



HERITAGE RANCH COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS REGULAR MEETING MINUTES

August 21, 2025

1. CALL TO ORDER / FLAG SALUTE

President Camou called the meeting to order at 4:00 p.m. and led the flag salute.

2. ROLL CALL

Secretary Gelos called the roll. All directors were in attendance.

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

3. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

There were no public comments.

4. CONSENT ITEMS

- a. **Meeting Minutes: Receive/approve minutes of regular meeting of July 17, 2025.**
- b. **Warrant Register: Receive/approve July 2025 warrants.**
- c. **Treasurer's Report: Receive/file July 2025 report.**
- d. **Fiscal Report: Receive/file July 2025 status report.**
- e. **Office Report: Receive/file July 2025 report.**
- f. **District Engineer Report: Receive/file August 2025 report.**
- g. **Operations Manager Report: Receive/file August 2025 report.**
- h. **Updates regarding disinfection byproducts.**

There were no public comments.

Upon the motion of Director Yaffee and seconded by Director Swanson, the board approved all items as presented.

5. BUSINESS ITEMS

- a. **Submittal for approval Resolution 25-10 declaring volunteers shall be deemed to be employees of the District for the purpose of providing worker's compensation coverage.**

There were no public comments.

Upon the motion of Director Burgess, and seconded by Director Camou, the board approved Resolution 25-10 following a roll call vote:

Ayes: Directors Barker, Burgess, Camou, Swanson, Yaffee

- b. **Request to approve contract documents for the Raw Water Vertical Intake No. 2 – Phase 2, and direct staff to finalize the documents and advertise for bids.**

There were no public comments.

Upon the motion of Director Camou and seconded by Director Barker, the board approved contract documents and directed staff to finalize the documents and advertise for bids following a roll call vote:

Ayes: Directors Barker, Burgess, Camou, Swanson, Yaffee

6. GENERAL MANAGER REPORT

There were no public comments.

Manager Duffield presented the item and answered questions from the board.

The report was received and filed.

7. COMMITTEE / DIRECTOR REPORTS (oral reports)

There were no committee / director reports.

8. FUTURE AGENDA ITEMS

There were no public comments.

The board determined to add the following to a future agenda:

- HROA Request – Use of District Property – 9/18/25

9. ADJOURN TO CLOSED SESSION

- a. Conference with Legal Counsel – Anticipated litigation. Significant exposure to litigation (Government Code § 54956.9(b)): Number of cases: one (1).**

Upon a motion by Director Camou and seconded by Director Barker, the board adjourned to closed session at 4:41 p.m.

10. OPEN SESSION

The board reconvened to open session at 4:51 p.m. Reportable action: The board determined to not engage in settlement discussions.

11. ADJOURNMENT

Upon a motion by Director Barker, and seconded by Director Burgess, the meeting adjourned at 4:52 p.m.

Minutes submitted by: Kristen Gelos, *Secretary, Board of Directors*

Minutes approved by:

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/3/2025	CALPERS HEALTH BENEFITS CALPERS HEALTH BENEFITS EMPLOYEE PAID HEALTH BENEFIT EMPLOYEE PAID HEALTH BENEFIT	19,474.47 933.67 933.67	\$ 21,341.81
8/4/2025	JORANDA MARKETING, INC. / JA STRUCTURES & GROUNDS	304.60	\$ 304.60
8/5/2025	STAPLES CREDIT PLAN SUPPLIES	102.93	\$ 102.93
8/5/2025	GREAT WESTERN ALARM ALARM / ANSWERING SERVICE	342.32	\$ 342.32
8/5/2025	AT&T TELEPHONE	89.40	\$ 89.40
8/5/2025	MCCLATCHY COMPANY LLC ADVERTISING ADVERTISING ADVERTISING	141.27 121.58 200.31	\$ 463.16
8/5/2025	HOME DEPOT CREDIT SERVICES MAINTENANCE FIXED EQUIPMENT	131.26	\$ 131.26
8/5/2025	USA BLUEBOOK CHEMICALS	244.32	\$ 244.32
8/5/2025	BRENNTAG PACIFIC, INC CHEMICALS	3,821.97	\$ 3,821.97
8/5/2025	FGL ENVIRONMENTAL LAB TESTING LAB TESTING LAB TESTING LAB TESTING	230.00 217.00 323.00 34.00	\$ 804.00
8/5/2025	COUNTY OF SAN LUIS OBISPO PROFESSIONAL SERVICES	563.10	\$ 563.10
8/5/2025	NAPA AUTO PARTS SUPPLIES VEHICLES VEHICLES	55.97 182.24 165.18	\$ 403.39

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/5/2025	ROY ARNOLD CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/5/2025	FLUID RESOURCE MANAGEMENT PROFESSIONAL SERVICES	453.75	\$ 453.75
8/5/2025	ABALONE COAST ANALYTICAL, IN LAB TESTING	3,662.00	\$ 3,662.00
8/5/2025	ALPHA ELECTRICAL SERVICE MAINTENANCE FIXED EQUIPMENT	2,162.50	\$ 2,162.50
8/5/2025	KRISTEN GELOS CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/5/2025	CAL COAST MACHINERY MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT	16.18 467.28 8.36	\$ 491.82
8/5/2025	SCOTT DUFFIELD CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/5/2025	WESTERN EXTERMINATOR STRUCTURES & GROUNDS	132.50	\$ 132.50
8/5/2025	MID-STATE REPAIR SERVICE VEHICLES VEHICLES VEHICLES VEHICLES	627.07 350.00 548.17 823.40	\$ 2,348.64
8/5/2025	BRIAN VOGEL CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/5/2025	TROY SHOGREN CELL PHONE/INTERNET ALLOWANC MEDICAL REIMBURSEMENT MEDICAL REIMBURSEMENT	80.00 313.10 306.64	\$ 699.74
8/5/2025	AUTOMATION DIRECT WW SCADA PROJECT WW SCADA PROJECT	1,103.60 200.56	\$ 1,304.16

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/5/2025	DOUGLAS GROSHART CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/5/2025	AMAZON SUPPLIES MAINTENANCE FIXED EQUIPMENT SUPPLIES CHEMICALS SUPPLIES SUPPLIES	3.21 386.10 71.84 83.64 6.28 87.18	\$ 638.25
8/5/2025	JERED MARTY CELL PHONE/INTERNET ALLOWANC MEDICAL REIMBURSEMENT	80.00 100.00	\$ 180.00
8/5/2025	AUSTIN GRAY CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/5/2025	JASON GULARTE CELL PHONE/INTERNET ALLOWANC UNIFORM ALLOWANCE MEDICAL REIMBURSEMENT	80.00 329.43 70.00	\$ 479.43
8/5/2025	MARZ SOLAR PANEL CLEANING LL MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT	2,062.00 1,089.00	\$ 3,151.00
8/6/2025	PITNEY BOWES GLOBAL FINANCIA POSTAGE METER LEASE	161.79	\$ 161.79
8/8/2025	R. ARNOLD NET PAYROLL	2,917.47	\$ 2,917.47
8/8/2025	T. SHOGREN NET PAYROLL	2,465.05	\$ 2,465.05
8/8/2025	J. MARTY NET PAYROLL	2,213.53	\$ 2,213.53
8/8/2025	A. GRAY NET PAYROLL	2,177.70	\$ 2,177.70
8/8/2025	J. GULARTE NET PAYROLL	2,067.36	\$ 2,067.36

