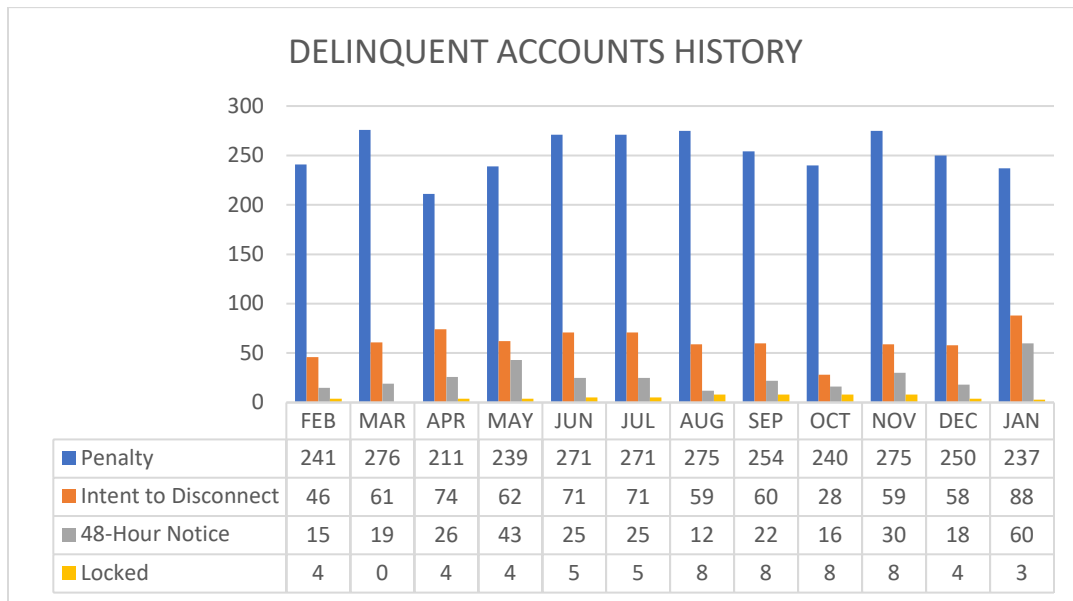
**JANUARY 2025**

## Utility Billing

- On February 1<sup>st</sup>, 1,938 bills were processed for a total dollar amount of \$249,695 for water and sewer user fees for the month of January.

The table below reflects the following data over a twelve-month period:

- Number of late penalties posted for bills that were due by January 25<sup>th</sup>
- Intent To Disconnect letters mailed to customers that were more than 60 days delinquent
- 48-hour notices issued
- Number of meters locked off for non-payment



## Customer Service Orders

- Staff completed the following service orders for the month:

Occupant Change	11	Unlock Meter	8
Locked Meter	3	Call Out	1

## Administration

- Nothing significant to report.

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### District Engineer Report For the Month of February 2025

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

#### Operations Support

- Working with Operations Staff re:
  - GAC project operation

#### Capital Improvement Projects

Projects / equipment replacement budgeted for this fiscal year and their status:  
(Note: projects are listed in the order shown on the Capital and Equipment Budget spreadsheet)

- WRF Upgrade Project: – Continuing to work with the General Manager and the design engineer.
- Lift Station 1-5 rehabilitation design phase: This project was not worked on this month as other projects (Vertical Intake, DBP related project, Telemetry and SCADA) had more pressing needs.
- Water System SCADA Upgrade / Telemetry: Water System SCADA portion is complete. Telemetry project is designed, all equipment is onsite and installation is 95% complete with an estimated completion by the end of February.
- GAC System (Pilot Study): See DBP-related project for ongoing updates regarding GAC.
- Pressure Reducing Valves (Waterview/Equestrian): Lower Waterview PRV was installed by Raminha during the weeks of 2/3/25 and 2/10/25. The new station will be put online the week of 2/17/25. Equestrian PRV is next with scheduling of installation of insertion valves in progress.
- Raw Water Vertical Intake No. 2: All American Drilling completed the installation and required testing on 1/24/25. Staff is awaiting the final report from AAD and CHG. Draft reports should be available the week of 2/17/25.

Staff continues work on the design for Phase 2. We will take the information from the final well report and use it to finalize the design. This approach will allow for progression from Phase 1 to Phase 2 to take place quickly.

