



**SPMUD BOARD OF DIRECTORS
REGULAR MEETING: 4:30 PM
June 27, 2024**

SPMUD Boardroom
5807 Springview Drive, Rocklin, CA 95677

Zoom Meeting: 1 (669) 900-9128
Meeting ID: 882 7964 9201

The District’s regular Board meeting is held on the first Thursday of every month. This notice and agenda are posted on the District’s website (www.spmud.ca.gov) and the District’s outdoor bulletin board at 5807 Springview Drive Rocklin, CA. Meeting facilities are accessible to persons with disabilities. Requests for other considerations should be made at (916) 786-8555.

The June 27, 2024 meeting of the SPMUD Board of Directors will be held in the District Board Room at 5807 Springview Drive in Rocklin, CA 95677 with the option for the public to join via teleconference using Zoom Meeting 1 (669) 900-9128, <https://us02web.zoom.us/j/88279649201>. Public comments can be made in person at the time of the meeting or emailed to ecostan@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

AGENDA

I. CALL MEETING TO ORDER

II. ROLL CALL OF DIRECTORS

| | |
|-------------------------------|--------|
| Director Gerald Mitchell | Ward 1 |
| Director William Dickinson | Ward 2 |
| Vice President Christy Jewell | Ward 3 |
| President James Durfee | Ward 4 |
| Director James Williams | Ward 5 |

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENTS

Items not on the Agenda may be presented to the Board at this time; however, the Board can take no action. Public comments can be made in person at the time of the meeting or emailed to ecostan@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

V. CONSENT ITEMS

[pg 4 to 45]

Consent items should be considered together as one motion. Any item(s) requested to be removed will be considered after the motion to approve the Consent Items.

ACTION: (Roll Call Vote)

Motion to approve the consent items for the June 27, 2024 meeting.

1. MINUTES from the June 6, 2024, Regular Meeting. [pg 4 to 9]
2. ACCOUNTS PAYABLE in the amount of \$609,703 through June 17, 2024. [pg 10 to 14]
3. RESOLUTION 24-14 ESTABLISHING A FEE SCHEDULE FOR FISCAL YEAR 2024/25, RESOLUTION 24-15 ESTABLISHING A FINE SCHEDULE FOR FISCAL YEAR 2024/25, AND RESOLUTION 24-16 ESTABLISHING A SCHEDULE OF VALUES FOR FISCAL YEAR 2024/25 [pg 15 to 27]
4. RESOLUTION 24-17 REVISING BOARD POILICES #3006 EMERGENCY RESPONSE, #3105 BUDGET PREPARATION, #3165 DELINQUENT PAST DUE BILLS, AND #3370 SEWER SYSTEM MANAGEMENT PLAN AND CREATING POLICY #5016 PUBLIC COMMENT VIA REMOTE PARTICIPATION AT BOARD MEETINGS [pg 28 to 45]

VI. BOARD BUSINESS

Board action may occur on any identified agenda item. Any member of the public may directly address the Board on any identified agenda item of interest, either before or during the Board's consideration of that item.

1. INDUSTRIAL PRETREATMENT\BREWERY STUDY

Staff from the City of Roseville Industrial Pretreatment/Wastewater Division will present information on the recent Brewery Study part of the Industrial Wastewater Discharge Program conducted in coordination with the City of Roseville.

No Action Requested: Informational Item

2. RESOLUTION 24-18 ACCEPTING THE WORKPLACE VIOLENCE PREVENTION PLAN AND REVISING BOARD POLICY #2037 [pg 46 to 72]

The District is required to adopt a Workplace Violence Prevention Plan by July 1, 2024. Staff will present an overview of the Plan and revised Board Policy.

Action Requested: (Roll Call Vote)

Staff recommends that the Board of Directors adopt Resolution 24-18 Accepting the Workplace Violence Prevention Plan and Revising Board Policy #2037.

3. RESOLUTION 24-19 ADOPTING THE FISCAL YEAR 2024/25 BUDGET AND PROPOSED SPENDING PLAN [pg 73 to 163]

The Fiscal Year 2024/25 Budget, beginning July 1, 2024, and ending June 30, 2025, outlines projected revenues and expenses for the Operating and Capital Funds and becomes the fiscal planning tool to accomplish the District's strategic goals and objectives.

Action Requested: Roll Call Vote

Staff Recommends that the Board of Directors adopt Resolution 24-19 adopting the Budget and proposed spending plan for Fiscal Year 2024/25.

4. **SOUTH PLACER WASTEWATER AUTHORITY (SPWA) BOARD MEETING REPORT – DIRECTOR JIM WILLIAMS**

Director Williams, the District representative to the SPWA Board, will provide a brief update on the recent actions and activities of the SPWA Board.

No Action Requested: Informational Item

VII. REPORTS

[pg 164 to 181]

The purpose of these reports is to provide information on projects, programs, staff actions, and committee meetings that are of general interest to the Board and the public. No decisions are to be made on these issues.

1. Legal Counsel (A. Brown)
2. General Manager (H. Niederberger)
 - 1) ASD, FSD & TSD Reports
 - 2) Informational items
3. Director's Comments: Directors may make brief announcements or brief reports on their activities. They may ask questions for clarification, make a referral to staff, or take action to have staff place a matter of business on a future agenda.

VIII. ADJOURNMENT

If there is no other Board business the President will adjourn the meeting to the next regular meeting to be held on **August 1, 2024, at 4:30 p.m.**

**REGULAR BOARD MINUTES
SOUTH PLACER MUNICIPAL UTILITY DISTRICT**

| Meeting | Location | Date | Time |
|----------------|---------------------------------|--------------|-------------|
| Regular | SPMUD Boardroom Zoom Meeting | June 6, 2024 | 4:30 p.m. |

I. CALL MEETING TO ORDER: The Regular Meeting of the South Placer Municipal Utility District Board of Directors was called to order with Vice President Jewell presiding at 4:30 p.m.

II. ROLL CALL OF DIRECTORS:

- Present: Director Jerry Mitchell, Director Will Dickinson, Director Christy Jewell, Director Jim Williams
- Absent: Director James Durfee
- Vacant: None
- Staff: Adam Brown, Legal Counsel
Herb Niederberger, General Manager
Carie Huff, District Engineer
Eric Nielsen, Superintendent
Emilie Costan, Administrative Services Manager

III. PLEDGE OF ALLEGIANCE: Director Dickinson led the Pledge of Allegiance.

IV. PUBLIC COMMENTS:

ASM Costan confirmed that no eComments were received. Hearing no other comments, the public comments session was closed.

V. CONSENT ITEMS:

1. MINUTES from the May 2, 2024, Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$545,700 through May 27, 2024.
3. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements for the Loomis Costco with an estimated value of \$32,421.
4. RESOLUTION 24-11 AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN AGREEMENT WITH UNIVERSAL BUILDING SERVICES FOR JANITORIAL SERVICES

Director Williams made a motion to approve the consent items; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 4-0.

VI. BOARD BUSINESS

1. PUBLIC HEARING: RESOLUTION 24-12 TO COLLECT DELINQUENT SERVICE CHARGES FOR SOUTH PLACER MUNICIPAL UTILITY DISTRICT ON THE PLACER COUNTY TAX ROLLS FOR TAX YEAR 2024

ASM Costan presented the Public Hearing to collect delinquent charges for the tax year 2024. She shared that each year the District holds a public hearing prior to assigning delinquent charges to the Placer County Tax Rolls. At the time of the meeting, there were 1,192 accounts with a total outstanding balance of \$490,546.

Director Mitchell asked why the number of delinquencies and the outstanding balance continues to increase. ASM Costan shared that as the number of accounts grows that increases the likelihood that a higher number of accounts will be delinquent. Additionally, over the last few years, the District has started to assign additional participation charges that are delinquent and those tend to be larger dollar amounts.

Director Dickinson asked what the penalty is on the assigned amounts, and ASM Costan shared that it is a ten percent penalty. Director Dickinson added that the penalty encourages customers to pay on time instead of allowing their charges to roll to their property tax bill annually.

The Public Hearing was opened to receive comments from the public on this item. No public comments were received.

Director Dickinson made a motion to approve Resolution 24-12 requesting that Placer County Collect Delinquent Service Charges for the District on the Placer County Tax Roll for Tax Year 2024; a second was made by Director Mitchell; a roll call vote was taken, and the motion carried 4-0.

2. RESOLUTION 24-13 REVISING THE JOB DESCRIPTION FOR ADMINISTRATIVE SERVICES ASSISTANT I/II/III AND CREATING JOB DESCRIPTIONS FOR ADMINISTRATIVE SERVICES SPECIALIST AND MANAGEMENT ANALYST I/II

ASM Costan presented the revised job descriptions for the Administrative Services Department (ASD). She shared the current job descriptions, the job descriptions being proposed, and that staff believes that the proposed revisions will provide greater flexibility, the ability to more closely match the required job duties to the available positions, and improve recruitment, retention, and succession planning. ASM Costan provided information on the timing of the changes, why the changes are being proposed now, and the positions that will be budgeted for next fiscal year. Finally, she shared the outreach process which included meeting with ASD employees, the employee association, and the personnel advisory committee. Employee recommendations were incorporated into the proposed job descriptions.

Director Mitchell asked for additional clarification on how the Administrative Services Assistant (ASA) I/II/III position is changing. ASM Costan shared that the biggest difference is that an ASA

It would no longer flex to an ASA III based on time in the position. They would apply and be promoted to an open Specialist or Management Analyst position. Director Mitchell also asked about the physical demand requirements for the positions. ASM Costan shared that all job applicants are required to complete a pre-employment physical at the time of hire and depending on the position they may be required to complete physical demands testing.

Director Williams asked for clarification that the current ASA III position is the highest in the flexible series, and ASM Costan confirmed that it is. She added that the ASA III or proposed Specialist is considered a journey-level position that can work independently on more complex assignments. Director Dickinson shared support for the proposed changes.

Vice President Jewell asked if there are other positions in the District that are exempt and if they receive Administrative Time Off. ASM Costan shared that the Management Analyst would be the only non-management position that is an exempt classification. She shared that as new positions are added they can be analyzed to see if they should also be included in the management support group. Director Dickinson thanked staff for their work on this item.

Director Williams made a motion to approve Resolution 24-13 revising the job description for Administrative Services Assistant I/II/III and creating a job description for Administrative Services Specialist and Management Analyst I/II for use by the District; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 4-0.

3. FISCAL YEAR 2024/25 BUDGET WORKSHOP

ASM Costan presented the budget workshop, sharing the projected Revenue Budget which anticipates three hundred new connections, incorporates the rate adjustment, and forecasts a continuation of higher interest earnings due to the recent purchase of long-term fixed-income securities. Director Williams asked about the large increase in interest earnings in Fund 300. ASM Costan shared that in Fiscal Year 2021/22, the District was earning very little interest income on its investment accounts. The District is now earning over five percent interest on some accounts, combined with delayed projects due to the timing of development proposals that have limited spending from the fund, the balance of Fund 300 has grown to approximately \$34 million. GM Niederberger added that the Board's decision to move funds to newer accounts like California Class that are earning higher interest has benefited the District.

ASM Costan shared the proposed organization chart which includes the position changes that were discussed in the last board presentation. The budget also proposes hiring one limited-term Temporary Laborer and one part-time Student Intern. ASM Costan presented the proposed Operating Fund Expense Budget and shared information on rising insurance premiums, Other-Post Employment Benefit payments, Unfunded Liability Payments, and position vacancies. Director Mitchell asked about worker's compensation premiums increasing due to the number of claims when the District has 7.5 years without a loss time incident. ASM Costan shared that she recently provided feedback to the District's insurance provider about this as most of the claims last year were very minor in nature and allowed the employee to immediately return to work. Director Dickinson asked about modified duty, and DS Nielsen shared that modified duty has primarily

been used to accommodate non-work-related injuries. ASM Costan shared that staff is investigating other insurance options to reduce costs including other providers, larger deductibles, and self-insuring. She added that she spoke with the current insurance provider and was able to exclude money paid for wastewater treatment from the reported operating expenses which should result in some cost saving to the property and liability premiums for next year, but those numbers aren't available yet.