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/8/2025	K. GELOS NET PAYROLL	3,356.17	\$ 3,356.17
8/8/2025	D. BURGESS NET PAYROLL	92.35	\$ 92.35
8/8/2025	B. BARKER NET PAYROLL	92.35	\$ 92.35
8/8/2025	S. DUFFIELD NET PAYROLL	4,607.64	\$ 4,607.64
8/8/2025	B. VOGEL NET PAYROLL	3,290.99	\$ 3,290.99
8/8/2025	D. GROSHART NET PAYROLL	4,706.71	\$ 4,706.71
8/8/2025	M. CAMOU NET PAYROLL	92.35	\$ 92.35
8/8/2025	M. YAFFEE NET PAYROLL	92.35	\$ 92.35
8/8/2025	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES FICA WITHHOLDING MEDICARE	3,800.54 49.60 1,156.84	\$ 5,006.98
8/8/2025	EMPLOYMENT DEVELOPMENT DEPAR SDI STATE WITHHOLDING	473.88 1,365.85	\$ 1,839.73
8/8/2025	CALPERS RETIREMENT SYSTEM CALPERS UNIFORM ALLOWANCE PERS-IRC 457 CONTRIBUTIONS PERS-IRC 457 CONTRIBUTIONS PERS-IRC 457 CONTRIBUTIONS PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	10.53 320.00 1,193.07 143.30 1,903.04 2,166.13 2,817.12 8.37	\$ 8,561.56
8/11/2025	PG&E ELECTRICITY	7,879.92	\$ 7,879.92

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/19/2025	AT&T TELEPHONE	88.53	\$ 88.53
8/19/2025	USA BLUEBOOK MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT	1,426.02 171.56	\$ 1,597.58
8/19/2025	BRENNTAG PACIFIC, INC CHEMICALS CHEMICALS	1,207.25 4,965.57	\$ 6,172.82
8/19/2025	FGL ENVIRONMENTAL LAB TESTING	783.00	\$ 783.00
8/19/2025	CENTRAL COAST IRRIGATION & S MAINTENANCE FIXED EQUIPMENT	114.86	\$ 114.86
8/19/2025	ROY ARNOLD CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	ANTHONY'S TIRE STORE VEHICLES	151.24	\$ 151.24
8/19/2025	BIG CREEK LUMBER COMPANY MAINTENANCE FIXED EQUIPMENT	399.66	\$ 399.66
8/19/2025	KRISTEN GELOS CELL PHONE/INTERNET ALLOWANC MEDICAL REIMBURSEMENT	80.00 600.00	\$ 680.00
8/19/2025	CORE & MAIN LP MAINTENANCE FIXED EQUIPMENT MAINTENANCE FIXED EQUIPMENT	109.98 150.15	\$ 260.13
8/19/2025	RHYTHM DESIGN UNIFORMS FY 2025-26	702.00	\$ 702.00
8/19/2025	MATRIX IMAGING SOLUTIONS MARCH BILLING AUGUST BILLING	1,502.78 1,539.57	\$ 3,042.35
8/19/2025	RINCON CONSULTANTS, INC. WRRF PROJECT - DESIGN	2,715.63	\$ 2,715.63

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/19/2025	SCOTT DUFFIELD CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	RIVAL TECHNOLOGY INC. PROFESSIONAL SERVICES	1,237.44	\$ 1,237.44
8/19/2025	BRIAN VOGEL CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	TROY SHOGREN CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	DOUGLAS GROSHART CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	SPEEDY COASTAL MESSENGER, IN LAB TESTING	515.00	\$ 515.00
8/19/2025	JERED MARTY CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	HYDROSCIENCE ENGINEERS INC WRRF PROJECT - DESIGN	8,528.00	\$ 8,528.00
8/19/2025	AUSTIN GRAY CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	JASON GULARTE CELL PHONE/INTERNET ALLOWANC	80.00	\$ 80.00
8/19/2025	VEGA AMERICAS, INC. MAINTENANCE FIXED EQUIPMENT	1,346.58	\$ 1,346.58
8/21/2025	J.B. DEWAR. INC. FUEL & OIL	2,013.52	\$ 2,013.52
8/22/2025	R. ARNOLD NET PAYROLL	2,917.47	\$ 2,917.47
8/22/2025	T. SHOGREN NET PAYROLL	2,562.14	\$ 2,562.14
8/22/2025	J. MARTY NET PAYROLL	2,548.96	\$ 2,548.96

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/22/2025	A. GRAY NET PAYROLL	1,736.09	\$ 1,736.09
8/22/2025	J. GULARTE NET PAYROLL	2,200.53	\$ 2,200.53
8/22/2025	K. GELOS NET PAYROLL	3,356.17	\$ 3,356.17
8/22/2025	S. DUFFIELD NET PAYROLL	4,444.83	\$ 4,444.83
8/22/2025	B. VOGEL NET PAYROLL	3,290.99	\$ 3,290.99
8/22/2025	D. GROSHART NET PAYROLL	4,706.71	\$ 4,706.71
8/22/2025	INTERNAL REVENUE SERVICE FEDERAL WITHHOLDING TAXES MEDICARE	3,853.77 1,145.50	\$ 4,999.27
8/22/2025	EMPLOYMENT DEVELOPMENT DEPAR SDI STATE WITHHOLDING	473.98 1,348.86	\$ 1,822.84
8/22/2025	CALPERS RETIREMENT SYSTEM PERS-IRC 457 CONTRIBUTIONS PERS-IRC 457 CONTRIBUTIONS PERS-IRC 457 CONTRIBUTIONS PERS RETIREMENT PERS RETIREMENT TIER 2 PERS RETIREMENT PEPRA SURVIVOR BENEFIT	320.00 1,193.07 153.85 1,903.04 2,166.13 2,817.12 8.37	\$ 8,561.58
8/24/2025	CALPERS RETIREMENT SYSTEM CALPERS UNFUNDED LIABILITY	11,740.08	\$ 11,740.08
8/25/2025	CHARTER COMMUNICATIONS INTERNET	131.25	\$ 131.25
8/25/2025	RADWELL WW SCADA	442.61	\$ 442.61

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

DATE	NAME OF PAYEE	ITEM AMOUNT	WARRANT AMOUNT
8/25/2025	RADWELL MAINT. FIXED EQUIPMENT	155.18	\$ 155.18
8/25/2025	RADWELL WW SCADA	279.59	\$ 279.59
8/25/2025	RADWELL WW SCADA	788.29	\$ 788.29
8/25/2025	RADWELL WW SCADA	474.05	\$ 474.05
8/25/2025	FIRSTNET MAINTENANCE FIXED EQUIPMENT	80.48	\$ 80.48
8/25/2025	OCCUPATIONAL APPAREL UNIFORMS FY 25/26	743.96	\$ 743.96
8/25/2025	RING CENTRAL TELEPHONE	295.92	\$ 295.92
8/25/2025	PARK WHOLESAL UNIFORMS FY 25/26	332.97	\$ 332.97
8/25/2025	STARLINK INTERNET	290.00	\$ 290.00
TOTAL ALL WARRANTS			\$ 186,308.35