- DBP Project: Your board authorized Staff to begin design (with consultant) of a permanent GAC installation. Staff has begun reaching out to consultants and will provide updates at the Board.
- Wastewater Collection System SCADA Upgrade: SPICE has begun work on the wastewater collection system (Lift Station) SCADA upgrade. Installation was paused for the completion of the telemetry installation. Once telemetry is complete, WW SCADA will continue. Estimated completion is end of March 2025.
- Wastewater collection system model & I/I: Staff reviewed videos and manhole inspections. Coordinated with HROA to remove two area drains at the Maintenance Yard that were connected to the wastewater collection system.
- Pump Station Covers (design): Work has not begun on this project.
- Electric Gate at Corp Yard: Work has not begun on this project.

### Additional Tasks

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

Project Name	Original CIP Budget	FY 24/25 Budget	Design Status	Estimated Design Completion	Construction Status	Estimated Construction Completion
WRF Upgrade Project		\$755,035	Ongoing	1/31/2025	Not Started	Before 9/2027
Lift Station 1-5 Rehab		\$200,000	Ongoing	3/31/2025	Not Started	TBD
Water System SCADA Upgrade (Telemetry)	\$300,000	\$168,415	Complete	Complete	Ongoing	2/28/2025
GAC System (Pilot Study)		\$39,480	Complete	Complete	N/A	N/A
Pressure Reducing Valves (Waterview, Equestrian)	\$175,000	\$163,070	Complete	Complete	Authorized to begin 8/24	Lower Waterview - Completed 2/14/25 Equestrian - 06/30/25
Raw Water Vertical Intake No. 2	\$225,000	\$219,718	Ongoing	Ph. 1 - Complete Ph. 2 - 3/31/25	Ph. 1 - Complete Ph. 2 - TBD	Ph. 1 - Completed 1/27/25 Ph. 2 - TBD (06/30/25 est.)
DBP Project		\$400,000	Ongoing	5/1/2025	Not Started	TBD
Wastewater Collection System SCADA Upgrade	\$200,000	\$200,000	Complete	Complete	Ongoing	3/31/2025
Wastewater Collection System Model & I/I		\$75,000	N/A	N/A	TBD	TBD
Pump Station Covers (design)		\$15,000	Not Started	TBD	Not Started	TBD
Electric Gate at Corp Yard		\$50,000	Not Started	TBD	Not Started	TBD

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### Operations Report For the Month of February 2025

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

#### Water treatment

- Produced 8.14 million gallons of treated water.
- Pressure washed filters 1-4 to remove accumulated Floc and algae.
- Changed oil on pumps at Pressure station 3.
- Continued to remove accumulated sludge at wash water recovery pond 1.
- Performed weekly calibrations on Turbidimeters.
- Collected Monthly DBP sample.

#### Water distribution

- Repaired (3) service line leaks at Pretty Doe, Tumbleweed and Cruise circle.
- Raminha construction completed installation of new pressure reducing valves located on lower Waterview.
- Spice integration began programming work at Pump station 6 to try and get Pump number 2 working again. Progress was made and we should be able to get it back online soon.
- Staff performed generator maintenance checks and routine startups.
- Repaired old leak site on Pretty doe, original hole had sunk.
- Flushed multiple fire hydrants throughout the ranch to improve water quality and increase the chlorine residual.
- Performed all water quality labs.
- Collected all state required Bac T samples.

#### Wastewater collection

- Jetted line on Gateway drive. Rocks had infiltrated and blocked our sewer main. Staff had to call Fluid Resource Management to perform major jetting. The issue was resolved, and no blockages have been seen since.
- Back flushed pumps at Lift station 5
- Rewired grounding wires and neutral lines at Lift station 9.
- Removed accumulated debris in our sewer main on Equestrian rd.
- Performed monthly lift station checks.

#### Wastewater treatment

- Treated 3.42 million gallons of wastewater.

- Collected all state required Bac T samples along with BOD samples.
- Turned down aerator on pond 2 to fight Algal Bloom.
- Replaced Pond liner on west side of pond 1. Patched smaller holes as well.

#### Vehicles and equipment

- Repainted Gasoline and Deisel tanks at shop along with numerous other cabinets.

\* \* \*



## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager  
Doug Groshart, District Engineer

**DATE:** February 20, 2025

**SUBJECT:** Discussion and direction regarding disinfection byproducts.

#### **Background**

The District water system was exceeding the maximum contaminant level for haloacetic acids, a disinfection byproduct. Your Board has been updated regularly on this issue.

