



HERITAGE RANCH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS' SPECIAL MEETING
Minutes of August 12, 2021

1. 2:00 PM OPEN SESSION / CALL TO ORDER / FLAG SALUTE

Vice President Cousineau called the meeting to order at 2:00 pm and led the flag salute.

2. ROLL CALL

Manager Duffield called the roll. Director Capps was absent. All other Directors were present.

Staff present: General Manager Scott Duffield, District Engineer Steve Tanaka.

3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

There were no comments.

4. DISCUSSION ITEMS

- a. Request to receive presentations from and interview consultants that submitted Statement of Qualifications/Proposals (SOQ/P) for the Water Reclamation Facility Upgrade Design; and consider selecting a consultant based on qualifications and authorize the General Manager to negotiate and execute an agreement for professional services.

The Board received presentations from and interviewed consultants.

There were no public comments.

Director Barker made a motion to select Water Systems Consulting, Inc. (WSC) for design consulting services for the Water Reclamation Facility Upgrade Project and authorize the General Manager to negotiate and execute an agreement for professional services. Director Burgess seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

7. ADJOURNMENT

On a motion by Director Cousineau and seconded by Director Burgess the meeting adjourned at 6:43 pm to the next scheduled regular meeting on Thursday, August 19, 2021.

APPROVED:

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

ATTEST:

**Scott Duffield
General Manager**



HERITAGE RANCH COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS' SPECIAL MEETING
Minutes of August 19, 2021

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

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

2. ROLL CALL

Manager Duffield called the role. Director Burgess and Director Capps were absent. All other Directors were present.

Staff present: General Manager Scott Duffield and Operations Manager Mike Wilcox.

3. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

There were no comments.

4. CONSENT ITEMS

- a. **Meeting Minutes:** Receive/approve minutes of regular meeting of July 15, 2021.
- b. **Warrant Register:** Receive/approve July 2021 warrants.
- c. **Treasurer's Report:** Receive/file July 2021 Report
- d. **Fiscal Report:** Receive/file July 2021 status report.
- e. **Office Report:** Receive/file July 2021 report.

Staff answered any questions the Board had. There were no public comments. Director Barker made a motion to approve all consent items as presented. Director Rowley seconded the motion. The motion passed by the following voice vote:

Ayes: Barker, Cousineau, Rowley

Absent: Burgess, Capps

5. DISCUSSION ITEMS

- a. **Request to approve the introduction and first reading of an Ordinance revision by title only amending Chapter 2 Section 2.050 Compensation and Expenses, and set a public hearing for September 16, 2021 for final adoption.**

Director Burgess arrived at the start of this item.

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

There were no public comments.

Director Burgess made a motion to approve the introduction and first reading of an Ordinance revision by title only amending Chapter 2 Section 2.050 Compensation and Expenses and set a public hearing for September 16, 2021 for final adoption. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

b. Request to consider approval of Resolution 21-08 amending Resolution 21-07 regarding implementation of the Emergency Water Shortage Regulations and Staged Water Use Reduction Plan.

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

There were no public comments.

Director Rowley made a motion to approve Resolution 21-08 amending Resolution 21-07 regarding implementation of the Emergency Water Shortage Regulations and Staged Water Use Reduction Plan. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

c. Request to approve the purchase a Ford F550 cab and chassis from National Auto Fleet Group, and a service body with crane from PD Loader, for a not to exceed amount of \$136,500.

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

There were no public comments.

Director Burgess made a motion to approve the purchase a Ford F550 cab and chassis from National Auto Fleet Group, and a service body with crane from PD Loader, for a not to exceed amount of \$136,500. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

d. Request to approve the purchase of a 2021 Vermeer – McLaughlin VX50-500 Vac Trailer from RDO Equipment Company for a not to exceed amount of \$83,500.

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

There were no public comments.

Director Rowley made a motion to approve the purchase of a 2021 Vermeer – McLaughlin VX50-500 Vac Trailer from RDO Equipment Company for a not to exceed amount of \$83,500. Director Burgess seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

e. Request to consider nominating a Director as a candidate for the open Integrated Waste Management Authority special districts alternate member seat.

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

There were no public comments.

Director Rowley made a motion to nominate Director Burgess as a candidate for the open Integrated Waste Management Authority special districts alternate member seat. Director Barker seconded the motion. The motion passed by the following roll call vote:

Ayes: Barker, Burgess, Cousineau, Rowley

Absent: Capps

6. MANAGER REPORT

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

There were no public comments.

The August 2021 report was received and filed.

7. OPERATIONS REPORT

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

There were no public comments.

The August 2021 report was received and filed.

8. COMMITTEE AND DIRECTOR REPORTS

There were no reports.

9. ADJOURNMENT

On a motion by Director Burgess and seconded by Director Barker the meeting adjourned at 5:47 pm to the next scheduled regular meeting on Thursday, September 16, 2021.

APPROVED:

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

ATTEST:

**Scott Duffield
General Manager**

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: September 16, 2021

SUBJECT: Hearing to conduct a second reading and adopt an Ordinance revision by title only amending Chapter 2 Section 2.050 Compensation and Expenses by approval of Resolution 21-09.

Recommendation

It is recommended that the Board of Directors:

1. Hold a public hearing to conduct a second reading of an Ordinance revision by title only amending Chapter 2 Section 2.050 Compensation and Expenses; and
2. Adopt the Ordinance revision by approval of Resolution 21-09.

Background

Your Board conducted a first reading of the Ordinance revision at the August 19, 2021 meeting. Ordinances require two readings before adoption. The Ordinance revision should be adopted today and will go into effect October 1, 2021.

Discussion

Attached is Resolution 21-09 adopting the revision of the District Code of Ordinances Chapter 2 Section 2.050 Compensation and Expenses. The changes have been reviewed by District Counsel and recommended for board approval and adoption.

Fiscal Considerations

The annual Budget includes compensation for Director attendance at meetings and these changes are not anticipated to impact the Budget at this time.

Results

Adopting the proposed Ordinance revision will result in the Ordinance revision becoming effective October 1, 2021.