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
TREASURER'S REPORT
AUGUST 2025**

SUMMARY REPORT OF ALL ACCOUNTS

Beginning Balance:	\$ 4,658,291
Ending Balance:	\$ 4,764,439
Variance:	\$ 106,148
Interest Earnings for the Month Reported:	\$ 15,587
Interest Earnings Fiscal Year-to-Date:	\$ 34,016

ANALYSIS OF REVENUES

Total operating income for water and sewer was:	\$ 340,724
Non-operating income was:	\$ 29,646
Franchise fees paid to the District by San Miguel Garbage was:	\$ 9,720
Interest earnings for the LAIF account was:	\$ -
Interest earnings for the California CLASS account was:	\$ 14,028
Interest earnings for the Five Star Bank checking account was:	\$ 16
Interest earnings for the Five Star Bank DWR Loan Services account was:	\$ 66
Interest earnings for the Five Star Bank DWR Reserve account was:	\$ 458
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:	\$ 140,008
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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
AUGUST 2025**

BEGINNING BALANCE ALL ACCOUNTS **\$4,658,290.66**

OPERATING CASH IN DRAWER **\$ 300.00**

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

BEGINNING BALANCE 7/31/2025	28,305.13	
QUARTERLY DEPOSIT	25,907.00	
INTEREST EARNED	66.30	
SEMI-ANNUAL PAYMENT	(51,814.22)	
ENDING BALANCE 8/31/2025		\$ 2,464.21

FIVE STAR BANK DWR RESERVE ACCOUNT

BEGINNING BALANCE 7/31/2025	126,312.45	
INTEREST EARNED	457.83	
ENDING BALANCE 8/31/2025		\$ 126,770.28

FIVE STAR BANK SDWSRF LOAN SERVICES ACCOUNT

BEGINNING BALANCE 7/31/2025	1,699.77	
QUARTERLY DEPOSIT	14,685.00	
INTEREST EARNED	30.16	
SEMI-ANNUAL PAYMENT	-	
ENDING BALANCE 8/31/2025		\$ 16,414.93

FIVE STAR BANK SDWSRF RESERVE ACCOUNT

BEGINNING BALANCE 7/31/2025	65,365.26	
INTEREST EARNED	236.92	
ENDING BALANCE 8/31/2025		\$ 65,602.18

MECHANICS BANK MONEY MARKET ACCOUNT

BEGINNING BALANCE 7/31/2025	9,444.78	
DEPOSIT REVENUE - CASH	1,815.24	
INTEREST EARNED	0.14	
ENDING BALANCE 8/31/2025		\$ 11,260.16

FIVE STAR BANK - MONEY MARKET

BEGINNING BALANCE 7/31/2025	207,745.07	
INTEREST EARNED	752.98	
ENDING BALANCE 8/31/2025		\$ 208,498.05

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

FIVE STAR BANK - CHECKING		
BEGINNING BALANCE 7/31/2025	140,008.35	
DEPOSIT REVENUE & MISCELLANEOUS INCOME	360,389.25	
INTEREST EARNED	15.61	
TOTAL CHECKS, FEES AND EFT'S	(260,421.81)	
ENDING BALANCE 8/31/2025		\$ 239,991.40

LOCAL AGENCY INVESTMENT FUND (LAIF)		
BEGINNING BALANCE 7/31/2025	260,822.84	
INTEREST EARNED	-	
ENDING BALANCE 8/31/2025		\$ 260,822.84

CALIFORNIA CLASS		
BEGINNING BALANCE 7/31/2025	3,818,287.01	
INTEREST EARNED	14,027.50	
ENDING BALANCE 8/31/2025		\$3,832,314.51

ENDING BALANCE ALL ACCOUNTS		\$4,764,438.56
DIFFERENCE FROM LAST MONTH	Increase	\$ 106,147.90

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2025/26 Budget**

OPERATING REVENUE	Budget FY 25/26	Actual August	Actual Year to Date	Percentage Year to Date	Variance Explanation
Water Fees	1,791,637	198,146	371,254	21%	
Sewer Fees	1,600,609	135,047	247,513	15%	
Hook-Up Fees	2,400	0	0	0%	
Turn on Fees	3,500	175	425	12%	
Late Fees	20,790	4,647	7,974	38%	Fluctuates based on activity
Plan Check & Inspection	1,600	2,709	2,709	169%	
Miscellaneous Income	500	0	2,881	576%	
TOTAL OPERATING	\$3,421,036	\$340,724	\$632,756	18%	

FRANCHISE REVENUE					
Solid Waste Franchise Fees	46,336	9,720	17,620	38%	
TOTAL FRANCHISE	\$46,336	\$9,720	\$17,620	38%	

TOTAL OPERATING \$3,467,372 \$350,444 \$650,376 19%

NON-OPERATING REVENUE					
Standby Charges	242,200	0	8,478	4%	
Property Tax	497,891	0	13,258	3%	
Interest	64,494	15,587	34,016	53%	Fluctuates based on activity
Connection Fees	28,232	0	0	0%	
TOTAL NON-OPERATING	\$832,817	\$15,587	\$55,752	7%	

RESERVE REVENUE					
Capital Reserves	188,088	4,892	12,685	7%	
Operating Reserves	24,354,883	9,166	40,318	0%	
TOTAL RESERVE	\$24,542,971	\$14,058	\$53,003	0%	

TOTAL NON-OPERATING \$25,375,788 \$29,646 \$108,755 0%

TOTAL ALL REVENUE	\$28,843,160	\$380,089	\$759,131	3%	
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**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2025/26 Budget**

OPERATING EXPENSES

SALARIES AND BENEFITS	Budget FY 25/26	Actual August	Actual Year to Date	Percentage Year to Date	Variance Explanation
Salaries	1,095,291	76,699	153,404	14%	
Health Insurance	247,593	16,219	32,488	13%	
Health Insurance - Retirees	62,535	4,830	9,668	15%	
Pers Retirement	195,963	19,770	43,942	22%	
OPEB Funding/Transfer	35,000	0	0	0%	
Standby	34,380	1,856	4,281	12%	
Overtime	3,985	0	918	23%	
Workers Comp. Ins.	34,469	0	29,616	86%	
Directors' Fees	36,000	400	700	2%	
Medicare/FICA	16,405	1,176	2,366	14%	
Car Allowance	3,000	250	500	17%	
SUI/ETT	1,000	0	0	0%	
Uniforms	8,424	2,582	2,877	34%	
TOTAL SALARIES & BENEFITS	\$1,774,045	\$123,782	\$280,759	16%	

UTILITIES

Electricity	140,535	7,880	17,744	13%	
Propane	1,649	0	0	0%	
Water Purchase	28,600	0	0	0%	Paid Semiannually
Telephone/Internet	13,846	2,335	3,052	22%	
TOTAL UTILITIES	\$184,630	\$10,215	\$20,796	11%	