#### **Discussion**

##### **Sample data**

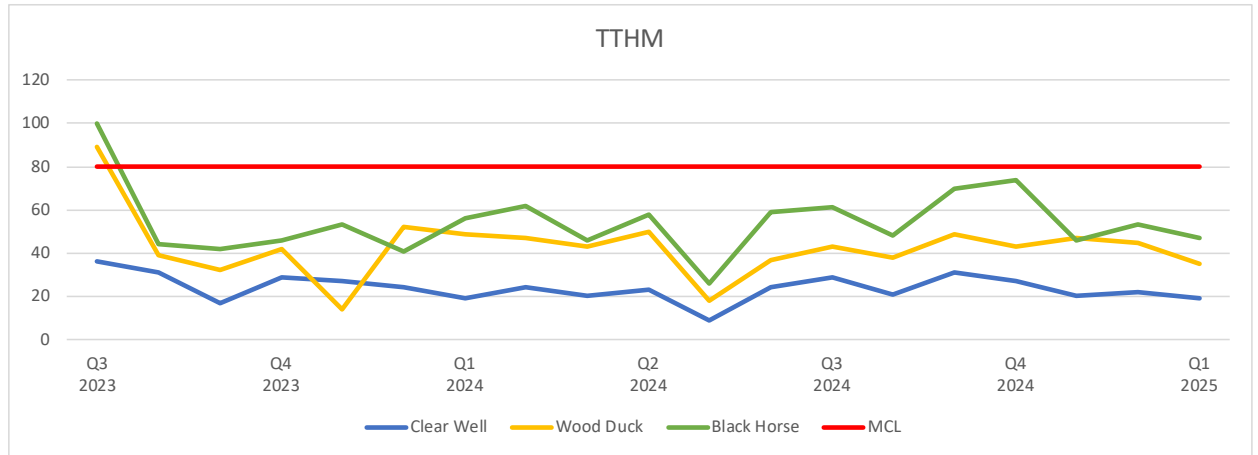
The sample data for haloacetic acids (HAA5) over the last several quarters is shown below. This data is for individual samples. The maximum contaminant level for HAA5 is 60 parts per billion (ppb). In the table below, "Vintake TOC" is the TOC level of the water from the vertical intake; "RW TOC" is the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

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

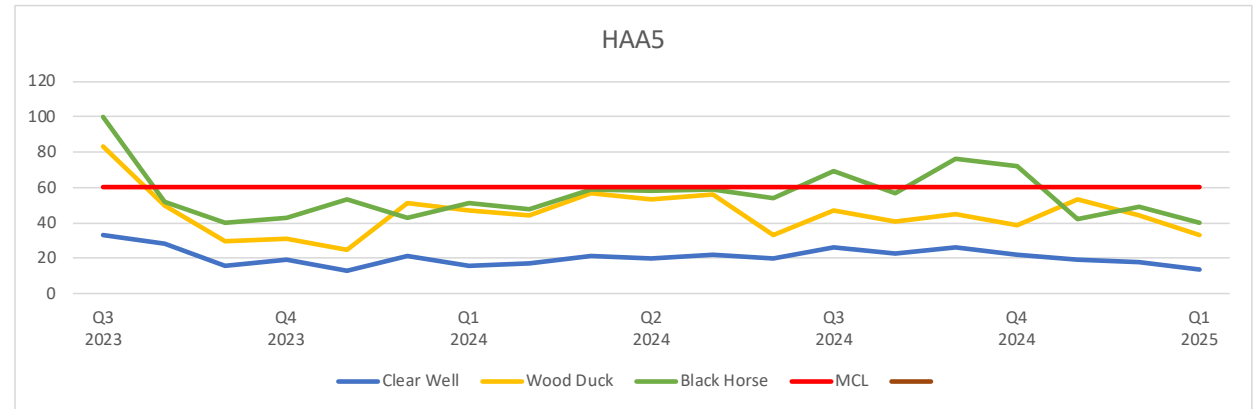
The most recent LRAA (as of December 20, 2024) for HAA5 is 57.83 ppb at the Black Horse Lane location and 46.55 ppb at the Wood Duck Lane location; both under the MCL.

Results for individual months at both locations can be seen in the following tables and graphs.