Attachments: Resolution 21-09

File: Code of Ordinances

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 21-09**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH
COMMUNITY SERVICES DISTRICT ADOPTING A REVISION TO ORDINANCE
REGARDING DIRECTOR COMPENSATION AND EXPENSES**

WHEREAS, it is the policy of the District to encourage Board development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging, and meals as a result of training, educational courses, participation with professional organizations, and attendance at local and state conferences associated with the interests of the District; and

WHEREAS, the District has adopted Ordinance 2.050 that sets Director compensation and allows for reimbursement of expenses; and

WHEREAS, pursuant to Government Code Section 53232 et al. local government agencies must set policy for compensation and expense reimbursement for elected officials; and

WHEREAS, the Board adopted Resolution 09-05 approving a Board compensation and reimbursement policy as required by Government Code Section 53232; and

WHEREAS, the Board now desires to revise Ordinance 2.050 and Resolution 09-05 in regards to Director travel and training expense reimbursement policy.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Board of Directors of the Heritage Ranch Community Services District, do hereby declare and adopt the following:

1. The revision to District Ordinance 2.050 Compensation and Expenses, attached hereto as Exhibit "A" and incorporated herein by this reference, is hereby adopted.
2. The previous policy and Resolution 09-05 are superseded.
3. The Director compensation policy as outlined in Ordinance 2.050 is restricted to Board, Committee, or any other meeting attended for the purpose of conducting District business or potential business.
4. Board members are eligible for reimbursement of all actual and necessary expenses to attend conferences, educational workshops, or other similar events. The following activities shall qualify for reimbursement of actual and necessary expenses:
 - Attendance at a conference or organized educational activity designed to improve employee's or Director's skill and information levels, including but not limited to training required by Government Code.
 - Participation in local, state, or federal organizations whose activities affect the District's interests.

- Attendance at official events of other public agencies.
 - Attendance at meetings of outside agencies, including but not limited to:
 - California Special Districts Association (CSDA)
 - Special District and Local Government Institute Association of California Water Agencies (ACWA) Special District Risk Management Association (SDRMA)
 - San Luis Obispo County Special Districts Association (SLO CSDA)
 - Other activities approved by the Board of Directors at a public meeting prior to incurring the expense.
5. Directors must ensure that travel/training budgeted funds are available prior to commitment by verifying availability with the General Manager, and ensure costs remain within budget.
 6. Reimbursement rates for meals will be pursuant to the U.S. General Services Administration (GSA) per diem rates for the locale of the destination(s) except for meals included in the registration fees for a conference, seminar, or training activity. Meals included in the seminar/conference registration package for which the traveler has no control over meal choices or costs will be paid for as part of the seminar/conference registration fees and the traveler may not claim reimbursement for them.
 7. Reimbursement for lodging will be for a modest single-room or for accommodations in the hotel hosting the conferences, seminars, or meetings not to exceed the maximum group rate published by the conference or activity sponsor, when possible. If the group rate is not available at the time of reservation, reimbursement shall be at the government rate, not to exceed the GSA per diem rate.
 8. Reimbursement for travel shall be at the standard IRS approved reimbursement mileage rate for use of a private vehicle plus tolls and parking fees for the most direct highway route. Only the driver, regardless of passengers, is reimbursed. There is no reimbursement for air, rental vehicle, or rail travel beyond the standard IRS mileage reimbursement for use of a private vehicle. Directors are required to comply with insurance coverage provisions prior to using private vehicles on District business.
 9. Reimbursement for travel expenses for "junkets" (a tour or journey for pleasure at public expense) is not permitted.
 10. Directors must schedule all their travel and training plans through District staff. The General Manager shall determine if the event meets the requirements for reimbursement. Any requested reimbursement from the training/travel general fund budget for events that do not meet the criteria as outlined in Section 2 above will be referred to the Board for approval.
 11. Whenever Directors desire to be reimbursed for out-of-pocket expenses for travel, meals, lodging, and/or training appropriately related to District business, they shall

submit their requests on a form approved by the General Manager. Included on the form will be an explanation of the District related purpose for the expenditure(s), and receipts evidencing each expense shall be attached.

12. Directors shall provide brief reports to the Board during the next regular meeting of the Board upon returning from seminars/workshops/conferences where expenses are reimbursed by the District. The report shall detail what was learned at the session(s) that will be of benefit to the District. Materials from the session(s) may be delivered to the District office to be included in the District library for the future use of other Directors and staff.
13. These changes shall go into effect October 1, 2021.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 16th day of September 2021, by the following roll call vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: _____

Devin Capps, President
Board of Directors

ATTEST: _____

Kristen Gelos, Secretary
Board of Directors

**Heritage Ranch Community Services District
Resolution 21-09
Exhibit A**

2.050 – Compensation and Expenses

Directors shall receive \$100.00 a day for a District Board, Committee, or any other meeting attended for the purpose of conducting District business or potential business. Maximum daily stipend is \$100.00, and maximum monthly stipend is \$600.00 for attending said meetings. In addition to any stipend received pursuant to this section, Directors shall be allowed any actual and necessary expense incurred in the performance of their duties per standard District reimbursement procedures.

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

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

DATE: September 16, 2021

SUBJECT: Submittal for approval Resolution 21-10 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act.

Recommendation

It is recommended that the Board of Directors approve Resolution 21-10 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act.

Background

The District entered into agreement with CalPERS for medical coverage in 1992. The Resolution stipulates the District will contribute the total amount of insurance premiums for employees and retirees and their dependents.

In 2002, the Board adopted Resolution 02-13 setting health benefits vesting requirements for future retirees. The vesting applies to all employees hired on or after January 2003 and requires the retiree to have worked at least twenty years under the CalPERS system including at least five with the District and limited the employer's contribution to the average cost of CalPERS' various plans.

In 2006, the Board adopted Resolution 06-04 establishing health plans the District will fund for future retirees. The intent of this Resolution is to limit liability to the least expensive HMO or PPO.

In 2010, the Board adopted Resolution 10-01 establishing health plans the District will fund for employees and annuitants. The intent of this Resolution was to limit liability to the lease expensive HMO or PPO.

In 2016, the Board adopted Resolution 16-10 fixing the employer contribution at an equal amount for employees and annuitants under the Public Employees' Medical and Hospital Care Act.

Discussion

The District needs to provide an amended resolution to CalPERS every year indicating the specified health plan(s) the District covers for employees and annuitants under the Public Employees' Medical and Hospital Care Act. The health plans for calendar year 2022 to be covered by the District pursuant to District policy are shown in the table below.

2022	
Members	Health Plan Region 2
Basic Enrollments	PERS Gold
Medicare Enrollments	UnitedHealthcare
Combination Enrollments	PERS Gold

Fiscal Considerations

The FY 2021/22 Budget includes health coverage costs.

Results

Approval of Resolution 21-10 will provide CalPERS with the documentation required to maintain District provided health coverage.

Attachments: Resolution 21-10

FILE: CalPERS

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 21-10**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
HERITAGE RANCH COMMUNITY SERVICES DISTRICT
FIXING THE EMPLOYER CONTRIBUTION AT AN EQUAL AMOUNT FOR
EMPLOYEES AND ANNUITANTS UNDER THE PUBLIC EMPLOYEES' MEDICAL
AND HOSPITAL CARE ACT**

WHEREAS, the Heritage Ranch Community Services District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; and

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

- A. The employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members in a health benefits plan up to a maximum of:

2022	
Members	Health Plan Region 2
Basic Enrollments	PERS Gold
Medicare Enrollments	UnitedHealthcare
Combination Enrollments	PERS Gold

Per month, plus administrative fees and Contingency Reserve Fund assessments.