ASM Costan provided information on the proposed service and supply expenditures which include two large Newcastle projects, updated modeling for the 2025 SECAP, a Fleet Conversion Master Plan, easement maintenance, a Labor Negotiator, and the General Manager recruitment. Director Dickinson asked about the Newcastle projects being funded from Fund 100 instead of from Fund 400. ASM Costan shared that the projects were not originally included in the District's fixed asset schedule and therefore no depreciation was collected into Fund 400 to replace those assets. GM Niederberger shared that the bulk of the Newcastle assets came to the District from the Newcastle Sanitary District and there was no transfer of funds for replacement. The District has been paying for these projects on a pay-go basis out of Fund 100. Vice President Jewell asked about the Tools & Equipment line item that hasn't had expenses in prior years. DS Nielsen shared that some of the line items were reorganized this year to improve tracking, and this is a new line item. These purchases were previously grouped into Operating Supplies and Maintenance.

ASM Costan provided information on the \$2.2 million true-up for wastewater expense that was paid in Fiscal Year 2022/23 and applied against estimated payments due in Fiscal Year 2023/24. She shared that the District received a large estimated annual payment from the City of Roseville for Fiscal Year 2024/25 of \$13.12 million, an increase of over \$5 million from the payments made in Fiscal Year 2023/24. The methodology that is currently being used by Roseville to calculate the estimated payments is resulting in large true-up credits. Staff is recommending making quarterly estimated payments based on the numbers used in the Rate and Cost of Service Study which used the historical true-up payment amounts and applied an inflationary factor. Director Mitchell asked if this plan had been communicated to the City of Roseville. GM Niederberger shared that he will be reaching out to the City to discuss the planned R & R projects and the adjusted quarterly payment amounts. Director Mitchell also asked about the revenues from the cogeneration project and if the District was seeing cost savings. GM Niederberger shared that this should be reflected in the SPWA revenue numbers that offset expenses; however, the District hasn't seen a notable change yet. Director Williams added that the City of Roseville has a process for charging other departments. Some of the gas generated from the project is used in plant operations for the digesters and microturbines and the rest is used in the solid waste trucks.

ASM Costan presented the Capital Expense Budget and shared that some of the proposed spending is carried over from the prior year. Large projects include SCADA implementation, trunkline extensions, and the Old State Hwy Project in Newcastle which is being budgeted over the next two fiscal years. Director Dickinson asked about the cost of the SCADA Replacement Project, and DS Nielsen shared that the project cost was reduced from \$6.2 million to \$3.8 million by working with the consultant during the final design. ASM Costan shared that the largest capital expenses being proposed are developer trunkline extensions and those are projects where the District has little control over the timeline.

Finally, ASM Costan reviewed the District's investment portfolio, reserve requirements, and fund balances. The final Fiscal Year 2024/25 Budget Workbook will be brought back to the Board for adoption at the June 27, 2024, Board Meeting.

The Board Vice President opened public comment, and no public comments were received.

VII. REPORTS

1. District General Counsel (A. Brown):

General Counsel Brown had no report for this meeting.

2. General Manager (H. Niederberger):

A. ASD, FSD & TSD Reports:

GM Niederberger shared that the District was recently awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association for the fifth consecutive year. He congratulated staff for a job well done. GM Niederberger also shared that he will be attending the CSDA Annual Conference at the end of the month and plans to share information about the GM recruitment during his attendance.

Director Dickinson asked if the staff learned anything about insurance trends from the presentation by the California Insurance Commissioner's Office at the Government Relations Committee meeting. GM Niederberger shared that the insurance issues at the District are also impacting the other public agencies in the region. ASM Costan added that there is a proposal that the State is hoping to have approved by the end of the year that will allow insurance companies to model climate change into their rate design. The change should bring more insurers back to California.

Director Mitchell asked for an update on the school agreements with Del Oro and Sierra College, and GM Niederberger shared that everyone has been very agreeable. He added that the agreements propose phasing in EDU increases as the schools are transitioned to standard billing in accordance with the Sewer Code. Director Mitchell asked for an update on the Sierra Joint Partners Subdivision. GM Niederberger shared the District entered into an out-of-area service agreement in 2017 for this subdivision which serves four customers due to the property being in the District's sphere of influence. The properties would connect to the City of Lincoln's system and the District would pay the City of Lincoln for treatment. The City of Lincoln's fees and billing structure have changed substantially since the time of the agreement, and the agreement no longer works as written. The topography and distance do not lend themselves to the District ever providing service to this area and service by the City of Lincoln is more sensible. DE Huff shared that an analysis will be included in the upcoming Municipal Service Review (MSR) with LAFCO.

Director Dickinson asked for staff to provide a measure in the monthly department reports on the number of workplace injuries that did not result in a loss time incident. Director Dickinson also asked about the Brewery Study findings and which breweries were issued a warning of non-compliance. DE Huff shared that testing was performed at all breweries and letters were sent to four of the breweries. Those businesses were asked to provide a plan to address the unique findings

at their location. The most common issues observed can predominately be addressed by pre-treatment solutions and best management practices and will have a large impact on the collection system.

Director Mitchell asked about the timing of the Monument Springs Bridge Project. DE Huff commented that there are a lot of environmental and archaeological components to the project which will likely result in the project taking at least a couple of years to complete. The City of Rocklin is trying to fast-track the project so development can occur. The District will be entering into a refund agreement with the City so that as each new property connects, the City will be repaid for the cost of the sewer improvements. The required easements will be included in the development agreements.

Director Dickinson commented that the District has a lot of projects currently in various stages and it would be helpful to have a tour of the project sites. GM Niederberger suggested having an Infrastructure Advisory Committee meeting and tour.

GM Niederberger shared that there is a new California Attorney General opinion that State of the City Addresses and similar events could be considered public meetings under the Brown Act that needs to be agendaized if a majority of the Board attends. GC Brown clarified that this is an Attorney General opinion and not a court case ruling.

B. Information Items:

There were no informational items.

3. Director's Comments:

Vice President Jewell shared that she will also be in attendance at the CSDA General Manager Conference.

VIII. ADJOURNMENT

The President adjourned the meeting at 5:47 p.m. to the next regular meeting to be held on June 27, 2024, at 4:30 p.m.



Emilie Costan, Board Secretary

Item 5.2



South Placer M.U.D.

Check Report

By Check Number

Date Range: 05/28/2024 - 06/17/2024

| Vendor Number | Vendor Name | Payment Date | Payment Type | Discount Amount | Payment Amount | Number |
|-----------------------------------|----------------------------------|--------------|--------------|-----------------|----------------|------------|
| Bank Code: AP Bank-AP Bank | | | | | | |
| 1007 | Advanced Integrated Pest | 06/05/2024 | Regular | 0.00 | 116.00 | 17069 |
| 1652 | Cintas Corporation | 06/05/2024 | Regular | 0.00 | 1,192.88 | 17070 |
| 1852 | Coastland Civil Engineering LLP | 06/05/2024 | Regular | 0.00 | 7,942.50 | 17071 |
| 1775 | CPS HR Consulting | 06/05/2024 | Regular | 0.00 | 1,304.63 | 17072 |
| 1087 | Dawson Oil Co. | 06/05/2024 | Regular | 0.00 | 5,343.77 | 17073 |
| 1687 | Duke's Root Control, Inc | 06/05/2024 | Regular | 0.00 | 63,450.02 | 17074 |
| 1873 | Kevin Serne | 06/05/2024 | Regular | 0.00 | 323.24 | 17075 |
| 1664 | MacLeod Watts, Inc | 06/05/2024 | Regular | 0.00 | 6,750.00 | 17076 |
| 1764 | Network Design Associates, Inc. | 06/05/2024 | Regular | 0.00 | 1,056.00 | 17077 |
| 1218 | PCWA | 06/05/2024 | Regular | 0.00 | 476.37 | 17078 |
| 1221 | PG&E | 06/05/2024 | Regular | 0.00 | 1,835.66 | 17079 |
| 1685 | Streamline | 06/05/2024 | Regular | 0.00 | 497.00 | 17080 |
| 1339 | Vulcan Materials Co. | 06/05/2024 | Regular | 0.00 | 290.71 | 17081 |
| 1850 | WYJO Services Corp | 06/05/2024 | Regular | 0.00 | 1,036.34 | 17082 |
| 1327 | US Bank Corporate Payment | 06/10/2024 | Regular | 0.00 | 24,817.53 | 17083 |
| | **Void** | 06/10/2024 | Regular | 0.00 | 0.00 | 17084 |
| | **Void** | 06/10/2024 | Regular | 0.00 | 0.00 | 17085 |
| | **Void** | 06/10/2024 | Regular | 0.00 | 0.00 | 17086 |
| | **Void** | 06/10/2024 | Regular | 0.00 | 0.00 | 17087 |
| 1018 | Andre Kalinyuk | 06/13/2024 | Regular | 0.00 | 117.98 | 17123 |
| 1021 | ARC | 06/13/2024 | Regular | 0.00 | 108.32 | 17124 |
| 1771 | Brett Bruce | 06/13/2024 | Regular | 0.00 | 278.43 | 17125 |
| 1458 | Carie Huff | 06/13/2024 | Regular | 0.00 | 100.00 | 17126 |
| 1533 | City of Foster City | 06/13/2024 | Regular | 0.00 | 567.00 | 17127 |
| 1068 | City of Roseville | 06/13/2024 | Regular | 0.00 | 330,928.68 | 17128 |
| 1073 | Consolidated Communications | 06/13/2024 | Regular | 0.00 | 4,344.21 | 17129 |
| 1775 | CPS HR Consulting | 06/13/2024 | Regular | 0.00 | 1,113.75 | 17130 |
| 1086 | Dataprose | 06/13/2024 | Regular | 0.00 | 8,982.90 | 17131 |
| 1666 | Great America Financial Services | 06/13/2024 | Regular | 0.00 | 555.01 | 17132 |
| 1139 | Hill Rivkins Brown & Associates | 06/13/2024 | Regular | 0.00 | 7,200.00 | 17133 |
| 1791 | Jason Arrighi | 06/13/2024 | Regular | 0.00 | 85.77 | 17134 |
| 1847 | Joey Vazquez | 06/13/2024 | Regular | 0.00 | 219.30 | 17135 |
| 1764 | Network Design Associates, Inc. | 06/13/2024 | Regular | 0.00 | 375.00 | 17136 |
| 1221 | PG&E | 06/13/2024 | Regular | 0.00 | 8,178.21 | 17137 |
| 1333 | SPOK, Inc. | 06/13/2024 | Regular | 0.00 | 55.61 | 17138 |
| 1586 | Principal Life Insurance Company | 06/01/2024 | Bank Draft | 0.00 | 598.64 | DFT0009133 |
| 1230 | Pers (EFT) | 06/01/2024 | Bank Draft | 0.00 | 5,455.66 | DFT0009134 |
| 1230 | Pers (EFT) | 06/01/2024 | Bank Draft | 0.00 | 37,587.89 | DFT0009135 |
| 1230 | Pers (EFT) | 06/01/2024 | Bank Draft | 0.00 | 10,065.30 | DFT0009136 |
| 1230 | Pers (EFT) | 06/01/2024 | Bank Draft | 0.00 | 169.95 | DFT0009137 |
| 1230 | Pers (EFT) | 06/01/2024 | Bank Draft | 0.00 | 3,925.00 | DFT0009138 |
| 1230 | Pers (EFT) | 06/01/2024 | Bank Draft | 0.00 | 108.19 | DFT0009139 |
| 1015 | American Fidelity Assurance | 06/01/2024 | Bank Draft | 0.00 | 323.14 | DFT0009140 |
| 1045 | Cal Pers 457 Plan (EFT) | 06/07/2024 | Bank Draft | 0.00 | 4,075.00 | DFT0009141 |
| 1045 | Cal Pers 457 Plan (EFT) | 06/07/2024 | Bank Draft | 0.00 | 500.00 | DFT0009142 |
| 1135 | Empower (EFT) | 06/07/2024 | Bank Draft | 0.00 | 225.00 | DFT0009144 |
| 1135 | Empower (EFT) | 06/07/2024 | Bank Draft | 0.00 | 6,256.00 | DFT0009145 |
| 1135 | Empower (EFT) | 06/07/2024 | Bank Draft | 0.00 | 635.74 | DFT0009146 |
| 1042 | CA State Disbursement (EF | 06/07/2024 | Bank Draft | 0.00 | 510.46 | DFT0009147 |
| 1015 | American Fidelity Assurance | 06/07/2024 | Bank Draft | 0.00 | 455.81 | DFT0009148 |
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 49.13 | DFT0009149 |
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 1,000.75 | DFT0009150 |
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 1,995.24 | DFT0009151 |
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 2,118.70 | DFT0009152 |