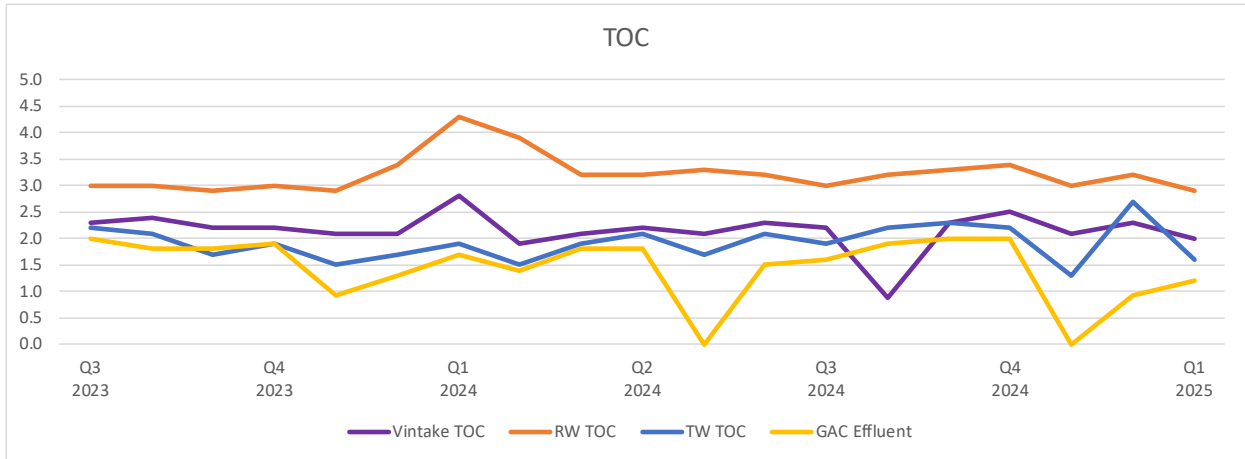
TTHM	Q3 2023			Q4 2023			Q1 2024			Q2 2024			Q3 2024			Q4 2024			Q1 2025		
Clear Well	36	31	17	29	27	24	19	24	20	23	9	24	29	21	31	27	20	22	19		
Wood Duck	89	39	32	42	14	52	49	47	43	50	18	37	43	38	49	43	47	45	35		
Black Horse	100	44	42	46	53	41	56	62	46	58	26	59	61	48	70	74	46	53	47		
MCL	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80



HAA5	Q3 2023			Q4 2023			Q1 2024			Q2 2024			Q3 2024			Q4 2024			Q1 2025		
Clear Well	33	28	16	19	13	21	16	17	21	20	22	20	26	23	26	22	19	18	14		
Wood Duck	83	50	30	31	25	51	47	44	57	53	56	33	47	41	45	39	53	44	33		
Black Horse	100	52	40	43	53	43	51	48	59	58	59	54	69	57	76	72	42	49	40		
MCL	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60



TOC	Q3 2023			Q4 2023			Q1 2024			Q2 2024			Q3 2024			Q4 2024			Q1 2025		
Vintake TOC	2.3	2.4	2.2	2.2	2.1	2.1	2.8	1.9	2.1	2.2	2.1	2.3	2.2	0.9	2.3	2.5	2.1	2.3	2.0		
RW TOC	3.0	3.0	2.9	3.0	2.9	3.4	4.3	3.9	3.2	3.2	3.3	3.2	3.0	3.2	3.3	3.4	3.0	3.2	2.9		
TW TOC	2.2	2.1	1.7	1.9	1.5	1.7	1.9	1.5	1.9	2.1	1.7	2.1	1.9	2.2	2.3	2.2	1.3	2.7	1.6		
GAC Effluent	2.0	1.8	1.8	1.9	0.9	1.3	1.7	1.4	1.8	1.8	ND	1.5	1.6	1.9	2.0	2.0	ND	0.9	1.2		



### Operations and project updates

The Operations staff has made no major operational changes to the water treatment process since last month's report.

As of February 13th, 90 days since the new ones were placed online, the GAC vessels were still removing 75% of the organics from the flow being sent to them (approximately 150 gpm or 25% of the total flow.) With the previous batch, at 90 days we were removing less than 30% of the organics. This was on August 4, 2024, however, where we had much higher demand.

For updates regarding the GAC project and Vertical Intake No. 2, please refer to this month's District Engineer Report.

File: OPERATIONS\_DBP

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### MEMORANDUM

**TO:** Board of Directors

**FROM:** Scott Duffield, General Manager

**DATE:** February 20, 2025

**SUBJECT:** Request to nominate the General Manager for the CSDA Board of Directors.

#### **Recommendation**

It is recommended that the Board of Directors nominate the General Manager for the CSDA Board of Directors.

#### **Background**

The California Special District Association (CSDA) is one of the most important organizations / associations that we belong to.

The CSDA is a 501c(6), not-for-profit association that was formed in 1969 to promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts.

For fifty years, CSDA has been offering its members cost-efficient programs and representation at the State Capitol and boasts a membership of over 1,300 organizations throughout California. It is the only statewide association representing all types of independent special districts including irrigation, water, park and recreation, cemetery, fire, police protection, library, utility, harbor, healthcare, and community services districts just to name a few.