- B. Heritage Ranch Community Services District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above.
- C. The participation of the employees and annuitants of Heritage Ranch Community Services District shall be subject to determination of its status as an "agency of instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that Heritage Ranch Community Services District would not qualify as an agency or instrumentality of the State or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer.

D. The executive body appoint and direct, and it does hereby appoint and direct, the General Manager to file with the Board a verified copy of this resolution, and to perform on behalf of Heritage Ranch Community Services District all functions required of it under the Act.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 16th day of September 2021, by the following roll call vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:_____

**Devin Capps, President
Board of Directors**

ATTEST:_____

**Kristen Gelos, Secretary
Board of Directors**

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: September 16, 2021

SUBJECT: Submittal for approval Resolution 21-11 declaring certain items to be surplus property and authorizing disposal.

Recommendation

It is recommended that the Board of Directors approve Resolution 21-11 declaring certain items to be surplus property and authorizing disposal.

Background

It is the practice of the Board to declare surplus property on an as needed basis.

Discussion

Surplus property that has been purchased with public funds, donated to the District, or acquired or owned by the District through other means, is the property of the District and does not belong to individuals, including but not limited to District employees, retirees, and members of the Board of Directors. No individual may personally benefit from the disposition of surplus property or dispose of it in a manner which could result in or give rise to an actual or perceived conflict of interest.

The District will dispose of the surplus property in a manner that is transparent, fiscally responsible, reduces harmful environmental impacts, promotes a reduce-reuse-recycle philosophy, and is in accordance with all applicable local, state, and federal regulations.

The Manager may sell or dispose of surplus property by the following means:

- Sale or donation of the items to another government agency or charity.
- Sale of the items to the highest bidder at a public auction.
- Sale of the items without public bidding to any eligible party paying a fair price.
- Disposal of the items by any other lawful means if the manager determines that the item has no redeemable value.

Fiscal Considerations

Revenue, if any, generated from the disposition of surplus property will be recorded as miscellaneous revenue and will be reported to your Board.

Results

Approval of the recommended action will result in staff advertising surplus property for sale or disposing of surplus property by means deemed appropriate by the General Manager, leading to fiscally responsible and transparent management of the District.

Attachments: Resolution 21-11 Declaring Certain Items to be Surplus Property and Authorizing Disposal

File: Surplus Property

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 21-11**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HERITAGE RANCH
COMMUNITY SERVICES DISTRICT DECLARING CERTAIN ITEMS TO BE
SURPLUS PROPERTY AND AUTHORIZING DISPOSAL**

WHEREAS, the Heritage Ranch Community Services District (“District”) General Manager has determined that certain items owned by the District are surplus to the District’s needs (“Surplus Property”); and

WHEREAS, this Surplus Property is identified in the attached Exhibit A; and

WHEREAS, the General Manager recommends that the Surplus Property be disposed of in an appropriate manner to be determined by the General Manager.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the Board of Directors of the Heritage Ranch Community Services District that the aforementioned property is Surplus Property and the Board authorizes the General Manager to dispose of these items as delineated above.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Heritage Ranch Community Services District on the 16th day of September 2021, by the following roll call vote.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: _____

**Devin Capps, President
Board of Directors**

ATTEST: _____

**Kristen Gelos, Secretary
Board of Directors**

EXHIBIT A

**Heritage Ranch Community Services District
Surplus Property - September 2021**

Item No.	Description	Identification No.
1	1993 Toyota Tacoma	JT4RN81A1P5169990
2	1989 Cat Backhoe	5PC09438
3	Vermeer Vac Trailer	1VRX202WG31000111
4	2001 Ford Service Truck*	1FDCAF56S61EB78391

*Once the District takes possession of the replacement service truck this item will be disposed.

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager
Mike Wilcox, Operations Manager

DATE: September 16, 2021

SUBJECT: Request to approve media replacement and other maintenance items on the four filters at the Jim McWilliams Water Treatment Plant (WTP) at an estimated cost of \$200,000 and authorize a corresponding budget adjustment from reserves.

Recommendation

It is recommended that the Board of Directors

1. Approve media replacement and other maintenance items on the four filters at the Jim McWilliams Water Treatment Plant (WTP) at an estimated cost of \$200,000; and
2. Authorize a corresponding budget adjustment from reserves.

Background

The District's purchasing policy requires Board approval of any requisition for capital items in excess of \$1,000.

Discussion

The purpose of media replacement and other maintenance items on the four filters (filter renovation project) is to return the media filters to the operable functionality that existed when these filters were first commissioned in 1993. In 1993, the Roberts media filters were state of the art technology for water filtration. Although technology has progressed rapidly, the fundamentals of water production/filtration have not. The basic objective of water treatment plants is to produce a drinking water that is safe and aesthetically pleasing at a reasonable cost with respect to capital as well as operation and maintenance.

The technologies of Human Machine Interface (HMI) and Supervisory Control and Data Acquisition (SCADA), i.e. how a water treatment plant is controlled, how treatment is documented for regulatory compliance, how a plant operates within the highest level of

energy and chemical conservation, and how an Operator interfaces with the treatment plant are different discussions.

The filters at the WTP been in service for nearly 30 years with little to no major maintenance. This project would bring them back to the originally intended standard of operation and functionality while reducing the quantity of wasted water and chemicals due to excessive rinse and backwash cycles.

The filters need to be renovated not replaced. The need begins with replacement of the filter media. Filter media has an average life expectancy of about 15 years. Filter media loses angularity and physically changes in size ever so slightly during each rinse cycle and backwash cycle. Changes in these characteristics create changes in filter flow and the ability of the media to retain floc and particulate matter.

The renovation project will also address the needs of rust removal, painting, and valve integrity. Although some of the valve actuators were recently replaced, none of the valves themselves have been. Many of these valves have leaks internal to the filtration process that directly affect filter performance, water quality, and efficiency. This project assumes that all the valves need to be rebuilt or replaced. Lastly, this project will address the need to replace the turbidity meters that determine when an operator needs to initiate a rinse or backwash cycle.

During the media replacement, all mechanical components will be inspected for operational performance. It is anticipated that the repair and/or replacement of air scouring equipment, filter screens, and equipment leaks will be performed at the same time. Attachment 1 lists the major components that are expected to be replaced during the project.

Fiscal Considerations

The current Budget does not include this project. If approved by your Board \$200,000 will be transferred from reserves to the FY 2021/22 capital budget.

Results

Correct filtration and organics removal is an essential component in achieving the successful control of DBP's in our distribution system. New media with the proper percentages of media gradations and angularity will dramatically improve filtration performance.