MAINTENANCE & SUPPLIES

Chemicals	89,232	10,323	10,482	12%	
Computer/Software	38,134	0	4,276	11%	
Equip. Rental/Lease	2,812	0	0	0%	
Fixed Equip.	210,349	10,277	82,328	39%	
Fuel & Oil	16,873	2,014	5,281	31%	
Lab Testing	66,367	5,764	9,207	14%	
Office Supplies	1,687	0	0	0%	
Parks & Recreation	0	0	0	0%	
Struct./Grnds.	16,805	437	742	4%	
Small Tools/Equip.	3,375	0	0	0%	
Supplies	5,062	327	538	11%	
Meters/Equip.	13,498	0	0	0%	
Vehicles	6,750	2,847	2,875	43%	
TOTAL MAINT. & SUP.	\$470,944	\$31,989	\$115,729	25%	

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT - CONSOLIDATED BUDGET
2025/26 Budget**

GENERAL & ADMINISTRATION	Budget FY 25/26	Actual August	Actual Year to Date	Percentage Year to Date	Variance Explanation
Ads./Advertising	1,622	463	463	29%	Fluctuates based on activity
Alarm/Answering Service	4,500	342	684	15%	
Audit	10,816	0	0	0%	
Bank Charges/Fees	0	0	0	0%	
Consulting/Engineering	10,000	0	0	0%	
Dues/Subscription	11,248	0	0	0%	
Elections	0	0	0	0%	
Insurance	50,754	0	0	0%	Paid Annually
LAFCO	8,652	0	9,227	107%	Paid Annually
Legal/Attorney	27,040	0	2,538	9%	
Licenses/Permits	32,621	0	0	0%	
Plan Check & Inspection	1,600	0	0	0%	
Postage/Billing	16,873	3,204	4,747	28%	
Professional Service	100,451	2,254	5,058	5%	
Tax Collection	7,847	0	0	0%	
Staff Training & Travel	13,499	0	2,099	16%	
Board Training & Travel	1,082	0	0	0%	
TOTAL G & A	\$298,605	\$6,264	\$24,816	8%	

CAPITAL PROJECTS & EQUIPMENT

Structures/Improvements	24,472,971	14,058	53,003	0%	
Equipment	70,000	0	0	0%	
TOTAL CAPITAL EXPENSE	\$24,542,971	14,058	53,003	0%	

DEBT

State Loan Payment	103,628	51,814	51,814	50%	paid semiannually
State Loan Payment Phase II	58,740	0	0	0%	paid semiannually
Western Alliance Lease-PVS	152,321	0	0	0%	paid semiannually
TOTAL DEBT	\$314,689	\$51,814	\$51,814		

FUNDED DEPRECIATION	\$288,000	\$24,000	\$48,000	17%	
UNFUNDED DEPRECIATION	\$0	\$0	\$0	0%	

TOTAL EXPENSE	\$27,873,884	\$262,123	\$594,918	2%	
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CAPACITY CHARGES TRANSFER \$28,232 \$0 \$0 0%

SOLID WASTE FEES TRANSFER -\$25,630 \$3,550 \$3,904 -15%

FUND TOTAL	\$966,674	\$114,416	\$160,309		
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HERITAGE RANCH COMMUNITY SERVICES DISTRICT

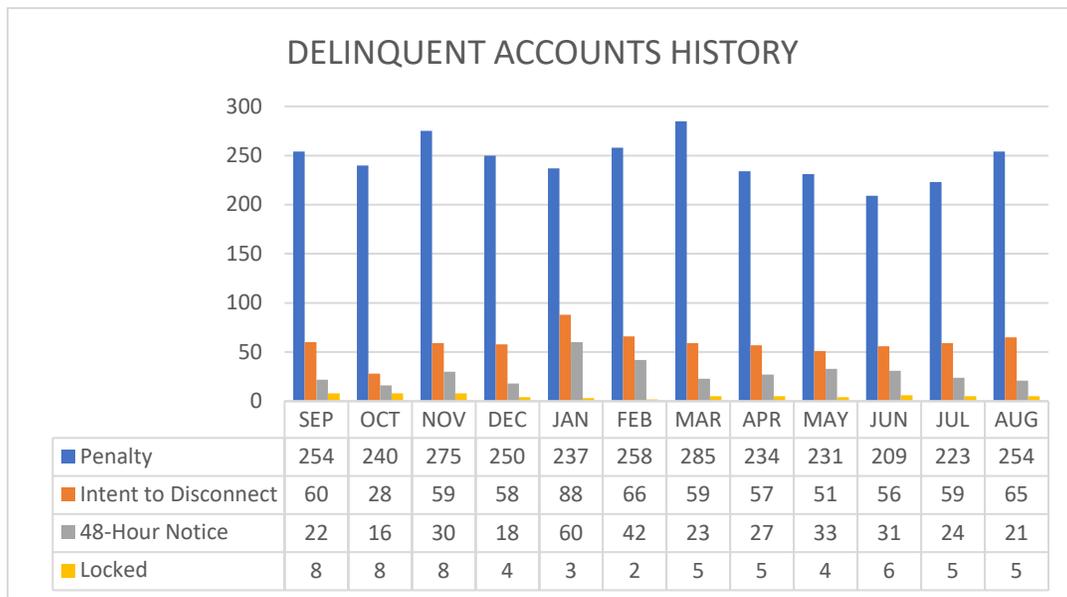
OFFICE REPORT AUGUST 2025

Utility Billing

- On September 1st, 1,939 bills were processed for a total dollar amount of \$310,182 for water and sewer user fees for the month of July.

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

- Number of late penalties posted for bills that were due by August 25th
- 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 - 5
 - Locked Meter – 5
 - Leak – 1
 - Unlock Meter – 4
 - Misc. - 2

Administration

- Nothing significant to report.

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

District Engineer Report For the Month of September 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
 - PRV project installation/scheduling
 - Lift Station project scoping

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)

- Lift Station 1-5 rehabilitation design phase: Staff is proceeding with the replacement of the pumps, rails, base and piping at LS 2. Working with FRM to finalize scope, schedule and budget. Working with operations, contractor and vendors on scoping of LS 3, pump selection, etc. to follow after LS 2. LS 1 will follow LS 3.
- Water System SCADA Upgrade / Telemetry: Water System SCADA portion is complete. The telemetry project was also recently completed.
- Pressure Reducing Valves (Waterview/Equestrian): Lower Waterview PRV complete and operational. Equestrian PRV is in progress. Scheduling with excavation contractor and insertion valve contractor. New vault is ready to ship, awaiting fabrication of the lid for delivery to the site together.
- Raw Water Vertical Intake No. 2: The project was issued for bid on Friday, 8/22/25. The bid walk was held on Tuesday, 9/2/25. Questions from contractors were accepted until 9/10/25. Responses were sent out 9/12/25. The bid opening was held 9/17/25. Verbal update at the meeting.
- DBP Project: Staff continues to contact consultants to assist with the design of the project.
- Wastewater Collection System SCADA Upgrade: This project is complete.
- Wastewater collection system model & I/I: Staff continues to work on reducing I/I into the collection system.