Check Report

Date Range: 05/28/2024 - 06/17/2024

| Vendor Number | Vendor Name | Payment Date | Payment Type | Discount Amount | Payment Amount | Number |
|---------------|--------------------------|--------------|--------------|-----------------|----------------|------------|
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 3,583.64 | DFT0009153 |
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 5,185.15 | DFT0009154 |
| 1229 | Pers (EFT) | 06/07/2024 | Bank Draft | 0.00 | 5,138.32 | DFT0009155 |
| 1149 | Internal Revenue Service | 06/07/2024 | Bank Draft | 0.00 | 14,214.60 | DFT0009156 |
| 1098 | EDD (EFT) | 06/07/2024 | Bank Draft | 0.00 | 4,176.67 | DFT0009157 |
| 1098 | EDD (EFT) | 06/07/2024 | Bank Draft | 0.00 | 1,227.36 | DFT0009158 |
| 1149 | Internal Revenue Service | 06/07/2024 | Bank Draft | 0.00 | 3,324.36 | DFT0009159 |
| 1149 | Internal Revenue Service | 06/07/2024 | Bank Draft | 0.00 | 10,539.92 | DFT0009160 |

Bank Code AP Bank Summary

| Payment Type | Payable Count | Payment Count | Discount | Payment |
|----------------|---------------|---------------|-------------|-------------------|
| Regular Checks | 55 | 31 | 0.00 | 479,642.82 |
| Manual Checks | 0 | 0 | 0.00 | 0.00 |
| Voided Checks | 0 | 4 | 0.00 | 0.00 |
| Bank Drafts | 27 | 27 | 0.00 | 123,445.62 |
| EFT's | 0 | 0 | 0.00 | 0.00 |
| | 82 | 62 | 0.00 | 603,088.44 |

Check Report

Date Range: 05/28/2024 - 06/17/2024

| Vendor Number | Vendor Name | Payment Date | Payment Type | Discount Amount | Payment Amount | Number |
|---------------|-----------------------------|--------------|--------------|-----------------|----------------|------------|
| 1645 | Aspire Retirement Solutions | 06/07/2024 | Bank Draft | 0.00 | 1,022.32 | DFT0009143 |

Bank Code PY Bank Summary

| Payment Type | Payable Count | Payment Count | Discount | Payment |
|----------------|---------------|---------------|-------------|-----------------|
| Regular Checks | 0 | 0 | 0.00 | 0.00 |
| Manual Checks | 0 | 0 | 0.00 | 0.00 |
| Voided Checks | 0 | 0 | 0.00 | 0.00 |
| Bank Drafts | 1 | 1 | 0.00 | 1,022.32 |
| EFT's | 0 | 0 | 0.00 | 0.00 |
| | 1 | 1 | 0.00 | 1,022.32 |

All Bank Codes Check Summary

| Payment Type | Payable Count | Payment Count | Discount | Payment |
|----------------|---------------|---------------|-------------|-------------------|
| Regular Checks | 55 | 31 | 0.00 | 479,642.82 |
| Manual Checks | 0 | 0 | 0.00 | 0.00 |
| Voided Checks | 0 | 4 | 0.00 | 0.00 |
| Bank Drafts | 28 | 28 | 0.00 | 124,467.94 |
| EFT's | 0 | 0 | 0.00 | 0.00 |
| | 83 | 63 | 0.00 | 604,110.76 |

Fund Summary

| Fund | Name | Period | Amount |
|------|--------------|--------|-------------------|
| 100 | GENERAL FUND | 6/2024 | 604,110.76 |
| | | | 604,110.76 |

| Account Number | Name | Date | Type | Amount | Reference |
|----------------------|---------------------------------------|-----------|--------|--------------------|----------------|
| 102-0000630-01 | Cappalo, Jeremy | 6/11/2024 | Refund | \$ 113.17 | Check #: 17088 |
| 102-0001320-02 | Munoz, Monique And Moses | 6/11/2024 | Refund | \$ 111.54 | Check #: 17089 |
| 102-0002298-02 | VanMar Capital LLC | 6/11/2024 | Refund | \$ 13.69 | Check #: 17090 |
| 102-0003337-02 | MacManus, Mary | 6/11/2024 | Refund | \$ 112.55 | Check #: 17091 |
| 102-0005720-06 | Carlson, Jennifer | 6/11/2024 | Refund | \$ 5.00 | Check #: 17092 |
| 102-0006064-02 | Diaz, Danielle | 6/11/2024 | Refund | \$ 432.00 | Check #: 17093 |
| 102-0006390-02 | Cullen, Jason | 6/11/2024 | Refund | \$ 118.01 | Check #: 17094 |
| 102-0006593-01 | McGovern, Michael T | 6/11/2024 | Refund | \$ 118.59 | Check #: 17095 |
| 102-0008382-03 | Walker, Kathleen | 6/11/2024 | Refund | \$ 112.38 | Check #: 17096 |
| 102-0009165-01 | Platte, Stephen and Connie | 6/11/2024 | Refund | \$ 99.90 | Check #: 17097 |
| 102-0009196-02 | Smotherman, Joshua and Jennifer | 6/11/2024 | Refund | \$ 112.32 | Check #: 17098 |
| 102-0009458-01 | Schenck, Steven | 6/11/2024 | Refund | \$ 112.32 | Check #: 17099 |
| 102-0009668-02 | Sleeper, Jeffrey | 6/11/2024 | Refund | \$ 112.82 | Check #: 17100 |
| 102-0010493-03 | Bosarge, Mitchell | 6/11/2024 | Refund | \$ 114.82 | Check #: 17101 |
| 102-0011746-01 | West, Trevor | 6/11/2024 | Refund | \$ 7.53 | Check #: 17102 |
| 102-0011767-01 | Allen, Darrell | 6/11/2024 | Refund | \$ 112.98 | Check #: 17103 |
| 102-0012249-02 | Ennis, Douglas and Lee Etta | 6/11/2024 | Refund | \$ 112.78 | Check #: 17104 |
| 102-0012329-01 | Sandberg, Darrill | 6/11/2024 | Refund | \$ 112.32 | Check #: 17105 |
| 103-0004444-03 | Pavlitskiy, Samuil | 6/11/2024 | Refund | \$ 112.66 | Check #: 17106 |
| 103-0004776-02 | Chordas, Phillippe | 6/11/2024 | Refund | \$ 12.64 | Check #: 17107 |
| 106-0012631-01 | Martello, Dennis | 6/11/2024 | Refund | \$ 114.83 | Check #: 17108 |
| 106-0013373-02 | Berta, Richard J | 6/11/2024 | Refund | \$ 192.26 | Check #: 17109 |
| 106-0014538-01 | Roberson, Jeffrey and Gina | 6/11/2024 | Refund | \$ 113.60 | Check #: 17110 |
| 106-0015578-02 | Kress, Guenther | 6/11/2024 | Refund | \$ 5.01 | Check #: 17111 |
| 106-0016359-01 | Onesi, Margaret | 6/11/2024 | Refund | \$ 14.24 | Check #: 17112 |
| 106-0016425-02 | Epstein, Bradley J | 6/11/2024 | Refund | \$ 112.32 | Check #: 17113 |
| 106-0017493-02 | Johnston, James | 6/11/2024 | Refund | \$ 62.95 | Check #: 17114 |
| 112-1014573-02 | Stead, Jeremy and Melissa | 6/11/2024 | Refund | \$ 112.37 | Check #: 17115 |
| 112-1016974-01 | Wakelee, Richard H | 6/11/2024 | Refund | \$ 75.00 | Check #: 17116 |
| 112-1023510-03 | Mepperla, Venugopal | 6/11/2024 | Refund | \$ 699.90 | Check #: 17117 |
| 112-1029858-00 | Tim Lewis Communities | 6/11/2024 | Refund | \$ 40.06 | Check #: 17118 |
| 113-1022220-02 | Warden, Samuel and Kelly | 6/11/2024 | Refund | \$ 125.99 | Check #: 17119 |
| 114-1026285-02 | Gordon, Stuart | 6/11/2024 | Refund | \$ 36.25 | Check #: 17120 |
| 202-0008927-01 | Placer County Association of Realtors | 6/11/2024 | Refund | \$ 396.27 | Check #: 17121 |
| 212-1024472-01 | Rocklin 65 B-4 | 6/11/2024 | Refund | \$ 1,330.99 | Check #: 17122 |
| TOTAL REFUNDS | | | | \$ 5,592.06 | |

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Carie Huff, District Engineer

Subject: Adoption of Resolution 24-14 Establishing a Fee Schedule for Fiscal Year 2024/25, Adoption of Resolution 24-15 Establishing a Schedule of Fines for Fiscal Year 2024/25, and Adoption of Resolution 24-16 Establishing a Schedule of Values for Fiscal Year 2024/25

Meeting Date: June 27, 2024

Overview

The District updates fees periodically to recover the actual costs of services provided and to adjust costs indexed to the Engineering News Record (ENR) Construction Cost Index. As used herein, “Construction Cost Index” means the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA), hereinafter called the ENR-CCI. This annual adjustment shall be adopted each year by Board Resolution concurrent with the annual adoption of the District’s Fee and Fine Schedules.

Fee Schedule

In order to recover the cost of services provided to the public ranging from copying to annexations, the South Placer Municipal Utility District (District) Board of Directors approved Resolution 17-16 establishing a methodology for calculating said fees. This methodology applies the fully burdened hourly bill out rate for each District position to the specific services provided. The fee schedule is updated annually by applying the employees’ hourly rate, set by the Memorandum of Understanding (MOU), marked up with an applicable benefits and overhead factor intended to cover District costs.

The local portion of the Sewer Participation Fee increased from \$4,915 to \$4,926 based on the ENR-CCI. The regional portion of the Sewer Participation Fee is anticipated to decrease from \$9,852 to \$9,802 based on the SPWA Regional Wastewater Capacity Fee Study scheduled to be considered at the June 27th SPWA board meeting. Since the SPWA board meeting and the District’s board meeting are on the same day, the District will have updated information to be presented at the District’s board meeting. This regional portion of the Sewer Participation Fee is consistent between the SPWA partners.

Staff has prepared Resolution 24-14 Establishing a Fee Schedule for Fiscal Year 2024/25 for consideration by the Board of Directors. A comparison of the current and proposed fees, along with fee justification, is included as Attachment 1 to this Staff Report.