Attachment: WTP Filter Renovation Cost Estimate

File: WTP Filter Renovation Project

WTP Filter Renovation Project Cost Estimate

Sep-21

COSTS PER FILTER

Equipment / Product	Unit	Quantity	Cost	Total
Air check valves	Each	1	\$165.00	\$165.00
3" Rinse air valve	Each	1	\$1,000.00	\$1,000.00
3" Backwash air valve	Each	1	\$1,000.00	\$1,000.00
6" DeZurik filtered water valve	Each	1	\$1,000.00	\$1,000.00
8" DeZurik filtered water valve	Each	1	\$1,200.00	\$1,200.00
12" spent backwash valve	Each	1	\$4,472.00	\$4,472.00
HACH Turbidity Meter	Each	2	\$2,400.00	\$4,800.00
				\$13,637.00
Roberts Filter Group items				
Filter screen gasket set	Each	1	Quote	
ContaClarifier air diffuser nozzles	Each	60	Quote	
Polishing filter air diffuser nozzles	Each	224	Quote	
3" No hub couplings	Each	2	Quote	
6" ContaClarifier coupling	Each	1	Quote	
ContaClarifier air laterals	Each	2	Quote	
Filter air laterals	Each	2	Quote	
Strainers	Each	4	Quote	
Paint	Lot	1	Quote	
ContaClarifier Media Bag "A"	CF	18	Quote	
ContaClarifier Media Bag "B"	CF	9	Quote	
ContaClarifier Media Bag "C"	CF	118	Quote	
				\$21,300.00
Polishing filter media				
Silica Gravel 1-1/2" x 3/4" x 9"	CF	54	\$17.00	\$918.00
Silica Gravel 3/4" x 3/8" x 3"	CF	18	\$9.00	\$162.00
Silica Gravel 3/8' x 3/16" x 3"	CF	18	\$9.00	\$162.00
Garnet Gravel 1.4-1.7 mm x 3"	CF	18	\$24.00	\$432.00
Garnet Sand 0.25-0.35 with a maximum uniformity coefficient of	CF	18	\$25.00	\$450.00
Silica Sand 0.45-0.55 mm with a maximum uniformity coefficient of	CF	54	\$15.00	\$810.00
Anthracite 1.0-1.2 mm with a maximum uniformity coefficient of	CF	108	\$15.00	\$1,620.00
				\$4,554.00
Consumables, nuts & bolts, paint, gaskets, etc.				\$4,000.00
TOTAL PER FILTER				\$43,491.00
10% CONTINGENCY				\$4,349.10
TOTAL ALL FOUR FILTERS				\$191,360.40

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: September 16, 2021

SUBJECT: Request to consider approval of maintenance of the District parking lot, and the Heritage Village Seniors parking lot, at an estimated cost of \$20,000 and authorize a corresponding budget adjustment from reserves.

Recommendation

It is recommended that the Board of Directors consider approval of maintenance of the District parking lot, and the Heritage Village Seniors parking lot, at an estimated cost of \$20,000 and authorize a corresponding budget adjustment from reserves.

Background

At the August meeting your Board directed staff to place this item on a future agenda.

Discussion

The District parking lot has been in need of maintenance including crack sealing, seal coating, and striping. The Heritage Village Seniors, Inc. (HVS) parking lot needs the same.

The Manager exchanged letters with the HVS regarding this subject. The Manager's strict interpretation of the Lease Agreement between the District and the HVS is that the HVS is responsible for all maintenance of the Property as defined in the Lease Agreement, including its grounds, adjacent land, and parking lot. The Lease Agreement is attached, with attention to Section 6, 8, and Exhibit A.

Fiscal Considerations

The cost for this work is not in the current Budget and would require a transfer from reserves. Staff has not received final quotes from contractors yet. The estimated cost is based on a single estimate from November 2019 which was \$8,100 for the District portion, and \$6,400 for the HVS portion. The District is required to pay prevailing wage for all work performed by contractors.

Results

Your Board should consider managing and paying for maintenance of both parking lots and any presidency that could be setting.

Attachments: Lease Agreement Between the Heritage Ranch Community Services District and the Heritage Village Seniors, Inc.

File: Operations_Ashphalt

**LEASE AGREEMENT BETWEEN
THE HERITAGE RANCH COMMUNITY SERVICES DISTRICT
AND
THE HERITAGE VILLAGE SENIORS, INC.
FOR THE DON EVERINGHAM MEMORIAL SENIOR CENTER**

This Agreement is entered into as of the 1st day of October, 1996 by and between Heritage Ranch Community Services District, a public agency ("District"), and Heritage Village Seniors, Inc., a California non-profit corporation ("Tenant"), who agree as follows:

1. Recitals.

1.1. District owns real property located at 4870 Heritage Road on the unincorporated area of Heritage Ranch, San Luis Obispo County, California, generally described as San Luis Obispo County Assessor Parcel No. 012-181-057.

1.2. District desires to lease a portion of this real property to Tenant on and subject to the terms of this Agreement. The portion to be leased to Tenant is shown and described on Exhibit A, attached hereto and incorporated herein (the "Property").

1.3. Tenant desires to lease the Property in order to construct and operate a senior citizens' center for the use and benefit of senior citizens and others in the Heritage Ranch area.

1.4. By approving this Lease Agreement, the District Board of Directors finds that the lease of the Property to Tenant on the terms of this Agreement shall further the District's authorized purposes of providing for public recreation, including the construction, use and operation of a recreational building for use by Heritage Ranch community senior citizens and other residents and organizations.

2. Grant of Lease; Rent. Subject to the terms and conditions set forth below, District hereby leases to Tenant, and Tenant hereby leases from District, the Property. Tenant shall pay to District rent in the sum of \$1 per year commencing on and due and payable prior to the date first set forth above, and prior to the first day of each subsequent year while this lease remains in effect. Rent shall be paid at the address of District set forth.

3. Term. The term of this lease shall commence on the date first set forth above and shall remain in effect for 50 years unless terminated earlier (a) by mutual consent of the parties, (b) pursuant to section 4, 13 or 15, or (c) as provided by law. The lease may be extended by mutual agreement.

4. Property Improvement.

4.1. Tenant, at its sole cost and expense, may design, construct and install on the Property the senior center facility and related improvements and appurtenances generally described on Exhibit B, attached hereto and incorporated herein (collectively the "Building"). Prior to commencement of construction of the Building, Tenant shall submit final construction plans and drawings to District for its review and approval, which approval shall not be unreasonably withheld. Construction shall not commence until after District approval of the plans and drawings. Tenant's contractor or contractors also shall be subject to prior District approval, which approval shall not be unreasonably withheld.

4.2. All construction work on the Property shall comply with all applicable federal, state, and local laws, regulations and codes (including, but not limited to, the uniform codes adopted by the State of California and County of San Luis Obispo), and shall be performed in a good and workmanlike manner. The Building shall be designed and constructed in accordance with the Americans with Disabilities Act and regulation provisions applicable to public accommodations and facilities. Prior to commencement of construction of the Building, Tenant shall apply for and obtain all required County land use approvals and building permit, and all other required federal, state or local permits, approvals and entitlements. Tenant shall keep the Property free and clear from any and all liens, stop notices, claims and demands for work performed, materials furnished or operations conducted at the Property.