- Pump Station Covers (design): Staff contacted vendors for initial pricing and options.
- Electric Gate at Corp Yard: Work has not begun on this project.
- Rebuild Treater Water Pumps: 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 systems and future developments with potential developers as they make contact.

Project Name	Original CIP Budget	Estimated Design Completion	Estimated Construction Completion
Lift Station 1-5 Rehab (Construction Phase)	\$550,000	LS 2 - 9/20/25 LS 3 - TBD LS 1 - TBD	LS 2 - TBD LS 3 - TBD LS 1 - TBD
Water System SCADA Upgrade	\$300,000	Complete	Complete
Pressure Reducing Valves (Waterview, Equestrian)	\$175,000	Complete	Waterview - Complete Equestrian - Estimated completion by 10/31/25
Raw Water Vertical Intake No. 2	\$225,000	Complete	Notice of Award - 9/26/25 Notice to Proceed - 10/13/25 Completion (90 days) - 1/12/26
DBP Project	\$1,000,000	TBD	TBD
Wastewater Collection System SCADA Upgrade	\$200,000	Complete	Complete
Wastewater Collection System Model & I/I	\$75,000	TBD	TBD
Pump Station Covers (Design and Construction)	\$85,000	TBD	TBD
Electric Gate at Corp Yard	\$50,000	TBD	TBD
Rebuild Treated Water Pumps	\$50,000	TBD	TBD
Total	\$2,710,000		

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

Operations Report For the Month of September 2025

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

Water treatment

- Produced 16.0 million gallons of treated water.
- Installed and calibrated new level sensor for Potassium permanganate. This will allow operators to view chemical levels remotely on Scada. Along with being able to more accurately measure volume.
- Removed old media and cleaned drying bed#1. Staff then installed new sand and put drying bed back online. Work to replace media on drying bed #2 has also begun.
- Worked with Spice integration to troubleshoot faulty communications with online TOC analyzer. The analyzer itself is functioning normally. But communications have been intermittent.
- Triple rinsed and Backwashed Filter #4 To eliminate premature breakthrough in contact clarifier.
- Performed weekly calibrations on turbidimeters.
- Collected monthly DBP samples.

Water distribution

- Repaired (2) service line leaks located on Willow brook and Moccasin. Both leaks were located on the service lines.
- Directional flushing was performed on multiple trouble spots in the ranch to maintain clean and fresh water.
- Staff filled in and compacted a section of the hillside on Lake rd. where our water main is in danger of being exposed.
- Mapped and physically inspected all street valves in the system. Valves were then vacuumed out and cleaned.
- Performed all water quality labs.
- Collected all state required Bac T samples.

Wastewater collection

- Replaced contactor, breaker and motor saver at Lift Station #5. Alarms were being tripped due to contact failures.
- Replaced main breaker at lift station #8.the original failed and Alpha electric was called to replace.
- Flushed Lift station #6 and Heritage Loop Rd. for odor control.

- Chlorinated and flushed manhole on top of Edgewood for odor control.
- Performed monthly lift station checks.

Wastewater treatment

- Treated 3.11 million gallons of wastewater.
- Motor for 40HP aerator was diagnosed and work has begun to repair motor.
- Electrical for chlorine feed pump lost communication. Alpha electrical was called to troubleshoot. faulty wiring was discovered and repaired.
- Repaired leak at chemical injection point on treated sewer force main. Pvc union had cracked.
- Performed maintenance on sand filters raked and chlorinated. located at effluent discharge.
- Collected all state required Bac T samples along with BOD samples.

Vehicles and equipment

- Brakes and rotors were replaced on 4x4 F150.
- Ignition coil was replaced under warranty on Ford ranger.

* * *

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

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

DATE: September 18, 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.

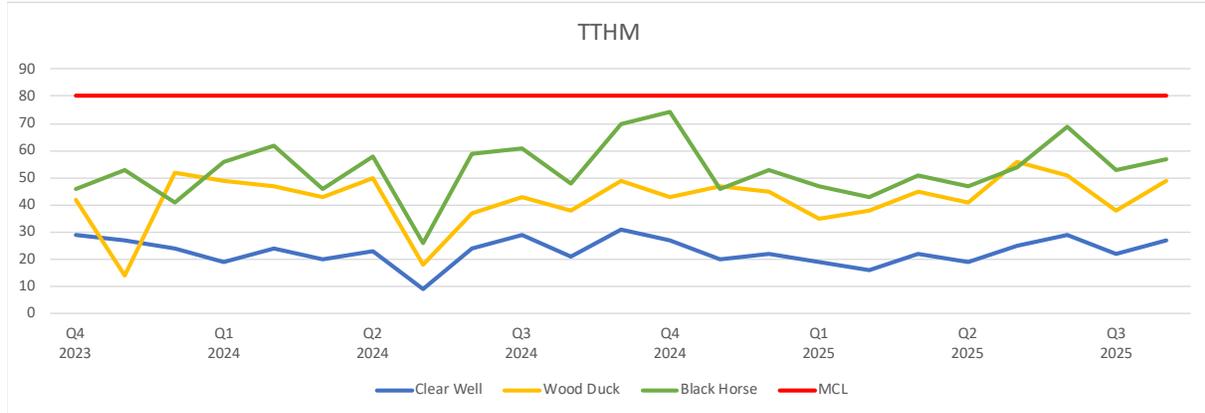
The maximum contaminant level for HAA5 is 60 parts per billion (ppb). In the table below, "Vintake TOC" is the TOC level of the water from the vertical intake; "RW TOC" is the TOC reading for Raw Water; "TW TOC" is the TOC reading for Treated Water; and "GAC Effluent" shows the TOC reading after the 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 contaminant level (MCL) for HAA5 is 60 ppb.

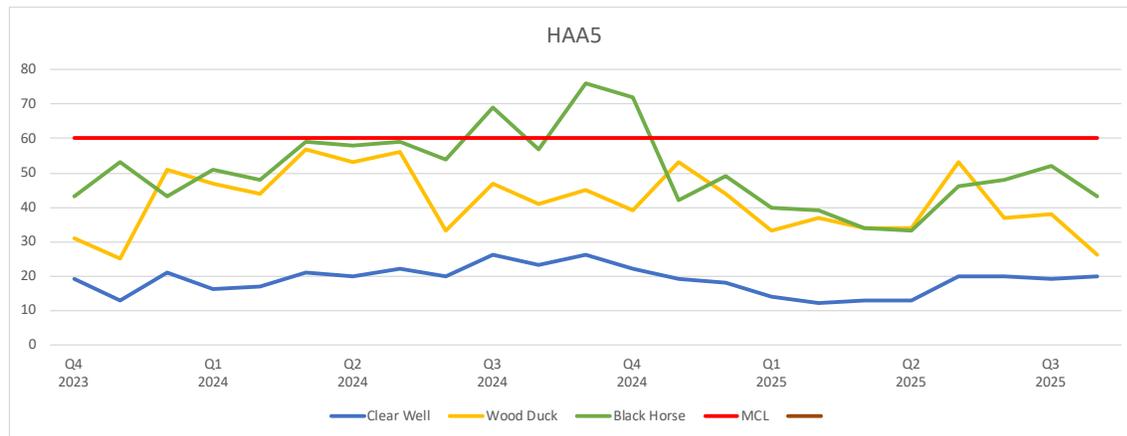
The most recent LRAA for HAA5 is 50 ppb at the Black Horse Lane location and 41 ppb at the Wood Duck Lane location; both under the MCL.