Fine Schedule

The Fine Schedule was originally adopted with Resolution 23-33. While some of the fines included in the Fine Schedule are prescriptive based on United States Code and California Government Code, other fines are based on employees’ hourly rate, set by the MOU, and are updated annually.

Staff has prepared Resolution 24-15 Establishing a Fine Schedule for Fiscal Year 2024/25 for consideration by the Board of Directors.

Schedule of Values

The concept of establishing the Schedule of Values was originally adopted with Resolution 17-35. In accordance with Board Policy 3251 - Recordation of Assets for Depreciation Purposes, as well as the Sewer Code, Chapter 4 – Credit and Reimbursement Agreements, the District must annually adopt a schedule of values that represents the new cost of construction of various sewer system assets.

The Schedule of Values shall be adjusted each July 1st based upon the ENR-CCI (0.23%). Staff has prepared Resolution 24-16 Establishing a Schedule of Values for Sewer System Assets for Fiscal Year 2024/25 for consideration by the Board of Directors.

Recommendation

Staff recommends that the Board of Directors adopt:

1. Resolution 24-14 Establishing a Fee Schedule for Fiscal Year 2024/25; and
2. Resolution 24-15 Establishing a Fine Schedule for Fiscal Year 2024/25; and
3. Resolution 24-16 Establishing a Schedule of Values for Sewer System Assets for Fiscal Year 2024/25.

Strategic Plan Goals

This action is consistent with the District's Strategic Priorities:

- Prepare for the future and foreseeable emergencies.
- Leverage existing and applicable technologies to improve efficiencies.
- Provide exceptional value for the cost of sewer service.

Related Board Policies and Resolutions

- Resolution 17-16 Establishing a Fee Schedule for FY2017/18
- Resolution 17-35 Establishing a Schedule of Values that represents the Cost of New construction for Sewer System Assets
- Policy 3251 - Recordation of Assets for Depreciation Purposes
- Sewer Code, Chapters 1 – 3
- Sewer Code, Chapter 4 – Credit and Reimbursement Agreements

Fiscal Impact

The fee schedule is intended to cover the District's costs to provide the listed services. The projected revenue from the fee schedule is included in the proposed FY 2024/25 Budget.

The fine schedule is intended to cover the District's costs to ensure compliance with the District's Sewer Code and the Standard Specifications and Improvement Standards for Sanitary Sewers.

There is no direct fiscal impact to the adoption of the Schedule of Values. The true fiscal impact will be realized as new construction is added to the District's fixed assets and depreciated in accordance with Generally Accepted Accounting Principles (GAAP). These values will also impact the cost of major facilities eligible for credits and reimbursements determined in accordance with the Sewer Code.

Attachments:

1. Attachment 1 – Comparison of Current and Proposed Rates
2. Resolution 24-14 Establishing a Fee Schedule for Fiscal Year 2024/25
3. Resolution 24-15 Establishing a Fine Schedule for Fiscal Year 2024/25
4. Resolution 24-16 Establishing a Schedule of Values for Sewer System Assets for Fiscal Year 2024/25



South Placer Municipal Utility District Fee Schedule Comparison of Current and Proposed Rates

| Fee Description | Fee Amount Fiscal Year 2023/24 | Fee Amount Fiscal Year 2024/25 | Amount of Increase | Reason |
|--|-----------------------------------|-------------------------------------|----------------------------------|--|
| Monthly Service Charge (Ordinance 17-02) | \$37.44 / EDU | \$38.94 / EDU | \$1.50 | Increase due to Ordinance 23-01. |
| Monthly PRSC Newcastle residents (Resolution 13-11) | \$54 / EDU | \$54 / EDU | \$0 | No scheduled adjustment. |
| Building Sewer Inspection/Food Service Establishment Tenant Improvement Inspection Fee | \$435 | \$435 | \$0 | Information taken from Central Square/Lucity and Tyler. Inspector time is the number of hours per inspection multiplied by the average number of inspections to final, plus the administrative time to process the application and data entry. The hours per inspection increased while the number of inspections until a final decreased. There is no change to the building sewer inspection/FSE TI Fee. |
| Building Sewer Inspection (Repairs) | \$210 | \$215 | \$5 | Increase due to 3% COLA in FY24/25. |
| Residential Ejector Pump Submittal Review & Inspection | \$560 | \$580 | \$20 | Increase due to 3% COLA in FY24/25. |
| Accessory Dwelling Unit (ADU) Submittal Review & Inspection | \$450 | \$465 | \$15 | Increase due to 3% COLA in FY24/25. |
| Reconnect Fee | \$550 | \$600 | \$50 | Increase due to 3% COLA in FY24/25. |
| Access Permit | \$600 | \$700 | \$100 | Increase due to 3% COLA in FY24/25. |
| Project Plan Check & Inspection Processing Fee | \$2,100 Deposit + District Costs | \$2,170 Deposit + District Costs | \$60 | Increase due to 3% COLA in FY24/25. |
| Tenant Improvement Processing Fee (Includes plan review) | \$360 Deposit + District Costs | \$370 Deposit + District Costs | \$10 | Increase due to 3% COLA in FY24/25. |
| Participation Fee per EDU (Ordinance 17-03) | \$14,767 | \$14,728 | -\$39 | |
| Local Participation Fee per EDU (Sewer Code Chapter 2) | \$4,915 | \$4,926 | \$11 | Increase due to Ordinance 23-02. |
| Regional Participation Fee per EDU (SPWA Treatment) | \$9,852 | \$9,802* | -\$50 | Decrease due to assumed reduction of \$50 to the SPWA Regional Fee based on the Capacity Fee Study and minimal Construction Cost Index (CCI) increase from the Engineering News-Record. |
| Project Related Participation Fee per EDU - PRPF (NSD) (Resolution 13-11/10-09 - Year 11) Adjusts 10/1/23 | \$1,100 | \$1,200 | \$100 | Adjusts 10/1/24 per Resolution 13-11. |
| Out-of-Area Service Agreement Processing Fee | \$950 | \$1,000 | \$50 | Increase due to 3% COLA in FY24/25. |
| Annexation Single Parcel/Single Home | \$1,920 | \$2,010 | \$90 | Increase due to 3% COLA in FY24/25. |
| Annexation Large Annex (up to 50 acres) | \$6,850 | \$7,160 | \$310 | Increase due to 3% COLA in FY24/25. |
| Annexation Large Annex (More than 50 acres) | \$8,305 | \$8,660 | \$355 | Increase due to 3% COLA in FY24/25. |
| Warranty TV/Flush Fee (6" - 15" diameter) | \$3.50/ft + District costs | \$3.60/ft + District costs | \$0.10/ft + District Costs | Increase due to 3% COLA in FY24/25. |
| Warranty TV/Flush Fee (> 15" diameter) | \$4.90/ft + District costs | \$5.05/ft + District costs | \$0.15/ft + District Costs | Increase due to 3% COLA in FY24/25. |
| Inspection Overtime Fee (Weekday - 3 hour max) | \$410 | \$840 | \$430 | Increase due to 3% COLA in FY24/25 and inclusion of double time per the SPMUD Civil Service Employee Manual. |
| Inspection Overtime Fee (Night/Saturday - 8 hour max) | \$1,085 | \$1,955 | \$870 | Increase due to 3% COLA in FY24/25 and inclusion of double time per the SPMUD Civil Service Employee Manual. |
| Tap - Mainline | \$2,715 | \$2,805 | \$90 | Increase due to 3% COLA in FY24/25. |
| Tap - Manhole | \$3,185 | \$3,280 | \$95 | Increase due to 3% COLA in FY24/25. |
| One-Time Discharge Permit | \$995 (minimum) + treatment costs | \$1,045 (minimum) + treatment costs | \$50 (minimum) + treatment costs | Increase due to change of staff completing task and 3% COLA in FY24/25. |
| Wastewater Discharge Permit (Initial Permit) | \$720 | \$760 | \$40 | Increase due to 3% COLA in FY24/25. |
| Wastewater Discharge Permit (Renewal) | \$240 | \$255 | \$15 | Increase due to 3% COLA in FY24/25. |
| Document Copy Fees | | | | |
| ~ Copy of 8.5 x 11 - 11 x 17 | \$0.25 | \$0.25 | \$0 | No change. |
| ~ Copy 24 x 36 | \$15 | \$15 | \$0 | No change. |
| ~ Copy GIS Document | \$75 | \$80 | \$5 | No change. |
| ~ Copy Electronic Files onto CD | \$75 | \$80 | \$5 | No change. |
| Standard Specifications (Binder) | \$75 + shipping if mailed | \$80 + shipping if mailed | \$0 | No change. |
| Sewer System Management Plan (SSMP) (Binder) | \$75 + shipping if mailed | \$80 + shipping if mailed | \$0 | No change. |

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 24-14

ESTABLISHING A FEE SCHEDULE FOR FISCAL YEAR 2024/25

WHEREAS, the South Placer Municipal Utility District (District) Board Directors seeks to develop a schedule of fees and charges based on the District’s budgeted and projected costs; and

WHEREAS, the District intends to adjust and establish said fees to be adopted annually to cover the cost of providing services to the public.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of South Placer Municipal Utility District as follows:

Section 1

The Board hereby finds and determines that the fees imposed by this resolution are necessary to cover the costs of providing said services.

Section 2

The schedule of fees and charges, as shown on Exhibit “A” attached hereto and incorporated herein by reference, are hereby fixed and established effective July 1, 2024, and said Exhibit “A” hereby amends and replaces all previous fee schedules. Exhibit “A” may be updated to reflect changes in the SPWA Regional Participation Fee or charges established by separate ordinance.

Section 3

The fees set forth by this resolution are for the specific services listed. For any additional services provided, the cost of which is indeterminate and not included in the fee schedule, the General Manager may estimate the time required to provide the service and require payment of a fee at the fully burdened District hourly bill out rate.

Section 4

The District's fully burdened bill out rate shall be established annually by applying a specific employee's hourly rate, set annually by MOU, marked up with an applicable benefits and overhead factor intended to cover District costs.

Section 5

The fees and charges shown on the fee schedule, not otherwise fixed and established by separate ordinance or resolution, shall be adjusted by the General Manager on the 1st of July, annually, by applying the time determined by a District time and motion study and analysis and calculate the fee at the fully burdened District hourly bill out rate per employee tasked to do such work.

PASSED AND ADOPTED by the Board of Directors of South Placer Municipal Utility District on this 27th day of June 2024.