4.3. If Tenant has not completed construction of the Building by January 1, 1998 (as evidenced by issuance of a certificate of occupancy by the county building official), then this Agreement shall terminate effective that date, and all right, title and interest in and to the Property shall revert to District. This deadline may be extended by the District in writing upon good cause shown by Tenant. Any such extension shall not exceed the section 3 lease term.

5. Use of Property.

5.1. During the term of this lease, the Property and Building shall be used by Tenant primarily as a senior citizens recreational center and library for members of the Heritage Village Seniors and other residents in the Heritage Ranch area, and related and incidental purposes. Tenant agrees to be responsible for the faithful performance of the terms of this Agreement by its employees, contractors, agents, members and guests.

5.2. In recognition of District's lease of the Property to Tenant for nominal rent, Tenant agrees to:

5.2.1. Permit District to use the Building, free of charge, for periodic District meetings, functions and activities that are appropriate for the Building, so long as District's use of the Building does not interfere with Tenant's planned functions and activities. District and Tenant shall cooperate in scheduling District uses, as such needs arise.

5.2.2. Permit Heritage Ranch area groups and organizations to rent the Building for periodic community meetings, functions and activities that are appropriate for the Building, so long as such use of the Building does not interfere with Tenant's planned functions and activities. The rental amount shall be fair and reasonable, and commensurate with the fair rental amount charged for similar buildings in San Luis Obispo County. Tenant's rental of the building shall be on a non-discriminatory basis. Interested groups and organizations and Tenant shall cooperate in scheduling such uses, as the needs arise.

5.2.3. Make the library available free of charge for use by Heritage Ranch area residents at reasonable hours to be determined by Tenant.

5.3. Tenant may adopt rules and regulations concerning the use of the Building by others pursuant to section 5.2. Such rules and regulations shall be fair and reasonable, and not arbitrary or capricious, and shall not discriminate among potential users based on sex, race, color, religion, ancestry, national origin or disability.

6. Maintenance of Property. Tenant shall, at its sole cost and expense, keep and maintain the Property and its grounds, Building, fixtures and facilities in good, safe, clean, attractive and sanitary condition and repair, and shall repair promptly all damage resulting from its use of the Property and Building, or use by its employees, contractors, agents, members and guests.

7. Compliance with Laws. Tenant shall comply with all applicable federal, state and local statutes, ordinances, regulations, orders and other laws relating to the Property and/or Tenant's use and occupancy of the Property. Tenant shall not maintain, commit or permit the maintenance or commission of any nuisance or waste on or in the Property.

8. Utilities, Maintenance Costs, Taxes and Assessments. Tenant shall pay, and hold District and the Property free and harmless from, all of the following:

8.1. Charges and fees for the furnishing of telephone, other communications, natural gas, or propane, electricity, water, sewer, solid waste collection, and other services and utilities to the Building during the term of this lease.

8.2. All costs and expenses relating to operation, repair, replacement and maintenance of the Property and Building and the fixtures and facilities (including exterior and interior painting, floor coverings, ceiling and roofing, plumbing fixtures, lighting and electrical fixtures, replacement light bulbs, heating/ventilation/air conditioning equipment, window coverings, telephone equipment) as necessary or appropriate to keep and maintain the Property and Building in good, safe, clean, attractive and sanitary condition and repair;

8.3. All taxes, assessments and other charges levied or imposed by any governmental entity on the furniture, trade fixtures, appliances and other personal property placed by Tenant in, on or about the Property;

8.4. All real property taxes, assessments and standby charges levied or assessed against the Property by any governmental entity as a result of Tenant's use and occupation of the Property and/or any taxable possessory interest created by this lease; and

8.5. All costs of landscape and premises maintenance and repair on the Property adjacent to the Building.

Tenant shall pay all such fees, charges, costs, expenses, taxes and assessments as they become due and payable, but in any event, before they become delinquent.

9. Access by District. District, and its employees and agents, shall have the right to enter the Property and Building at all reasonable times, and at any time during an emergency, for the purposes of inspecting the Property and Building to determine whether Tenant is complying with this Agreement, or of doing other lawful acts that may be necessary or appropriate to protect District's interest in the Property.

10. Surrender of Property. On expiration or earlier termination of this lease:

10.1. Tenant shall promptly surrender and deliver the Property to District in as good condition as it was at the date of delivery of the Property to Tenant; and

10.2. The Building and all other structures, utilities, and real property alterations, improvements and fixtures constructed, made, installed or placed in or on the Property by Tenant or any other person during the term of this lease (but not including furnishing, furniture, equipment or telephone systems) shall become the property of District and remain on the Property.

11. Indemnification.

11.1. Tenant shall indemnify, defend, protect and hold harmless District and its officers, employees and volunteers from and against any and all liability, loss, damage, expense, penalties, and costs (including attorney's fees and litigation costs) of every nature arising out of or in connection with: (a) the death or injury of any person or persons, or the damage to or destruction of any personal or real property, including property owned by Tenant, and caused or allegedly caused by either the condition of the Property or Building, or some act or omission of Tenant or its employees, contractors, agents, members or guests; (b) any construction or improvement work performed on the Property or materials furnished to the Property at the request of Tenant; and (c) Tenant's failure to perform or otherwise comply with any provision of this Agreement; but excepting any such loss, damage or liability caused by the sole negligence or willful misconduct of District.

11.2. District shall indemnify, defend, protect and hold harmless Tenant and its officers, employees and volunteers from and against any and all liability, loss, damage, expense, penalties, and costs (including attorney's fees and litigation costs) of every nature arising out of or in connection with the death or injury of any person or persons, or the damage to or destruction of any personal or real property, including property owned by Tenant, and caused or allegedly caused by some act or omission of District or its employees, contractors, agents or guests in connection with District use of the Building under section 5.2.1.; but excepting any such loss, damage or liability caused by the sole negligence or willful misconduct of Tenant.

12. Insurance.

12.1. Types and Limits. Tenant at its sole cost and expense shall procure and maintain for the duration of this lease the following types and limits of insurance:

Type	Limits	Scope
Commercial general liability	\$1,000,000 per occurrence	at least as broad as ISO CG 0001
Workers' compensation	statutory limits	
Property	full replacement cost	against all risk of loss to Tenant's Building, improvements and equipment

12.2. Other Requirements. The general liability policy shall be endorsed to name District, its officers, employees, volunteers and agents as additional insureds regarding liability arising out of the Work. Tenant's coverage shall be primary and shall apply separately to each insurer's liability. District's insurance or self-insurance, if any, shall be excess and shall not contribute with Tenant's insurance. Each insurance policy shall be endorsed to state that coverage shall not be cancelled, except after 30 days' prior written notice to District. The workers' compensation policy shall be endorsed to include a waiver of subrogation against District, its officers, employees and agents. Insurance is to be placed with insurers with a current A.M. Best's rating of A:VII or better unless otherwise acceptable to District.