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

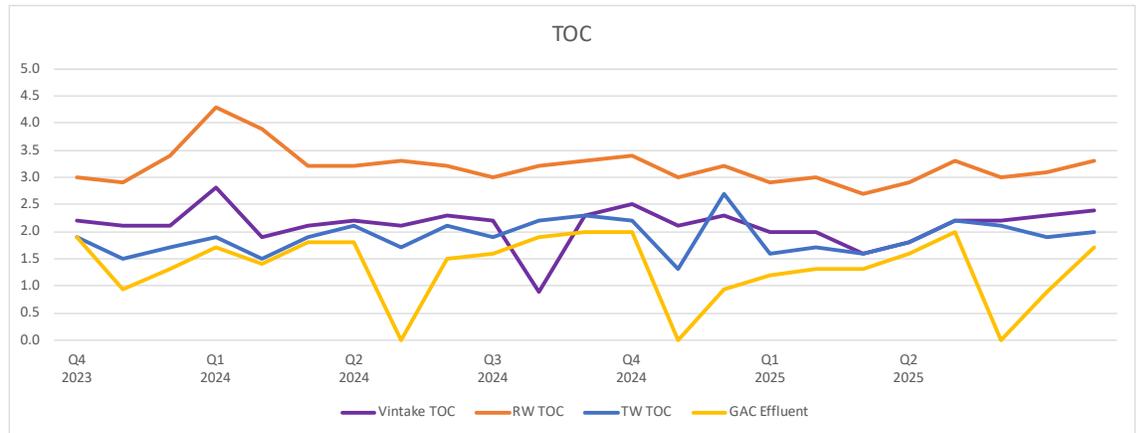
TTHM	Q4 2023			Q1 2024			Q2 2024			Q3 2024			Q4 2024			Q1 2025			Q2 2025			Q3 2025		
Clear Well	29	27	24	19	24	20	23	9	24	29	21	31	27	20	22	19	16	22	19	25	29	22	27	
Wood Duck	42	14	52	49	47	43	50	18	37	43	38	49	43	47	45	35	38	45	41	56	51	38	49	
Black Horse	46	53	41	56	62	46	58	26	59	61	48	70	74	46	53	47	43	51	47	54	69	53	57	
MCL	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	80	



HAA5	Q4 2023			Q1 2024			Q2 2024			Q3 2024			Q4 2024			Q1 2025			Q2 2025			Q3 2025		
Clear Well	19	13	21	16	17	21	20	22	20	26	23	26	22	19	18	14	12	13	13	20	20	19	20	
Wood Duck	31	25	51	47	44	57	53	56	33	47	41	45	39	53	44	33	37	34	34	53	37	38	26	
Black Horse	43	53	43	51	48	59	58	59	54	69	57	76	72	42	49	40	39	34	33	46	48	52	43	
MCL	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	60	



TOC	Q4 2023			Q1 2024			Q2 2024			Q3 2024			Q4 2024			Q1 2025			Q2 2025			Q3 2025		
Vintake TOC	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	2.0	1.6	1.8	2.2	2.2	2.3	2.4	
RW TOC	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	3.0	2.7	2.9	3.3	3.0	3.1	3.3	
TW TOC	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	1.7	1.6	1.8	2.2	2.1	1.9	2.0	
GAC Effluent	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	1.3	1.3	1.6	2.0	NM	0.9	1.7	



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 August 19th, 57 days since the new ones were placed online, the GAC vessels were removing over 29% of the organics from the flow being sent to them (approximately 150 gpm or 25% of the total flow.) This figure is based on the laboratory results, as our TOC analyzer is not currently online. With the previous batch, at 63 days (the closest lab analysis day-wise to our current batch) we were removing 37% of the organics. It should be noted that the current batch has been in operation during the high demand season, whereas the previous batch was installed in November during the low demand season.

Therefore, while it is not a direct comparison, it gives us an idea of the functionality of the GAC and the current batch is operating in line with the previous batch (29% at 57 days vs. 37% at 63 days). We replaced the last batch of GAC after 217 days on 6/20/25.

The current batch of GAC is the fifth batch we have used. The average % removal at 60 days' of run time is approximately 27%.

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: September 18, 2025

SUBJECT: Discussion regarding a request from the Heritage Ranch Owners Association Board of Directors regarding the use of District property for their proposed new administrative office building and provide direction for staff.

Recommendation

It is recommended that the Board of Directors discuss a request from the Heritage Ranch Owners Association Board of Directors (HROA) regarding the use of District property for their proposed new administrative office building and provide direction for staff.

Background

The concept of having the HROA office near the District office and other community facilities is not new. The most recent request was heard by your Board on October 17, 2019, and previous to that on April 16, 2015.

Below is an excerpt from the 2015 staff report listing several facts:

"The District has a history of providing property for a public purpose to agencies including the following:

- *Senior Center: The District provided a ground lease to the Heritage Village Senior Association on October 1, 1996, with a fifty-year term. The Senior Association funded construction of the building and funds all cost of operations.*
- *Cal Fire Station 13. The District deeded .7 acres of land to San Luis Obispo County in 2001 to build and operate a fire station.*
- *SLO County Integrated Waste Management Authority (IWMA): A Memorandum of Understanding between IWMA and HRCSD was approved in 2002 for the placement and operation of the Household Hazardous Waste site with a 20 year term.*
- *When the HRCSD was formed in 1990 a double wide trailer was leased and used as our first office until a permanent office could be built. When planning for a new office began the HRCSD Board offered the HROA Board the concept*

of partnering in construction. The concept at the time was for a "U" shaped building with HROA occupying one leg, HRCSD in the other, with shared facilities (meeting room, restrooms, kitchen, and storage). The idea was for "one-stop shopping" for the community. The HRCSD Board embraced the idea but HROA did not. The HRCSD built its current office in 1992. HROA remained at their office located by the marina."

At the April 16, 2015 meeting your Board voted 3-0 "to re-visit this item after the HROA Planning Committee brings forward a Master Plan."

At the October 17, 2019 meeting your Board direction to staff was to continue discussion with HROA.

Discussion

Some challenges that were identified previously remain today. In summary those challenges are:

- Available Land. The District would need to determine if land is available. The Manager believes that there are potential locations on District land that could be conducive to the proposed HROA office building; however, that should be vetted out in conjunction with development of an agreement and other factors.
- Lease or fee title options. A lease agreement would need to be developed to be approved by your Board, and the HROA Board. Alternatively, the District could sell a portion of the property to the HROA like we did for the CalFire station.
- Land Use and Permitting. The HROA would need to investigate what is allowed on the property by the County Planning & Building Department, such as zoning requirements, permit requirements, required improvements to the District's existing buildings and/or property, etc.
- Cost. Any and all costs associated with the proposed HROA office would be the responsibility of the HROA. The District can only use our enterprise funds for the intended purposes, in our case that's water, sewer, and solid waste services.