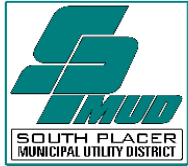
SOUTH PLACER MUNICIPAL UTILITY DISTRICT

James Durfee, President of the Board of Directors

ATTEST:

Emilie Costan, Board Secretary

South Placer Municipal Utility District Fee Schedule



Updated for Fiscal Year 2024/25

| Fee Description | Fee Amount |
|---|----------------------------------|
| Monthly Service Charge (Ordinance 23-01) | \$38.94 / EDU |
| Monthly PRSC Newcastle residents (Resolution 13-11) | \$54 / EDU |
| Building Sewer Inspection/Food Service Establishment Tenant Improvement Inspection Fee | \$435 |
| Building Sewer Inspection (Repairs) | \$215 |
| Residential Ejector Pump Submittal Review (Includes plan review and inspection) | \$580 |
| Accessory Dwelling Unit (ADU) Submittal Review (Includes plan review and inspection) | \$465 |
| Reconnect Fee | \$600 |
| Access Permit Fee | \$700 |
| Project Plan Check & Inspection Processing Fee | \$2,170 Deposit + District Costs |
| Tenant Improvement Processing Fee (includes plan review) | \$370 Deposit + District Costs |
| Participation Fee per EDU (Ordinance 17-03) | \$14,728 |
| Local Participation Fee per EDU (Sewer Code Chapter 2) | \$4,926 |
| Regional Participation Fee per EDU (SPWA Treatment) | \$9,802* |
| Project Related Participation Fee per EDU - PRPF (NSD) <small>(Resolution 13-11/10-09 - Year 11) Adjusts 10/1/24</small> | \$1,200 |
| Out-of-Area Service Agreement Processing Fee | \$1,000 |
| Annexation Single Parcel/Single Home | \$2,010 |
| Annexation Large Annex (up to 50 acres) | \$7,160 |
| Annexation Large Annex (More than 50 acres) | \$8,660 |
| Warranty TV/Flush Fee (6" - 15" diameter) | \$3.60/ft + District costs |
| Warranty TV/Flush Fee (> 15" diameter) | \$5.05/ft + District costs |
| Inspection Overtime Fee (Weekday - 3 hr max) | \$840 |
| Inspection Overtime Fee (Night/Saturday - 8 hr max) | \$1,955 |
| Tap - Mainline | \$2,805 |
| Tap - Manhole | \$3,280 |
| One-Time Discharge Permit | \$1,045 |
| Wastewater Discharge Permit (Initial Permit) | \$760 |
| Wastewater Discharge Permit (Renewal) | \$255 |
| Document Copy Fees | |
| ~ Copy of 8.5 x 11 - 11 x 17 | \$0.25 |
| ~ Copy 24 x 36 | \$15 |
| ~ Copy GIS Document | \$80 |
| ~ Copy Electronic Files onto CD | \$80 |
| Standard Specifications (Binder) | \$80 + shipping if mailed |
| Sewer System Management Plan (SSMP) (Binder) | \$80 + shipping if mailed |
| Credit Card Transaction Charge (Resolution 21-06/Policy 3170) <small>NOT Applicable to Monthly Service Charges</small> | 2.5% |

*Assumed SPWA Regional Fee based on approval of the Capacity Fee Study at the June 27, 2024 SPWA Board Meeting.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 24-15

ESTABLISHING A FINE SCHEDULE FOR FISCAL YEAR 2024/25

WHEREAS, the South Placer Municipal Utility District (District) Board Directors seeks to develop a fine schedule based on the District’s Sewer Code to prevent tampering, vandalism, deterioration, and destruction of District facilities; and

WHEREAS, the District intends to establish said fines and adopt them annually to cover the cost of remedying any damage, vandalism, or repair and otherwise deter violations.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of South Placer Municipal Utility District as follows:

Section 1

The Board hereby finds and determines that the fines imposed by this resolution reflect the fines outlined in the Sewer Code and are necessary to cover the costs of remedying any damage, vandalism, or repair and includes punitive fines to deter violations.

Section 2

The schedule of fines, as shown in Exhibit “A” attached hereto and incorporated herein by reference, are hereby fixed and established effective June 27, 2024, and said Exhibit “A” hereby amends and replaces all previous fine schedules. Exhibit “A” may be updated to reflect changes established by separate ordinances or codes.

Section 3

The fines set forth by this resolution are for the violations listed. For any other violation, the cost of which is indeterminate and not included in the fine schedule, the General Manager may assess a punitive fine ranging from \$775 to \$9,400, depending on the severity of the offense, and include the time required to correct the violation and require payment of a fine based on the fully burdened District hourly bill out rate and the materials and supply costs. The remedies set forth in this resolution are cumulative, and any one or more of each fine, administrative, or criminal

penalty, cost reimbursement or injunction, if applicable, may be imposed or sought for any single violation in the discretion of the General Manager. Fine(s) may be reduced at the discretion of the Board of Directors on a case-by-case basis.

Section 4

The District’s fully burdened bill out rate shall be established annually by applying a specific employee’s hourly rate, set annually by Memorandum of Understanding (MOU), marked up with applicable benefits and overhead factors intended to cover District costs.

Section 5

Costs and expenses referenced in the fine amount shall include, but not be limited to, material and supply costs, permitting, and any other outside labor cost required to remedy tampering, damage, or acts of vandalism.

Section 6

The fines shown on the fine schedule, not otherwise fixed and established by separate ordinance, code or resolution, shall be adjusted by the General Manager on the 1st of July, annually, by applying the time determined by a District time and motion study and analysis and calculating the fine at the fully burdened District hourly bill out rate per employee tasked to do such work.

PASSED AND ADOPTED by the Board of Directors of South Placer Municipal Utility District on this 27th day of June 2024.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

James Durfee, President of the Board of Directors

ATTEST:

Emilie Costan, Board Secretary



South Placer Municipal Utility District

Fine Schedule

Fiscal Year 2024/25

| Fine Description | Fine Amount |
|--|---|
| Administrative Penalty (Sewer Code, Chapter 1) | |
| First Violation | - |
| Second Violation | \$100.00 |
| Third Violation | \$200.00 |
| Fourth Violation | \$500.00 |
| Civil and Criminal Penalties (Sewer Code, Chapter 2) | |
| Failure to furnish technical or monitoring report* | up to \$1,000 / day + District staff time, costs and expenses |
| Intentional or negligent discharge of hazardous waste, as defined in Section 25117 of the Health and Safety Code | up to \$5,000 / day + District staff time, costs and expenses |
| Discharges in violation of any cease and desist or other order | up to \$10 / gallon + District staff time, costs and expenses |
| Criminal Penalties | |
| Discharge resulting in contamination, pollution or nuisance | up to \$1,000 / day + District staff time, costs and expenses (pretreatment) |
| Falsification of any record, report, plan or other document or vandalism of any monitoring device | up to \$25,000 / day + District staff time, costs and expenses |
| Civil Enforcement Remedies | |
| Failure to comply with any order issued by the District, including orders related to pretreatment standards or requirements | up to \$10,000 / day + District staff time, costs and expenses |
| Intentional or negligent violation of any Notice to Correct issued by the District | up to \$25,000 / day + District staff time, costs and expenses |
| Violation - Penalty (Sewer Code, Chapter 3) | |
| Civil Penalties | |
| Violation of Sewer Code pursuant to the authority of California Government Code Sections 54739 - 54740 | up to \$25,000 / violation / day |
| Violation of the Clean Water Act, 33 U.S.C. Section 1251 et. seq. | up to \$25,000 / violation / day |
| Administrative fines for discharge violations pursuant to the authority of California Government Code Sections 54740.5 and 54740.6 | greater of \$5,000 / day OR \$10 / gallon |
| Criminal Penalties | |
| Violations of the Sewer Code will be pursued as a misdemeanor | Upon conviction, not to exceed \$1,000 or imprisonment for not more than thirty (30) days |
| Tampering with District Facilities | |
| First Violation | \$775 + District staff time, costs and expenses |
| Second Violation | \$1,550 + District staff time, costs and expenses |
| Third Violation | \$3,100 + District staff time, costs and expenses |
| Fourth Violation | \$6,200 + District staff time, costs and expenses |
| Vandalism/Destruction of District Facilities | |
| First Violation | \$1,175 + District staff time, costs and expenses |
| Second Violation | \$2,350 + District staff time, costs and expenses |
| Third Violation | \$4,700 + District staff time, costs and expenses |
| Fourth Violation | \$9,400 + District staff time, costs and expenses |
| Credit Card Transaction Charge (Resolution 21-06/Policy 3170) | 2.5% |

* Technical or monitoring report includes discharge monitoring reports, sampling reports, grease hauler manifests and any other report required.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 24-16

ESTABLISHING A SCHEDULE OF VALUES FOR SEWER SYSTEM ASSETS

FOR FISCAL YEAR 2024/25

WHEREAS, The District adopted Resolution 17-34 on November 2, 2017, creating Policy 3251 - Recordation of Assets for Depreciation Purposes; and

WHEREAS, Policy 3251 calls for the annual adoption of a schedule of values that represents the new cost of construction of various sewer system assets; and

WHEREAS, The schedule of values shall be adjusted each July 1st based upon the Construction Cost Index for the preceding May, as published in the Engineering News Record publication, unless otherwise determined by the Board. As used herein, “Construction Cost Index” means the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA).

WHEREAS, This schedule will be used to determine the book value of developer-installed and contributed sewer assets in accordance with Policy 3250 - Sewer System Contributions and Bills of Sale, and will also be used to determine the value of developer-installed trunk facilities eligible for credit or reimbursement under the Sewer Code, Chapter 4 – Credit and Reimbursement Agreements. This book value will be recorded in the financial management system and depreciated in accordance with industry standards.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District does hereby adopt the attached Schedule of Values for Sewer System Assets as shown on Exhibit “B” attached hereto and incorporated herein by reference, are hereby fixed and established effective July 1, 2024, and said Exhibit “A” hereby amends and replaces all previous Schedule of Values for Sewer System Assets.

PASSED AND ADOPTED by the Board of Directors of South Placer Municipal Utility District on this 27th day of June 2024.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

James Durfee, President of the Board of Directors

ATTEST:

Emilie Costan, Board Secretary



Schedule of Values for Sewer System Assets

Baseline Pipeline Construction Costs

Open Cut Pipe Unit Costs

| Pipe Dia. (in) | <15 ft \$/FT | 15 to 20 ft \$/FT | 20 to 25 ft \$/FT | >25 ft \$/FT |
|-------------------|-----------------|----------------------|----------------------|-----------------|
| 6 | 172 | 197 | - | - |
| 8 | 197 | 228 | - | - |
| 10 | 234 | 259 | - | - |
| 12 | 271 | 290 | 320 | 351 |
| 15 | 314 | 338 | 369 | 400 |
| 18 | 351 | 381 | 418 | 455 |
| 21 | 406 | 436 | 473 | 510 |
| 24 | 449 | 479 | 517 | 554 |
| 27 | 485 | 517 | 560 | 602 |
| 30 | 529 | 566 | 609 | 652 |
| 33 | 572 | 609 | 652 | 695 |
| 36 | 609 | 652 | 701 | 750 |
| 42 | 652 | 695 | 744 | 793 |
| 48 | 695 | 738 | 787 | 836 |

Trenchless Unit Costs

| Pipe Dia. (in) | Casing (in) | Microtunnel \$/FT | Bore & Jack \$/FT |
|-------------------|----------------|----------------------|----------------------|
| 8 | 36 | 1261 | 756 |
| 10 | 36 | 1273 | 769 |
| 12 | 36 | 1279 | 775 |
| 15 | 36 | 1304 | 805 |
| 18 | 42 | 1261 | 824 |
| 21 | 43 | 1267 | 886 |
| 24 | 49 | 1304 | 978 |
| 27 | 51 | 1383 | 1039 |
| 30 | 56 | 1420 | 1095 |
| 33 | 59 | 1525 | 1162 |
| 36 | 64 | 1642 | 1279 |
| 42 | 68 | 1807 | 1359 |
| 48 | 72 | 2091 | 1432 |

Jacking and Receiving Pits

| Pit Type | <15 ft \$/EA | >25 ft \$/EA |
|-----------|-----------------|-----------------|
| Jacking | 98,391 | 141,437 |
| Receiving | 30,747 | 48,254 |



Schedule of Values for Sewer System Assets

Additional Costs

Additional Dewatering

| | |
|--|-------|
| Groundwater Infiltration | \$/FT |
| Groundwater | 0 |
| Significant groundwater (i.e., 200 gpd/ac) | 55 |
| Extreme groundwater (i.e., 500 gpd/ac) | 73 |

Additional Sheet piling and Shoring

| Condition | <15 ft \$/FT | 15 to 20 ft \$/FT | 20 to 25 ft \$/FT | >25 ft \$/FT |
|---------------------------------------|-----------------|----------------------|----------------------|-----------------|
| High ground water - Undeveloped areas | 37 | 73 | 110 | 147 |
| High ground water - Developed areas | 92 | 135 | 165 | 209 |

Ground Condition

| Type | % of Base LF Cost |
|----------------------------|----------------------|
| Hard Rock | 200% |
| Cobble - Developed Areas | 200% |
| Cobble - Undeveloped Areas | 40% |

Traffic Control

| | |
|--|-------|
| Type | \$/FT |
| Minor roads - less than 4 lanes of traffic | - |
| Major roads - 4 lanes or more | 55 |

Productivity Factors

| Type | % of Base LF Cost |
|---------------------------------------|----------------------|
| Traffic/Utility Corridor Delay Factor | 15% |
| Remove and Replace Delay Factor | 25% |

Surface Restoration

| | |
|---|-------|
| Type | \$/FT |
| Pavement (T-trench) | 122 |
| Access Road (3" AC / 8" AB, 12-ft wide, 2-ft shoulders) | 92 |

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Emilie Costan, Administrative Services Manager
Eric Nielsen, Superintendent

Subject: Resolution 24-17 revising Board Policies #3006 Emergency Response, #3105 Budget Preparation, #3165 Delinquent Past Due Bills, and #3370 Sewer System Management Plan, and creating Policy #5016 Public Comment via Remote Participation at Board Meetings

Meeting Date: June 27, 2024

Overview

The South Placer Municipal Utility District (District) adopted a Policy Handbook per Resolution 15-23. Included in this Policy Handbook is the District’s Board Policies #3006 Emergency Response, #3105 Budget Preparation, #3165 Delinquent Past Due Bills, and #3370 Sewer System Management Plan. Staff has determined that these policies need revision to remain current.