12.3. Proof of Insurance. Upon execution of this Agreement, Tenant shall provide to District the following proof of insurance: (a) certificate(s) of insurance evidencing this insurance, and (b) endorsement on ISO Form CG 2010 (or insurer's equivalent), signed by a person authorized to bind coverage on behalf of the insurer(s), and certifying the additional insured coverage.

13. Damage and Destruction to Property.

13.1. If the Building is totally or partially destroyed or damaged, Tenant may, at its discretion, either (a) at Tenant's sole cost and expense, repair, rebuild or restore the Building to substantially the same condition as it was in immediately prior to such destruction or damage, in which case this lease shall remain in effect, or (b) terminate this Agreement by giving written notice of termination to District and surrender possession of the Property and Building to District, in which case District shall be entitled to any and all insurance proceeds of any applicable insurance maintained by Tenant. Within 90 days after the occurrence or event causing the damage, Tenant shall provide to District either written notice of intention to restore the Building under (a) or written notice of termination of the Agreement under (b). If, within this 90 day period, District does not receive from Tenant either written notice, then this lease shall be deemed terminated under (b) effective at the end of the 90 day period. If Tenant timely provides a notice of intent to restore the Building, the Building shall be restored within 180 days after the occurrence or event causing the damage, unless this deadline is extended by District for good cause shown by Tenant.

13.2. Upon any damage to or destruction of the Building, District shall have no duty or obligation under this lease to repair, rebuild or restore the Property or Building.

13.3. Tenant bears and assumes all risk of loss or damage to the Property and Building and Tenant's personal property, fixtures, equipment and improvements in or on the Property or Building, from fire, theft or any other casualty, whether or not insured, and Tenant shall hold District harmless with respect to any such loss, damage or destruction during the term of this lease.

14. Restriction against Assignment. Tenant shall not sublet, encumber, assign or otherwise transfer this lease, or any right or interest in this lease, or any right or interest in the Property, without first obtaining the written consent of District, which consent shall not be unreasonably withheld.

15. Default. In the event of any default by Tenant under this lease, in addition to any other remedies available to District at law or in equity, District shall have the right to forthwith terminate this lease and all rights of Tenant hereunder by giving written notice of termination to Tenant.

16. Entire Agreement. This Agreement constitutes the sole, entire, integrated and exclusive agreement among the parties concerning the subject matter addressed herein, and supersedes all prior negotiations, representations or agreements, either oral or written, that may be related to the subject matter of this Agreement. This Agreement may be modified or amended only by a subsequent written agreement approved and executed by both parties.

17. Negotiated Agreement. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting policy shall not apply in construing or interpreting this Agreement.

18. Attorney's Fees. In the event any legal action is brought to enforce or construe this Agreement, the prevailing party shall be entitled to an award of reasonable attorney's fees, expert witness and consulting fees, litigation costs and costs of suit.

19. Notices. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and either served personally or sent by prepaid, first class U.S. mail and addressed as follows:

District:
Manager
Heritage Ranch CSD
4870 Heritage Road
Paso Robles, CA 93446

Tenant:
President
Heritage Village Seniors, Inc.
3945 Heritage Road
Paso Robles, CA 93446

Any party may change its address by notifying the other parties in writing of the change of address.

20. Severability. If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and remain in full force and effect.

21. Successors. Subject to section 14, this Agreement shall bind and inure to the benefit of the successors, assigns and transferees of the parties.

22. Waiver. Any waiver at any time by either party of its rights with respect to a default or breach of this Agreement shall not be deemed to be a waiver with respect to any other default or breach.

**HERITAGE RANCH
COMMUNITY SERVICES DISTRICT**

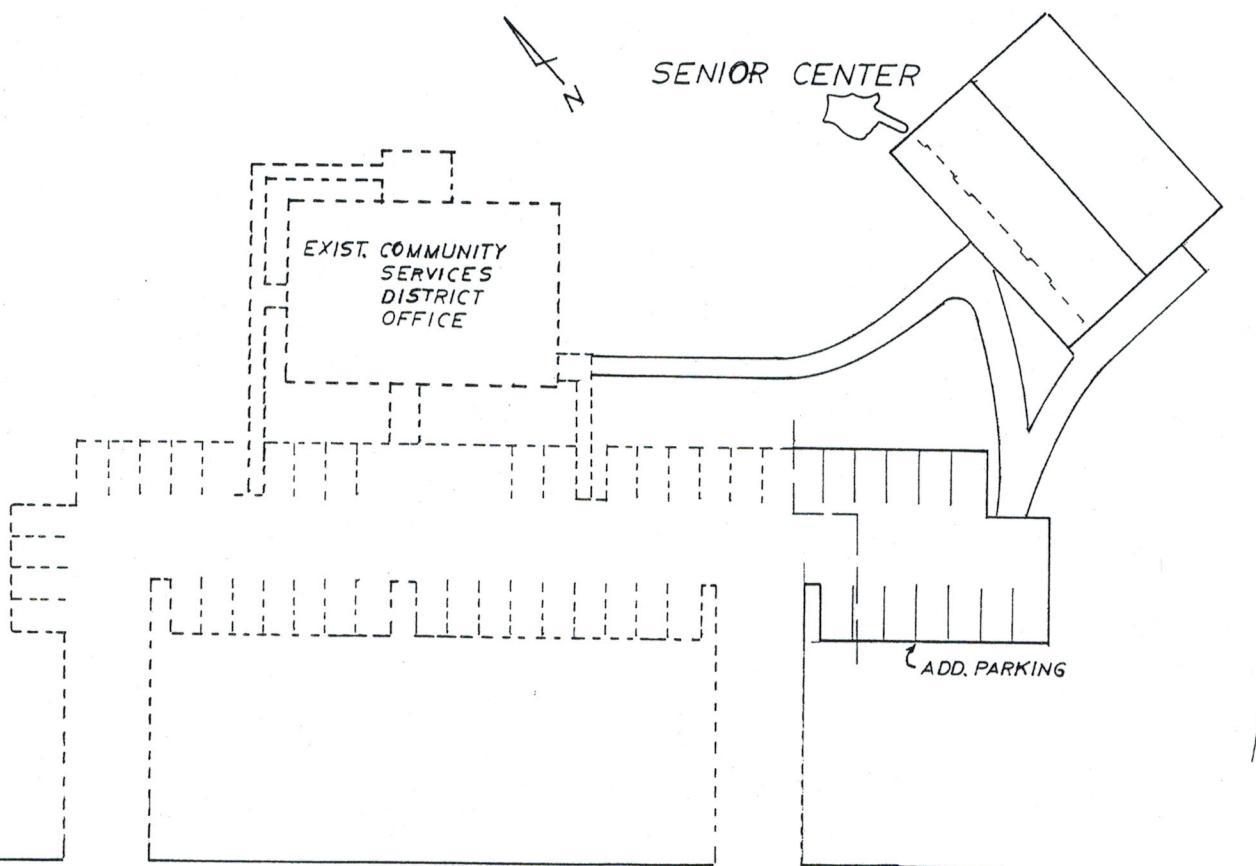
By: Collin L. Hamm
President, Board of Directors

HERITAGE VILLAGE SENIORS, INC.