Some potential opportunities were also previously identified:

- Community Services Planning. Locating community services in a centralized area may facilitate the business activities of the residents and service providers. If the proposed HROA office were to be located on the District office property, it would be next to or near the District office and operation yard, the Household Hazardous Waste collection facility, the Don Everingham Center, and the CalFire station.
- Emergency Planning. The centralized location could provide for increased services and response to major incidents.

Nothing regarding the proposed HROA office has been approved by the District to date. Further, today's request is to have a discussion and provide direction for staff.

Fiscal Considerations

There is minimal cost associated with staff continuing discussions with HROA. There will be costs for District Counsel and District Engineer at a minimum, which could be managed with a reimbursement agreement.

Results

Discussion and direction from your Board will provide for the continued efficient operation of the District.

Attachments: HROA Letter Dated 8-25-2025

File: HROA

Heritage Ranch Owners Association

Office Location - Subcommittee

2130 Heritage Loop Road

Paso Robles, California 93446

Date: 8-25-2025

Mr. Scott Duffield, General Manager

Heritage Ranch Community Facilities District

Heritage Ranch

Paso Robles, California

Re: Request for Land Lease and Will-Serve Confirmations – HROA Community Office

Dear Mr. Duffield and Members of the Board,

On behalf of the Heritage Ranch Owners Association (HROA) and its Office Location Subcommittee, we respectfully submit this request for consideration and tentative approval of a permanent HROA Community Office facility within the Heritage Ranch Community Service Area all subject to HROA final board approval.

Proposed Facility

The proposed office will be developed using modular office units designed for professional office use, including ADA-compliant entries and restrooms. The building will provide approximately 2,667 square feet of office space configured for reception, staff offices, conference room, storage areas and porch. The facility will be placed on a permanent foundation, (type to be determined), with appropriate grading, paving, and utility connections, parking lot improvements as required and landscaping consistent with community standards. Additional space may also be required for a solar panel array to provide renewable energy to the office.

Please note; architectural elevations, color board, floor plans, site plan and utility plan will be provided with the final and formal HROA Request for Approval, cursory reviews will be provided at each stage of the operations for review, comments and approval.

Requested Locations

Our request applies to two potential sites (Site 1 and Site 2) within the Community Service Area, with Site 2 identified as the preferred location, see attached maps showing the two potential sites under consideration.

Requested Actions

We respectfully request that the Board:

1. Approve negotiation and execution of a long-term land lease agreement with HROA for the Community Office facility at either Site 1 or Site 2 (with Site 2 as the preferred location).
2. Provide formal will-serve confirmations for:
 - Water meter service
 - Sewer connection service for the office facility.
3. Allow allocation of additional space for a solar panel array should it be required.

Closing

We believe this request represents a mutually beneficial opportunity that strengthens community infrastructure, governance, and services. We respectfully request that the Board place this item on an upcoming agenda for formal consideration and approval.

Thank you for your time and continued partnership. Please do not hesitate to contact me should you require any additional information.

Sincerely,

Jim Cogan, HROA General Manager

on Behalf of the HROA "Office Location - Subcommittee"

**SITE SELECTION - ADJACENT CAL FIRE STATION -
SAN LUIS OBISPO COUNTY FIRE**

SITE # 1



**SITE SELECTION - ADJACENT HERITAGE RANCH
COMMUNITY FACILITY**

PREFERRED - SITE # 2



HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

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

DATE: September 18, 2025

SUBJECT: Submittal for approval Resolution 25-11 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 25-11 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 least 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 indicating the specified health plan(s) the District covers for employees and annuitants under the Public Employees' Medical and Hospital Care Act if those health plan(s) change from the previous resolution. The health plans for calendar year 2026 to be covered by the District pursuant to District policy are shown in the table below.

2026	
Members	Health Plan Region 2
Basic Enrollments	Blue Shield Trio HMO
Medicare Enrollments	UnitedHealthcare Group Medicare Advantage PPO
Combination Enrollments	UnitedHealthcare Alliance and Medicare Advantage

Fiscal Considerations

The FY 2025/26 Budget includes health coverage costs.

Results

Approval of Resolution 25-11 will provide CalPERS with the documentation required to maintain District provided health coverage.

Attachments: Resolution 25-11

FILE: CalPERS

**HERITAGE RANCH COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 25-11**

**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:

2026	
Members	Health Plan Region 2
Basic Enrollments	Blue Shield Trio HMO
Medicare Enrollments	UnitedHealthcare Group Medicare Advantage PPO
Combination Enrollments	UnitedHealthcare Alliance and Medicare Advantage

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 of 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 18th day of September 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**

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors

FROM: Scott Duffield, General Manager

DATE: September 18, 2025

SUBJECT: Request to consider voting for a candidate for the vacant Alternate Special District seat on the San Luis Obispo Local Agency Formation Commission.

Recommendation

It is recommended that the Board of Directors consider voting for a candidate for the vacant Alternate Special District seat on the San Luis Obispo Local Agency Formation Commission (LAFCO).

Background

LAFCO is an independent local government agency that has planning and growth powers over all cities, counties, and special districts. San Luis Obispo County special districts have two Regular Commissioners and one Alternate Commissioner on LAFCO. The other LAFCO representatives include two elected officials from cities, two from the County, and one member of the general public.

Discussion

The previous Alternate Special District representative is now the Regular Commissioner. The nomination period for the vacant LAFCO Alternate Special District Seat ran from June 23, 2025, to August 22, 2025. More than one nomination was received; therefore, an election is required. The seat term is from January 1, 2026, to December 31, 2030. Attached is all the information to cast a vote, including voting instructions, ballots and nominee information. The deadline to submit a ballot is November 3, 2025. A quorum of district votes is needed (18), if there is not a quorum, LAFCO will need to extend the election period.

Attachments: LAFCO Memorandum and Ballot Forms

File: LAFCO



San Luis Obispo Local Agency Formation Commission

Serving the Area of San Luis Obispo County

TO: INDEPENDENT SPECIAL DISTRICT SELECTION COMMITTEE
FROM: ROB FITZROY, EXECUTIVE OFFICER
DATE: SEPTEMBER 2, 2025
RE: ELECTION FOR LAFCO SPECIAL DISTRICT ALTERNATE MEMBER

Summary. A nomination period for one vacant LAFCO Alternate Member Special District seat ran from June 23, 2025, to August 22, 2025. The seat is for the term January 1, 2026, to December 31, 2030. A total of three nominations were received. As such, an election is required. The candidates are as follows, with resumes and statements of interest attached:

- Owen Davis, San Miguel Community Services District
- John Joyce, Nipomo Community Services District
- Justin Smith, Cayucos Sanitary District

Instructions. Each district may submit a total of one ballot. See the attached ballot for your use. The election period will commence on September 2, 2025, and end on November 3, 2025. **BALLOTS ARE DUE NOVEMBER 3, 2025, at 5:00 PM.** If your District wishes to submit a ballot, please place this item on the agenda at a meeting of your Board of Directors as soon as possible, or if you have already been delegated by your Board, you may submit a ballot on behalf of your district.