#3006 Emergency Response. Previously this policy included the plan of action. This requires that the policy is returned to the Board for approval whenever a change is made. The revised policy removes the procedures from the policy and creates a stand-alone Emergency Action Plan that is compliant with the new Workplace Violence Prevention Plan.

#3105 Budget Preparation. The South Placer Municipal Utility District adopts an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds. Historically, included in the budget book for each fiscal year is a statement that the General Manager is authorized to reallocate up to \$50,000 between line items in a fund center. There is no record of the District having established this anywhere outside of the annual budget adoption, The proposed revision to Policy #3105 grants the General Manager the authority to reallocate up to \$50,000 within the Operating Budget (Fund 100) fund center, up to \$50,000 within in the Capital Improvement Project & Expansion Budget (Fund 300), and up to \$50,000 within the Replacement & Rehabilitation budget (Fund 400).

#3165 Delinquent Past Due Bills. The MUD Act, PUC §12809 and 14401, allow for the collection of a penalty of up to 10% of the outstanding delinquent charges collected on the Placer County tax rolls for all outstanding delinquent charges (and late fees) due on property. Resolution 70-8A adopted August 6, 1970, set the penalty at 10%; however, staff is recommending that the amount also be included in District policy #3165. The proposed revision to Policy #3165 communicates the penalty in a policy document available on the District’s website.

#3370 Sewer System Management Plan. The revisions to this plan are intended to ensure compliance with the recently enacted Statewide Waste Discharge Requirements General Order for Sanitary Sewer Systems (Order 2022-0103-DWQ).

During the COVID-19 pandemic, many public agencies, including the District, implemented virtual meetings to allow for public participation during stay-at-home directives. An unfortunate byproduct of virtual attendance is a phenomenon known as “Zoom-bombing”—an unwanted, disruptive intrusion into a virtual meeting. While a Zoom session is in progress, unfamiliar users show up and hijack or dominate the session by saying or showing inappropriate material. Staff has created a new policy, #5016, governing Public Comment via Remote Participation at Board Meetings. The compromised Zoom session can either be shut down by the host or the disruptive commenter will be promptly removed from the virtual meeting. Any person removed from a virtual meeting shall not be allowed to reenter for the remainder of the meeting.

The Policy and Ordinance Advisory Committee met on June 13, 2024, to review the proposed revisions as described above and recommended that the policy revisions be forwarded to the Board of Directors for consideration. Included with this staff report are redlines and final versions of the revised policies for the Board’s consideration.

Recommendation

Staff recommends that the Board of Directors adopt Resolution 24-17 Revising Board Policies #3006 Emergency Response, #3105 Budget Preparation, #3165 Delinquent Past Due Bills, and #3370 Sewer System Management Plan, and creating Policy #5016 Public Comment via Remote Participation at Board Meetings.

Strategic Plan Priorities

- Maintain an excellent regulatory compliance record
- Prepare for the future and foreseeable emergencies
- Leverage existing and applicable technologies to improve efficiencies
- Provide exceptional value for the cost of sewer service

Fiscal Impact

There is no fiscal impact related to the revision of the attached policies and the creation of a new policy.

Attachments:

1. Resolution 24-17 Revising Board Policies, #3006 Emergency Response, #3105 Budget Preparation, #3165 Delinquent Past Dues, and #3370 Sewer System Management Plan, and creating Policy #5016 Public Comment via Remote Participation at Board Meetings.
2. Policy #3006 Emergency Response (redline)
3. Policy #3006 Emergency Response (final)
4. Policy #3105 Budget Preparation (redline)
5. Policy #3105 Budget Preparation (final)
6. Policy #3165 Delinquent Past Due Bills (redline)
7. Policy #3165 Delinquent Past Due Bills (final)
8. Policy #3370 Sewer System Management Plan (redline)
9. Policy #3370 Sewer System Management Plan (final)
10. Policy #5016 Public Comment via Remote Participation at Board Meetings (final)

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 24-17

REVISING BOARD POLICES #3006 EMERGENCY RESPONSE, #3105 BUDGET PREPARATION, #3165 DELINQUENT PAST DUE BILLS, AND #3370 SEWER SYSTEM MANAGEMENT PLAN AND CREATING POLICY #5016 PUBLIC COMMENT VIA REMOTE PARTICIPATION AT BOARD MEETINGS

WHEREAS, The South Placer Municipal Utility District (District) created a District Policy Handbook adopted by Resolution 15-23 on September 3, 2015; and

WHEREAS, Section 1 of Policy 1010 – Adoption or Amendment of Policies, allows for policies to be added, eliminated, or modified from time to time by Resolution of the Board; and

WHEREAS, Staff is proposing revisions to Board Policies #3006 Emergency Response, #3105 Budget Preparation, #3165 Delinquent Past Due Bills, and #3370 Sewer System Management Plan, and creating Policy #5016 Public Comment via Remote Participation at Board Meetings.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District that the attached Policies #3006-Emergency Response, #3105-Budget Preparation, #3165-Delinquent Past Due Bills, and #3370-Sewer System Management Plan, and #5016-Public comment via Remote Participation at Board Meetings are adopted in their entirety and are to be included in the aforementioned District Policy Handbook.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 27th day of June 2024.

Signed: _____
James Durfee, President of the Board of Directors

Attest: _____
Emilie Costan, Board Secretary

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|---|----------|-----------------|
| Policy Name: | 3006 – EMERGENCY RESPONSE GUIDELINE FOR HOSTILE OR VIOLENT INCIDENTS <u>POLICY</u> | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 09/03/15 |
| Resolution No. | 15-23, 24-XX17 | Revised: | <u>06/27/24</u> |

PURPOSE

To provide direction for the District Board of Directors and staff regarding responses to ~~hostile or violent incidents including possible armed intruders~~ various types of emergencies or related threats on District facilities or properties.

POLICY STATEMENT

Section 1: General

~~Although the District takes precautions to prevent them, emergencies do occur. A workplace emergency is an unforeseen situation that threatens employees, customers, or the public; disrupting or shutting down operations; or causing physical or environmental damage. These types of emergencies include, but are not limited to, fires, earthquakes, floods, suspicious packages, chemical spills, explosions, severe weather, release of contaminants, active shooter situations, and civil disturbances.~~

~~When an emergency occurs, the priority is always life safety. The second priority is the stabilization of the incident. The District shall prepare and maintain an Emergency Action Plan (EAP) to outline designated actions in response to various types of potential emergencies. The EAP shall comply with the requirements of California Title 8 CCR 3220. District employees are expected to adhere to these guidelines. Training on the contents of the EAP shall be provided to employees as outlined in the plan. The potential for hostile or violent incidents on District facilities or operational locations always exists. In recent timeframes, incidents involving armed intruders have occurred in increasing frequency involving injuries and deaths at government institutions, offices and educational facilities. Often, an intruder is a person who is an ex-employee, customer or person known to the agency involved. The person often is upset at an event or person who works at the facility. However, armed intruders can be any variety of persons who have an anger situation affecting one or more staff members or other related persons to the District. Often, incidents involving armed intruders escalate to include multiple persons and potentially taking of hostages, including District customers.~~

~~Threats of these types and risks are to be considered extreme emergencies and the safety and well-being of employees and/or customers is the highest priority.~~

Section 2: Emergency Action Plan Content

The District’s Emergency Action Plan shall include the following elements:

1. Chain of Command / Order of Succession
2. Emergency Communications
3. Medical Assistance and Rescue Operations

- 4. Training and Drills
- 5. Plan Review, Updates, and Coordination
- 6. Plan Distribution and Access
- 7. Media Inquiries
- 8. Potential Emergencies and Planned Responses
 - a. Evacuation
 - b. Shelter-in-Place
 - c. Lockdown
- 9. Medical Emergency Plan
- 10. Fire Protection Systems

Section 32: Emergency Response to Workplace Violence Incidents

The Emergency Action Plan addresses the plans for immediate response to workplace violence incidents. Plans for preventing workplace violence, logging workplace violence incidents, and identifying, evaluating, and correcting workplace violence hazards are contained in the District’s Workplace Violence Prevention Plan.

Section 2: Response to an Incident

Any evidence of the exposure to a hostile or violent person or situation on District facilities or operating areas should be taken seriously for safety purposes. Any Director or staff employee observing or sensing that a violent or hostile situation is occurring should consider taking precautionary and safety actions:

Any event resulting in awareness of a possible violent act including possible gunfire, explosion, fighting, scuffling could indicate an incident of violent potential. Any staff person observing such potential activities should take steps to protect themselves and others on the District premises including but not limited to:

1. Attempt to communicate the situation to everyone in the facility by means of telephone, paging, email and/or radio system including basic information that a potential incident is occurring. If a perpetrator(s) is seen or known, information on the person(s) should be provided.
2. Since different types and levels of workplace violence may require various responses, establishing basis information on the type of event is essential. Examples are:
 - A. Gunfire awareness of gunfire in the facility should result in evacuation to the extent that is possible. If not possible, securing of rooms or offices and notification of others by phone or email is encouraged. Calling emergency resources via 911 is imperative once safe to call. Remain in the most secure location possible until contacted by public safety personnel or a facility supervisor, etc.
 - B. Explosion an explosion could occur naturally or by violent intention. Awareness of an explosion or fire in the facility should result in immediate evacuation in accordance with established procedures for fire. Response to a planned location is important to make known who is out of the facility.
 - C. Physical or bomb threat awareness of a telephone or in person threat to facility or staff should be met with action to evacuate and clear staff from the threatened area. Calling 911 as soon as possible is imperative.
 - D. Situations involving hostages if a possible hostage incident is known, evacuation of the facility is paramount to safety of persons in the area. Contact 911 immediately.