By: Chuck Stevens
President

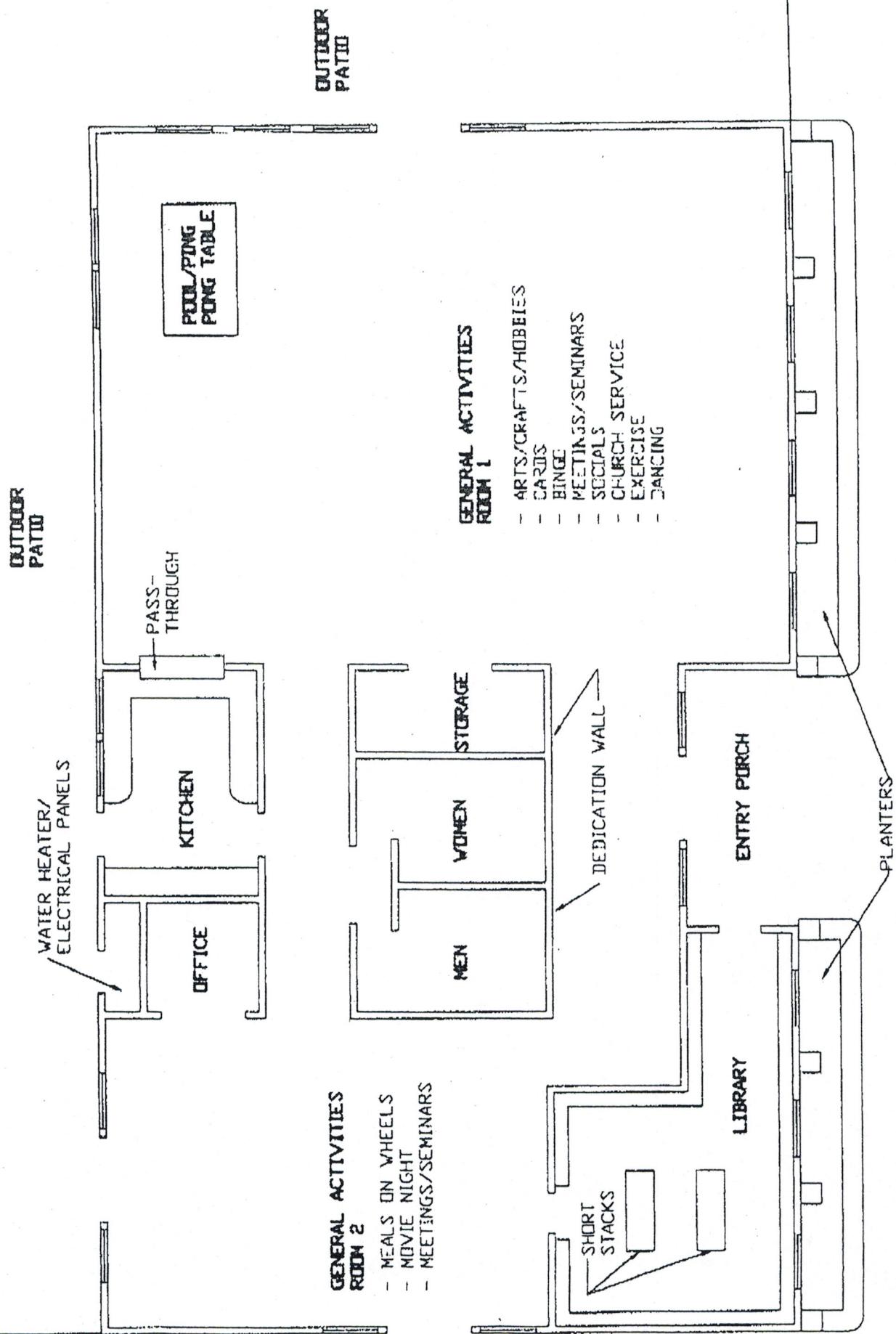
Attest:

W. G. C.
Secretary, Board of Directors



OVERALL SITE PLAN

SCALE 1" = 30'-0"