Ballots will be tallied at the end of the voting period within 7 days. Eighteen ballots are required for a quorum. If a quorum is not met, the Executive Officer must extend the balloting for 60 days. If a quorum is not met after the extension period, the Executive Officer may extend the balloting period again or may use alternative methods.

The completed ballot forms may be submitted to the LAFCO office via mail or e-mail: mmorris@slo.lafco.ca.gov. Please make sure the form is signed by the Board President or General Manager.

Thank you, and please contact us with any questions.

Attachments: Ballot & Supplemental Nominee Information

cc. Holly Whatley, LAFCO Legal Counsel

COMMISSIONERS

Chairperson
STEVE GREGORY
City Member

Vice-Chair
HEATHER MORENO
County Member

DAWN ORTIZ-LEGG
County Member

ED WAAGE
City Member

ED EBY
Special District Member

NAVID FARDANESH
Special District Member

DAVID WATSON
Public Member

ALTERNATES
BRUCE GIBSON
County Member

CARLA WIXOM
City Member

VACANT
Special District Member

MICHAEL DRAZE
Public Member

STAFF
ROB FITZROY
Executive Officer

IMELDA MARQUEZ-VAWTER
Senior Analyst

MORGAN BING
Analyst

MELISSA MORRIS
Commission Clerk

HOLLY WHATLEY
Legal Counsel



**San Luis Obispo
Local Agency Formation Commission**

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

Tel: (805) 781-5795 | www.slo.lafco.ca.gov

**BALLOT FOR LAFCO
SPECIAL DISTRICT ALTERNATE MEMBER ELECTION
FOR SEAT TERM THROUGH DECEMBER 2030**

The _____
(Insert Name of Special District)

hereby selects the following individual for the Special District Alternate Member seat term through December 2030 on the San Luis Obispo Local Agency Formation Commission (choose one):

- Owen Davis, San Miguel Community Services District
- John Joyce, Nipomo Community Services District
- Justin Smith, Cayucos Sanitary District

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

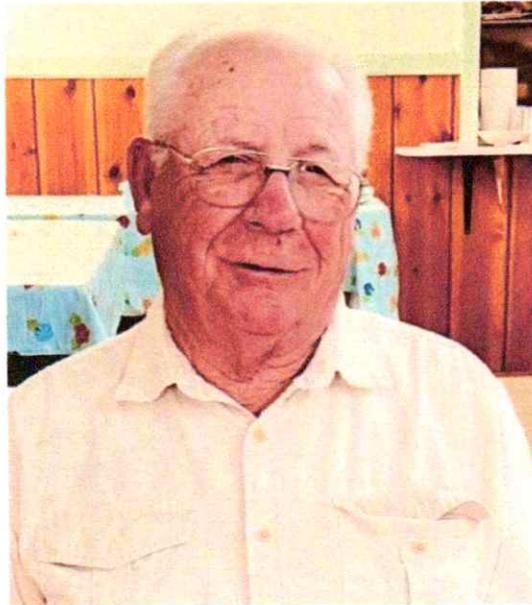
Insert Date of Board Agenda and Action Item

General Manager or Chairman/President Signature

Date

Owen Davis

Nominee for LAFCO Special District Member Alternate



Statement of Interest and Background

I am very interested in gaining a seat on LAFCO Special District. I feel I could add very much with my vast experience in agriculture, irrigation, design, building and farm management.

I served in the US Army from December 1963 to December 1966 and in Korea as a tanker from June 1964 to July 1965.

I have been a Director on the San Miguel CSD Board from December 2022 to current. My goal has been to control what I feel is unnecessary and out of control spending of the people of San Miguel's money.

Thank you,

A handwritten signature in blue ink that reads "Owen Davis". The signature is written in a cursive style.

Owen Davis
PO BOX 391
San Miguel, CA 93451
(805) 674-5429

owen.davis@sanmiguelcsd.org

John Joyce, Director

Director Joyce earned a Bachelor of Science degree in Environmental Engineering from Purdue University and earned several post-graduate certificates from UCLA and the IEEE. He was employed with the Indiana Department of Water Resources as the State Lake Inspector and promoted to Water Resource Manager. After moving to California, he worked for Glendale Water and Power for two years. Next came 32 years of varied experience with Burbank Water and Power as a Commercial Utility Auditor, Planning Engineer, Rate Manager and Senior Key Account Manager before retirement.

He has expertise in managing complex projects, fostering engagement, a strong commitment to environmental stewardship and ensuring sustainable development. This background makes him well suited for the important decisions and needed staff direction made by the Nipomo Community Service District while striving to preserve Nipomo's rural charm, water quality and reliability.

Justin T. Smith

Nominee For LAFCO Special District Member Alternate

Statement of interests and Background

I'm Interested in the available LAFCO Special District Alternate seat to serve San Luis Obispo County service areas, cities, and special districts. I hope to become an alternate so I can better understand the challenges faced by communities throughout the county. I am grateful for my fellow Cayucos Sanitary District Directors nomination for this position. As a member I would like to be a representative to ensure that the complex issues faced by communities are properly addressed. My 20 years of experience in the water industry have given me the unique opportunity to become versed in water rights and Title 22 of the California Code of Regulations. I have seen firsthand how water issues can affect community in the long term. Water is on the forefront of issues facing several communities within the county and most coastal communities and communities within the Paso ground water basin will be facing water related issues during future annexations. As an alternate member I would like to put that knowledge to use by making sure that long-term water availability, infrastructure reliability and funding are considered as part of the annexation projects brought before the commission.

Thank you for considering me as an alternate member, allowing me the opportunity to safeguard the future of our county for the next generation of residents.

HERITAGE RANCH COMMUNITY SERVICES DISTRICT

General Manager Report For the Month of September 2025

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

Administration

- Participated in the CSDA Board August meeting.
- Participated in the CSDA Annual Conference.
- Attended the CSDA Ventura Chapter September meeting.
- Participated in the SLO County Regional Water Management Group September meeting.
- Participated in the SLO County Water Resources Advisory Committee September meeting.
- Attended the Heritage Village Seniors September meeting.

Solid Waste

- Nothing significant to report.

WRRF Project

- The WRRF Committee met twice with USDA representatives to discuss the status of their authorization for bidding.

Operations

- Met with the Division of Drinking Water to review the recent sanitary survey.
- Drafted and sent out a Request for Quotes for inspection and cleaning of the water storage tanks.
- Drafted and sent out a Request for Quotes for solar operations and maintenance services.

Reservoir Status

- As reported by Monterey County Water Resources Agency (MCWRA), as of September 9, 2025, the reservoir was at approximately 749.75 feet in elevation, 40% of capacity, and 150,100-acre feet of storage. MCWRA water releases were shown as 273 cfs.