~~_____ E. Irrate customer/threat at counter or meeting in cases where any person acts to threaten a staff person or customer at a District facility in a manner causing fear for safety, action to summon public safety personnel by 911 should be taken. In no way should steps be taken to challenge or subdue such a person except in defense of life for self or immediate others at the facility.~~

~~_____ F. In the event that a volatile situation occurs at a Board of Directors or other public meeting, the person chairing/hosting the meeting should take steps to control the situation or adjourn the meeting to abate the confrontation, if possible. In event of threatening or hostile situation, call 911 immediately and proceed with evacuation or other appropriate actions.~~

Section 3: Planning for Emergency Incidents

~~Steps should be taken to plan response capabilities for emergencies in addition to fires, earthquakes, etc. that may involve hostile situations. These include but are not limited to:~~

~~_____ A. Preparation of a facility evacuation plan from each room. Post the plan at each doorway and hallway exit. Have a safe area zone for staging established.~~

~~_____ B. Lock down procedures to secure the facility in a hostile or violent incident for both exterior and interior doors.~~

~~_____ C. Develop an emergency notice code for intercom, email and radio to facility and District staff.~~

~~_____ D. Develop a radio communication alert code to notify other District staff so they will not return to the facility during the incident until cleared to do so by public safety personnel.~~

~~_____ E. Training of all personnel in dealing with customers, employees and other persons in aggravated situations and how to identify and assess potential threats or volatile situations. All employees assigned or expected to serve at the front desk or counter shall receive such training regularly.~~

~~All employees and members of the Board of Directors shall receive training on response to violent or hostile incidents. In the event of a potential incident, notify a supervisor or the General Manager as may be possible or call 911 when an active incident is occurring. If assessment of a possible threat is needed, the General Manager or ranking staff person shall be notified for considering validity of the threat or safety risk. Public safety agency shall be contacted by 911 whenever a perceived threat is considered valid.~~

Section 4: Actions for Violent or Armed Threat Situation

~~The existence or potential for an event involving a violent person or armed intruder at a District facility should be considered an emergency condition. Actions could include up to and all of:~~

~~_____ A. Notify your supervisor or General Manager and other staff immediately if a threat is received but not actively in process. If validated, contact public safety by calling 911 immediately.~~

~~_____ B. The General Manager or ranking staff member shall evaluate the situation and consider appropriate actions including shutting down operations and evacuation and/or locking down the facility until public safety response abates the threat.~~

~~_____ C. Initiate notification of other facility staff of active threat by emergency code procedure. Evacuate the facility wherever possible. Secure money or computer equipment if time allows.~~

~~_____ D. Activate an alarm for notifying other staff and the alarm company.~~

~~_____ E. Upon sighting an armed intruder, an alert to all employees should be made by phone, email or radio.~~

~~_____ F. Secure your work area or evacuate if safely possible. If not able to evacuate, find a safe hiding place and stay put until contacted by public safety personnel.~~

~~— G. Once outdoors after an evacuation, proceed to planned staging area to report in for identification. Inform public safety personnel of any information on the incident.~~

~~— H. Attempt to remain calm and assist others; wait for instructions from public safety or supervisory personnel.~~

~~— I. Do not attempt to look around to see what is happening. Evacuate whenever possible and with others in areas you see directly. Do not confront or attempt to apprehend a violent perpetrator unless directly attacked for self defense. Do not assume someone already called 911, call them immediately.~~

Section 5: Post Event Actions

~~Following the clear announcement of the end of a violent or hostile person situation: contact public safety or supervisory personnel for instructions. Report any knowledge or first hand observations of the incident. Contact your family and immediate friends so they will not take any actions to respond unnecessarily. Await direction as to return to work or other steps dependent on level of the incident. If not able to do so, consult with your supervisor or notify the ranking person on-site.~~

~~The Superintendent or his/her designee shall evaluate and debrief any major incident and take needed steps to abate the conditions after the event and prepare as necessary for continued operations. Planning and actions to address conditions are expected and your input is important via your supervisor. There may be the potential to lock-down or close the facility from operating for some time or corrective steps. If deemed needed, seek direction on what actions you should take to assist in the procedure.~~

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|----------------------------------|----------|----------|
| Policy Name: | 3006 – EMERGENCY RESPONSE POLICY | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 09/03/15 |
| Resolution No. | 15-23, 24-17 | Revised: | 06/27/24 |

PURPOSE

To provide direction for the District Board of Directors and staff regarding responses to various types of emergencies or related threats on District facilities or properties.

POLICY STATEMENT

Section 1: General

Although the District takes precautions to prevent them, emergencies do occur. A workplace emergency is an unforeseen situation that threatens employees, customers, or the public; disrupting or shutting down operations; or causing physical or environmental damage. These types of emergencies include, but are not limited to, fires, earthquakes, floods, suspicious packages, chemical spills, explosions, severe weather, release of contaminants, active shooter situations, and civil disturbances.

When an emergency occurs, the priority is always life safety. The second priority is the stabilization of the incident. The District shall prepare and maintain an Emergency Action Plan (EAP) to outline designated actions in response to various types of potential emergencies. The EAP shall comply with the requirements of California Title 8 CCR 3220. District employees are expected to adhere to these guidelines. Training on the contents of the EAP shall be provided to employees as outlined in the plan.

Section 2: Emergency Action Plan Content

The District’s Emergency Action Plan shall include the following elements:

1. Chain of Command / Order of Succession
2. Emergency Communications
3. Medical Assistance and Rescue Operations
4. Training and Drills
5. Plan Review, Updates, and Coordination
6. Plan Distribution and Access
7. Media Inquiries
8. Potential Emergencies and Planned Responses
 - a. Evacuation
 - b. Shelter-in-Place
 - c. Lockdown
9. Medical Emergency Plan
10. Fire Protection Systems

Section 3: Emergency Response to Workplace Violence Incidents

The Emergency Action Plan addresses the plans for immediate response to workplace violence incidents. Plans for preventing workplace violence, logging workplace violence incidents, and identifying, evaluating, and correcting workplace violence hazards are contained in the District's Workplace Violence Prevention Plan.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|---------------------------|----------|-----------------|
| Policy Name: | 3105 – BUDGET PREPARATION | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 09/03/15 |
| Resolution No. | 15-23, <u>24-17</u> | Revised: | <u>06/27/24</u> |

PURPOSE

The Annual Budget is a blueprint of planned operating, public goods and debt service expenses, capital expenditures and multi-year projects for each fiscal year beginning on July 1st and ending on June 30th. For each forthcoming fiscal year, the South Placer Municipal Utility District will adopt an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds. The Budget’s primary use is as a fiscal planning tool to accomplish the District’s strategic goals and objectives.

POLICY STATEMENT

Section 1. General

The South Placer Municipal Utility District will adopt an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds. The annual budget shall conform to all policies previously adopted by the Board of Directors

Section 2. Proposed Annual Budget

An annual budget proposal shall be prepared by the General Manager. The proposed annual budget will be reviewed and amended by the Board of Directors in a budget workshop, held at its regular meeting in June.

Section 3. Adoption of Annual Budget

The proposed annual budget as amended by the Board during its review shall be adopted at its regular meeting in July of each year and shall be used as the funding authorization for the Fiscal Year for which it is adopted. The General Manager is authorized to reallocate up to \$50,000 within the Operating Budget (Fund 100), fund centers up to \$50,000 within-in the Capital Improvement Project & Expansion Budget (Fund 300), and up to \$50,000 within the Replacement & Rehabilitation and operating Bbudget (Fund 400)s.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|---------------------------|----------|----------|
| Policy Name: | 3105 – BUDGET PREPARATION | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 09/03/15 |
| Resolution No. | 15-23, 24-17 | Revised: | 06/27/24 |

PURPOSE

The Annual Budget is a blueprint of planned operating, public goods and debt service expenses, capital expenditures and multi-year projects for each fiscal year beginning on July 1st and ending on June 30th. For each forthcoming fiscal year, the South Placer Municipal Utility District will adopt an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds. The Budget’s primary use is as a fiscal planning tool to accomplish the District’s strategic goals and objectives.

POLICY STATEMENT

Section 1. General

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SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|------------------------------------|----------|-----------------|
| Policy Name: | 3165 – DELINQUENT (PAST DUE) BILLS | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 09/28/16 |
| Resolution No. | 16-22, <u>24-17</u> | Revised: | <u>06/27/24</u> |

PURPOSE

The purpose of this policy is to establish criteria to assess late fees to delinquent accounts and ensure payment of these past due bills for a monthly service.

POLICY STATEMENT

Section 1: General

The District requires the payment of a monthly service charge for each equivalent dwelling unit by ordinance and changed from time to time by the Board of Directors in accordance with provisions of Sections 12809 and 14401 of the Public Utilities Code.

Section 2: Policy Statement

Sewer service is considered "ready to use" and will continue to be billed monthly as long as the service is connected to the premises. Only sewer connections that have been physically disconnected to the satisfaction of the District will be considered "disconnected" and not subject to monthly billing.

Bills will be accumulated and sent to customers quarterly (every 3 months) in accordance with District Billing practices. Any balance not paid in full by the due date is considered past due (delinquent). A late fee of \$2.50 will be charged monthly to each past due account. The late fee will appear on the customer's next bill following the late occurrence.

Twice annually, the District will request that the County of Placer collect on the County tax rolls all outstanding delinquent charges (and late fees) due on property which have been imposed pursuant to the Public Utilities Code, the Health and Safety Code, and any appropriate District Codes and Ordinances. A ten percent penalty will be imposed on all delinquent charges assigned to the Placer County tax rolls in accordance with Section 12811 of the Public Utilities Code.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|------------------------------------|----------|----------|
| Policy Name: | 3165 – DELINQUENT (PAST DUE) BILLS | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 09/28/16 |
| Resolution No. | 16-22, 24-17 | Revised: | 06/27/24 |

PURPOSE

The purpose of this policy is to establish criteria to assess late fees to delinquent accounts and ensure payment of these past due bills for a monthly service.

POLICY STATEMENT

Section 1: General

The District requires the payment of a monthly service charge for each equivalent dwelling unit by ordinance and changed from time to time by the Board of Directors in accordance with provisions of Sections 12809 and 14401 of the Public Utilities Code.

Section 2: Policy Statement

Sewer service is considered "ready to use" and will continue to be billed monthly as long as the service is connected to the premises. Only sewer connections that have been physically disconnected to the satisfaction of the District will be considered "disconnected" and not subject to monthly billing.

Bills will be accumulated and sent to customers quarterly (every 3 months) in accordance with District Billing practices. Any balance not paid in full by the due date is considered past due (delinquent). A late fee of \$2.50 will be charged monthly to each past due account. The late fee will appear on the customer's next bill following the late occurrence.

Twice annually, the District will request that the County of Placer collect on the County tax rolls all outstanding delinquent charges (and late fees) due on property which have been imposed pursuant to the Public Utilities Code, the Health and Safety Code, and any appropriate District Codes and Ordinances. A ten percent penalty will be imposed on all delinquent charges assigned to the Placer County tax rolls in accordance with Section 12811 of the Public Utilities Code.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|--|----------|-------------------------------|
| Policy Name: | 3370 – SEWER SYSTEM MANAGEMENT PLAN (SSMP) | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 08/07/14 |
| Resolution No. | 14-07, 15-23, 24-XX17 | Revised: | 09/03/15 06/27/245 |

PURPOSE

The purpose of the Sewer System Management Plan (SSMP) is to reduce sanitary sewer ~~spills-overflows (SSO)~~, protect public health and environment and improve the overall maintenance and management of sewer systems. The SSMP must include provisions to provide ~~proper~~ adequate local funding, efficient management, operation, and maintenance of the sanitary sewer system, while taking into consideration risk management and cost benefit analysis.

POLICY STATEMENT

Section 1: General

The District is required to develop and implement an SSMP under the State Water Resources Control Board ~~WDR permit~~Statewide Waste Discharge Requirements General Order for Sanitary Sewer Systems (Order ~~2006-0003~~WQ 2022-0103-DWQ). The SSMP documents the District’s program to properly operate and maintain the sanitary sewer system.

Section 2: Content

The SSMP ~~must~~ provides a summary of the ~~policies~~programs, procedures, and activities that are used in the planning, management, operation and maintenance of the District’s sanitary sewer system. It ~~shall~~ incorporates, by reference, the District’s Sewer Code, Strategic Plan, Master Plan System Evaluation and Capacity Assurance Plan, Five Year Financial Plan and Standard Specifications. It also includes, by reference, all other pertinent documents required to carry out the goals of the SSMP.