CSDA provides education and training, insurance programs, legal advice, industry-wide litigation and public relations support, legislative advocacy, capital improvement and equipment funding, collateral design services, and, most importantly, current information that is crucial to special districts management, and operational effectiveness.

#### **Discussion**

The California Special Districts Association Elections and Bylaws Committee is looking for independent special district board members or their general managers who are interested in leading the direction of CSDA for the 2026 - 2028 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network that they seek to represent.

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education, and resources. The CSDA Board of Directors is crucial to the operation of the association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

#### Commitment and Expectations:

- Attend all board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento. (CSDA reimburses directors for their related expenses for board and committee meetings.)
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the summer/fall. (CSDA does not reimburse travel-related expenses for the two conferences; however, it does comp registration for the two events.)
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected. (CSDA does not reimburse expenses for the academy classes.)

#### Nomination Procedures:

Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee for election to the CSDA Board of Directors. A copy of the member district's resolution or minute action along with the Candidate Information Sheet must accompany the Nomination Form.

The General Manager was nominated by your Board last year and is currently on the CSDA Board of Directors for the remainder of 2025. It is requested that your Board nominate the General Manager for a second, and full term of 2026-2028.

The deadline for receiving nominations and supporting documentation is April 11, 2025.

#### Fiscal Considerations

CSDA reimburses directors for their related expenses for board and committee meetings. The District Budget provides for travel to the other two events described above.

## **Results**

The General Manager is interested in continuing the opportunity to be involved in the California Special District Association, further build relationships, and to share knowledge and experiences with all special districts.

Attachments: Nomination Form

File: CSDA



**California Special  
Districts Association**  
*Districts Stronger Together*

**2026-2028 TERM BOARD OF DIRECTORS NOMINATION FORM**

**Name of Candidate:** \_\_\_\_\_

**District:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

\_\_\_\_\_

**Network:** \_\_\_\_\_ (see map)

**Telephone:** \_\_\_\_\_

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

**Fax:** \_\_\_\_\_

**E-mail:** \_\_\_\_\_

**Nominated by (optional):** \_\_\_\_\_

**Return this form, a Board resolution/minute action supporting the candidate, and Candidate Information Sheet by mail or email to:**

CSDA  
Attn: Amber Phelen  
1112 I Street, Suite 200  
Sacramento, CA 95814  
(877) 924-2732

amberp@csda.net

***DEADLINE FOR RECEIVING NOMINATIONS:***

**Northern Network - Extended due to vacancy: April 21, 2025 at 5:00 p.m.**

**All other networks: April 11, 2025 at 5:00 p.m.**

## HERITAGE RANCH COMMUNITY SERVICES DISTRICT

### General Manager Report For the Month of February 2025

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

#### Administration

- Participated in the CSDA Board January meeting.
- Participated in a reception hosted by Nipomo Community Services District to recognize their 60<sup>th</sup> anniversary of being a special district.
- Participated in the CSDA SLO County Chapter quarterly meeting.
- Attended the CSDA Santa Barbara County Chapter quarterly meeting.
- Participated in the CSDA General Managers February meeting.
- Participated in the San Luis Obispo County Water Resource Advisory Committee February meeting.
- Participated in the CSDA Member Services Committee and Professional Services Committee February meetings.
- Attended the Heritage Village Seniors Board of Directors February meeting.
- Provided information to San Luis Obispo County Office of Emergency Services and continue to participate in the Multi-Jurisdictional Hazard Mitigation Planning Committee.

#### Solid Waste

- Participated in the IWMA Local Task Force February meeting.

#### WRRF Project

- The engineer prepared and submitted an updated alternatives analysis to and as requested by USDA. This analysis is intended to be incorporated into and will be a section of the preliminary engineering report (PER). At the time of preparation of this report USDA has not provided any comments or responded.
- The environmental consultant has been corresponding with USDA on a couple of occasions related to Tribe consultations. Staff has requested that USDA allow us to communicate directly with the USDA environmental staff to facilitate the USDA requests related to environmental issues. At the time of preparation of this report USDA has not responded.
- The engineer is working on the 100%-design plans and specifications. Their electrical engineer has visited the site to better understand and respond to PG&E questions regarding that application.



- The WRRF Ad-hoc Committee met with a consultant firm that provides grant and advocacy services. A verbal report will be given under the Committee Reports item.

### Reservoir Status

- As reported by Monterey County Water Resources Agency (MCWRA), as of February 11, 2025, the reservoir was at approximately 766.7 feet in elevation, 57% of capacity, and 213,520-acre feet of storage. MCWRA water releases were shown as 60 cfs.