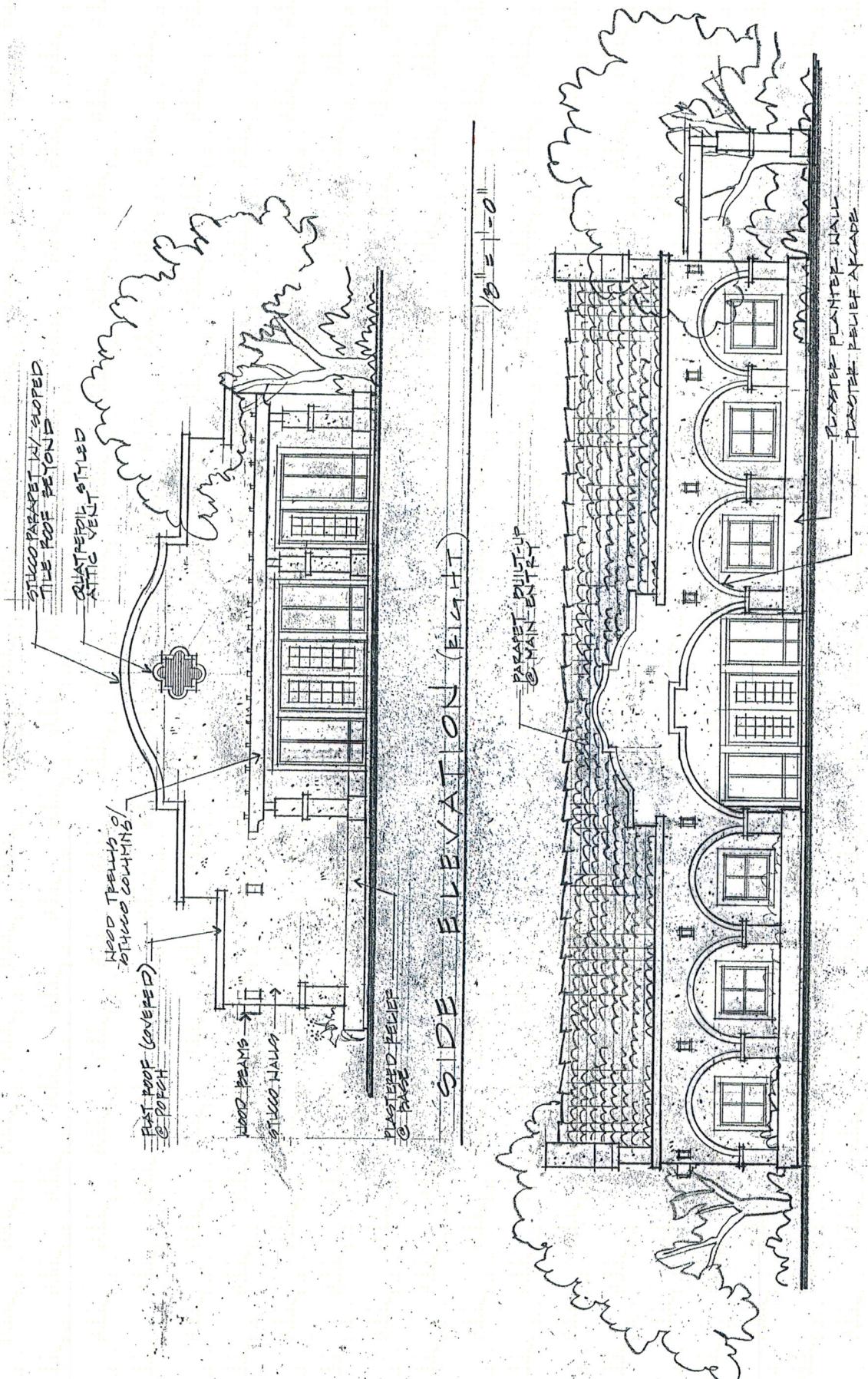


DON EVERINGHAM MEMORIAL SENIOR CENTER - PRELIM. FLOOR PLAN

PRE_PLN

1/10' = 10'

EXHIBIT "B"



FRONT ELEVATION SCHEME "C"

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HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Manager Report For the Month of September 2021

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

Administration

- The Manager attended bi-weekly Special District Managers meetings.
- Section 2013 of America's Water Infrastructure Act of 2018 (AWIA) requires community water systems that serve more than 3,300 people to perform a Risk and Resilience Assessment (RRA) and complete and submit an Emergency Response Plan (ERP). The RRA was due and submitted by June 30, 2021. The District is required to develop or update an ERP and certify completion to the U.S. EPA no later than December 31, 2021. The Rural Community Assistance Corporation (RCAC) contacted the Manager about assistance needed in preparing the ERP

Founded in 1978, RCAC is a 501(c)(3) nonprofit organization that provides training, technical and financial resources, and advocacy so rural communities can achieve their goals and visions. RCAC's work includes environmental infrastructure (water, wastewater, and solid waste facilities), affordable housing development, economic and leadership development, and community development finance.

Their programs provide assistance to small municipal and nonprofit water systems, wastewater systems, and solid waste management programs in 11 western states: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah and Washington. RCAC is one of six regional agencies that make up the Rural Community Assistance Partnership network that together serve the entire country. All six organizations are "on the ground" working directly with rural communities and have a common experience and knowledge base (primarily with environmental infrastructure).

Since inception, their dedicated staff and active Board, coupled with their key values: leadership, collaboration, commitment, quality, and integrity, have helped effect positive change in rural communities across the West.

RCAC updated the ERP at no direct cost to the District.

The ERP outlines possible options and resources that could be used to prepare for an incident that threatens life, property, or the environment; allows the district

to submit the required certification statement to EPA; and can be incorporated into district training.

Operations

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

Solid Waste

- The Board's nomination of Director Burgess for the open Alternate Special District Representative seat on the IWMA Board of Directors was forwarded to the President of the CSDA SLO Chapter as requested. The alternate representative will serve until her/his current term expires at the end of 2022. The timeframe is that nominations are due no later than September 15th which will allow each of the Board of Directors of the Districts the opportunity to meet and discuss this matter. If there is more than one nomination, then voting will take place with ballots due no later than October 31st.

Reservoir Status

- As reported by Monterey County Water Resources Agency (MCWRA), as of August 9, 2021, the reservoir was at approximately 708.55 feet in elevation, 13% of capacity, or 47,780-acre feet of storage. MCWRA water releases were shown as 67 cfs.
- Stage II water conservation is in effect as approved by your Board last month and includes outdoor watering restrictions with the goal of 15% conservation.
- The most current MCWRA release schedule shows reaching Stage III (700' in elevation / 9%) around mid-November barring any inflows.

Capital Improvement Program and Projects

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

- Vertical Intake: The Notice to Proceed was issued on July 12, 2021, with a Contract Time of 90 Work Days.
- Water Reclamation Facility Upgrade project:

The current schedule for selection of a consultant for engineering services is:

Item	Date	Status
Proposals Due	7/20/21, 3 p.m. local time	✓
District Review of Proposals	7/20/21 through 7/27/21	✓
Interviews	8/12/21	✓
District Selection of Consultant	8/12/21 – 8/19/21	✓
Consultant Notice of Contract Award / Begin Contract Negotiations	8/20/21	

- Lift Station 1-5 rehabilitation design phase: Development of contract documents by the District Engineer is on hold.
- PVS: PG&E performed their upgrade work on July 27th. The contractor is working on punch list items and final submittals. Formal completion of the project is anticipated soon. A final project report will be given to your Board soon thereafter.
- Water and Wastewater Rate Study: A consultant contract was approved by your Board at the May 2021 meeting. The Notice to Proceed is on hold pending on-boarding of a design services consultant for the wastewater project.
- Rebuild Treated Water Pumps at PS 3 & 4: Not yet commenced.
- Pump Station Covers: Not yet commenced.
- Vehicle / Equipment replacement: The Vac Trailer and the Service Truck and Body have been ordered.

Development

- Nothing significant to report.

Public Relations and Community

- The Manager coordinated use of our Board room for the September 14, 2021 recall election.

Human Resources

- Currently recruiting for one Treatment Operator I/II/III.

Board Member & Staff Information and Learning Opportunities

- Nothing significant to report.

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HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Operations Report For the Month of September 2021

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

Water treatment

- Staff is continuing to make progress at the Water Treatment Plant on grounds cleanup, weed control, and general plant beautification.
- Paint has been ordered to begin repainting the process piping at the WTP. We will follow up with relabeling and directional arrows.
- Staff cold patched a portion of the Plant access road.

Water distribution

- Staff rented a trench compactor and finished the road repair on Longhorn, Little Creek, and Pretty Doe earlier this month.

Wastewater collection

- Staff replaced a broken check valve at Lift Station #2 and has sent the old valve out to a local machine shop for repairs.
- We are experiencing intermittent voltage problems at lift stations #3, #6, and #9 and we are working with PG&E to identify and correct the issues.

Wastewater treatment

- Nothing significant to report.

Vehicles and equipment

- The new Vemeer vac trailer was delivered on 9/8/21 and the old vac trailer has been cleaned up in anticipation of a surplus sale.
- We are down one Ford Ranger due to a wheel bearing failure and lack of available parts but making progress.