The SSMP ~~will~~must address the following elements:

1. ~~Goal~~SSMP Goal and Introduction
2. Organization
3. Legal Authority
4. Operation and Maintenance Program
5. Design and Performance Provisions
6. ~~Overflow-Spill~~ Emergency Response Plan
7. ~~Fats, Oils, and Grease (FOG)~~Sewer Pipe Blockage Control Program
8. System Evaluation, ~~and~~ Capacity Assurance ~~Plan and Capital Improvements~~
9. Monitoring, Measurement, and Program Modifications
10. ~~SSMP Program~~Internal Audits
11. Communication Program

Section 3: Audits and Re-Certification

An internal audit of the program's effectiveness and compliance shall be performed every ~~two~~three years. The District shall update its SSMP every six (6) years. The Board of Directors shall approve updated SSMPs. ~~The SSMP shall be updated and re-certified by the Board of Directors by Resolution every five (5) years.~~

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|---------------------|--|----------|----------|
| Policy Name: | 3370 – SEWER SYSTEM MANAGEMENT PLAN (SSMP) | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 08/07/14 |
| Resolution No. | 14-07, 15-23, 24-17 | Revised: | 06/27/24 |

PURPOSE

The purpose of the Sewer System Management Plan (SSMP) is to reduce sanitary sewer spills, protect public health and environment and improve the overall maintenance and management of sewer systems. The SSMP must include provisions to provide adequate local funding, efficient management, operation, and maintenance of the sanitary sewer system, while taking into consideration risk management and cost benefit analysis.

POLICY STATEMENT

Section 1: General

The District is required to develop and implement an SSMP under the State Water Resources Control Board Statewide Waste Discharge Requirements General Order for Sanitary Sewer Systems (Order WQ 2022-0103-DWQ). The SSMP documents the District’s program to properly operate and maintain the sanitary sewer system.

Section 2: Content

The SSMP must provide a summary of the programs, procedures, and activities that are used in the planning, management, operation and maintenance of the District’s sanitary sewer system. It shall incorporate, by reference, the District’s Sewer Code, Strategic Plan, System Evaluation and Capacity Assurance Plan, Five Year Financial Plan and Standard Specifications. It also includes, by reference, all other pertinent documents required to carry out the goals of the SSMP.

The SSMP must address the following elements:

1. SSMP Goal and Introduction
2. Organization
3. Legal Authority
4. Operation and Maintenance Program
5. Design and Performance Provisions
6. Spill Emergency Response Plan
7. Sewer Pipe Blockage Control Program
8. System Evaluation, Capacity Assurance and Capital Improvements
9. Monitoring, Measurement, and Program Modifications
10. Internal Audits
11. Communication Program

Section 3: Audits and Re-Certification

An internal audit of the program's effectiveness and compliance shall be performed every three years. The District shall update its SSMP every six (6) years. The Board of Directors shall approve updated SSMPs.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|----------------------------|---|-----------------|----------|
| Policy Name: | 5016 – PUBLIC COMMENT VIA REMOTE PARTICIPATION AT BOARD MEETINGS | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 06/27/24 |
| Resolution No. | 24-17 | Revised: | |

PURPOSE

This Policy shall govern the use of teleconferencing and other means of remote participation (e.g. Zoom or Microsoft Teams) for public participation and comment during Meetings of the South Placer Municipal Utility District Board of Directors and allow for the discontinuation of oral public comments from remote public participants during Public Meetings.

POLICY STATEMENT

Section 1. General

In accordance with Board Policy 5070 – Rules of Order for Board and Committee Meetings, Public Hearings allow for public participation and comment. The District welcomes and encourages public participation during its Board meetings. The District will continue to offer some form of virtual attendance and public comment option in addition to in-person attendance; however, the District will not tolerate unwanted, disruptive intrusion into a virtual meeting. The use of language at a public meeting that is hateful, harassing, or bullying in nature is prohibited. While a Zoom or other remote meeting session is in progress, an individual’s participation may be shut down by the host if the user is providing inappropriate or disruptive comments or provides comments and refuses to identify themselves.

Section 2. Policy

The Board shall continue to accept public comment in compliance with the Ralph M. Brown Act and procedures of decorum as established by the Board Policies and District Sewer Code and/or as adopted by the South Placer Municipal Utility District Board of Directors. For purposes of this Policy, public comment shall include the submission of written comments to the Board Clerk in advance of public meetings and, when called on pursuant to procedures established by the Board of Directors, oral comments made by members of the public physically in attendance at meetings of the Board.

The Board may accept “other forms of public comment,” via remote participation, which shall include emails to the Board Clerk in advance of public meetings, video/teleconferencing applications or platforms including, but not limited to, Zoom, telephonic devices, or any other web-based media, application, or platform during meetings open to the public. Individuals providing virtual public comments who are being disruptive, using language that is hateful, harassing, or bullying in nature, or who provide public comment but refuse to identify themselves will receive a verbal warning of their violation of this policy. Individuals who do not immediately correct the conduct will be promptly removed from the virtual meeting. Any person removed from a virtual meeting shall not be allowed to reenter for the remainder of the meeting.

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Eric Nielsen, Superintendent

Cc: Herb Niederberger, General Manager

Subject: Resolution 24-18 revising Board Policy #2037 Workplace Violence Prevention

Meeting Date: June 27, 2024

Overview

The South Placer Municipal Utility District (District) adopted a Policy Handbook per Resolution 15-23. Included in this Policy Handbook is the District’s Board Policy #2037 Workplace Violence Prevention. Staff has determined that this policy needs revision to comply with the recently adopted Senate Bill 553.

Senate Bill 553 was signed into law on September 30, 2023, and addresses the threat of workplace violence by requiring employers to implement basic protections for employees while at work. Senate Bill 553 requires employers to develop a Workplace Violence Prevention Plan by July 1, 2024. District staff has prepared such a plan.

During the process of preparing the Workplace Violence Prevention Plan, staff recognized that the existing Policy #2037 needed to be updated. The existing Policy #2037 included procedures that are now included in the District’s Workplace Violence Prevention Plan. Those procedures were removed from the revised Policy #2037. The organization of the revised Policy #2037 was modified to align with the format of other District policies that pertain to plans required by regulations.

The Policy and Ordinance Advisory Committee met on June 13, 2024, to review the proposed revisions as described above and recommended that the policy revisions be forwarded to the Board of Directors for consideration. Included with this staff report are redlines and final versions of the revised policy for the Board’s consideration.

Recommendation

Staff recommends that the Board of Directors adopt Resolution 24-18 Revising Board Policy #2037 Workplace Violence Prevention.

Strategic Plan Priorities

- Maintain an excellent regulatory compliance record
- Prepare for the future and foreseeable emergencies
- Make SPMUD a great place to work

Fiscal Impact

There is no fiscal impact related to the revision of the attached policies and the creation of a new policy.

Attachments:

1. Resolution 24-18 Revising Board Policy #2037 Workplace Violence Prevention
2. Policy #2037 Workplace Violence Prevention (redline)
3. Policy #2037 Workplace Violence Prevention (final)

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 24-18

REVISING BOARD POLICY #2037

WORKPLACE VIOLENCE PREVENTION POLICY

WHEREAS, The South Placer Municipal Utility District (District) created a District Policy Handbook adopted by Resolution 15-23 on September 3, 2015; and

WHEREAS, Section 1 of Policy 1010 – Adoption or Amendment of Policies, allows for policies to be added, eliminated, or modified from time to time by Resolution of the Board; and

WHEREAS, Staff is proposing revisions to Board Policy #2037 Workplace Violence Prevention.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District that the attached Policy #2037 Workplace Violence Prevention, is adopted in its entirety and is to be included in the aforementioned District Policy Handbook.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 27th day of June 2024.

Signed: _____
James Durfee, President of the Board of Directors

Attest: _____
Emilie Costan, Board Secretary

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|----------------------------|--|-----------------|-------------------|
| Policy Name: | 2037 – WORKPLACE VIOLENCE <u>PREVENTION</u> POLICY | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 11/05/2020 |
| Resolution No. | 20-33, <u>24-189</u> | Revised: | <u>06/27/2024</u> |

PURPOSE

The purpose of this policy is to provide a violence-free workplace for all employees.

POLICY STATEMENT

Section 1. General

South Placer Municipal Utility District (District) is committed to providing a work environment that is free of disruptive, threatening, or violent behavior involving any employee, appointed or elected official, contractor, volunteer, client, and/or visitor. This pPolicy is in conformance with the SPMUD Employee Manual, Section 2.20 Workplace Restrictions, Workplace Violence. ~~South Placer Municipal Utility District~~The District will take all appropriate, reasonable, and timely steps to prevent acts and threats of violence against employees and other individuals while on District property or in the course of doing business with the District.

Senate Bill 553 requires the District to establish, implement, and maintain at all ~~times~~times in all work areas, an effective Workplace Violence Prevention Plan.

Section 2. Workplace Violence Prevention Plan Content

The Workplace Violence Prevention Plan shall include the following elements:

1. The names and titles of the persons responsible for implementing the plan.
2. The active involvement of employees in developing and implementing the plan.
3. Methods to coordinate the implementation of the plan with other employers when applicable.
4. Effective procedures to accept and respond to reports of workplace violence and to prohibit retaliation against an employee who makes such a report.
5. Effective procedures to ensure that supervisory and nonsupervisory employees comply with the plan.
6. Effective communication procedures regarding workplace violence matters.
7. Effective procedures to respond to actual or potential workplace violence emergencies.
8. Procedures to develop and provide training.
9. Procedures to identify and evaluate workplace violence hazards.
10. Procedures to correct workplace violence hazards.
11. Procedures for post-incident response and investigation.
12. Procedures to review the effectiveness of the plan after it is reviewed at least annually.
13. A violent incident log recording every workplace violence incident.

Section 3. Recordkeeping

The District is required to keep records of the following items in accordance with the District's Record Retention Schedule but for no less than five years:

1. A violent incident log for every workplace violence incident.
2. Training records related to workplace violence prevention.
3. Records of workplace violence hazard identification, evaluation, and correction.

Section 4. Planned Response to Workplace Violence Incidents

The Workplace Violence Prevention Plan addresses the prevention and evaluation of workplace violence incidents. The plans on how to respond in the moment of a workplace violence incident are contained in the District's Emergency Action Plan.

Section 2. Behaviors

~~The following behavior will not be tolerated:~~

- ~~1. Threats or threatening behavior towards fellow employees, visitors, guests, or other individuals. All threats will be considered serious.~~
- ~~2. Acts of violence against fellow employees, visitors, guests, or other individuals.~~
- ~~3. Use or possession of a weapon, firearm, or fixed blade knife, on District property, or while on District business, unless allowed by state law or local ordinance and permitted in writing by the General Manager.~~

Section 3. Weapon Defined

~~Weapon – Includes firearms, a fixed blade knife or knives greater than three and one-half inches in length, explosives, hazardous materials, or any item that could be reasonably be defined as a weapon.~~

Section 4. Reporting

~~Every District employee has an obligation to immediately report any violence or threat of violence against any District employee, visitor, or other individual. This report should be made as quickly as possible, either by radio, in person, or by telephone regardless of the time of day or night that the threat or violence occurs. Emergencies should be reported immediately to a manager or supervisor. If the situation warrants, the City of Rocklin Police Department or Placer County Sheriff shall also be notified.~~

~~Any person who makes substantial threats, exhibits threatening behavior, is found to be in possession of a weapon, or engages in violent acts on District property or during the course of conducting District business, shall be removed from the premises as quickly as safety permits, and shall remain off District premises pending the outcome of an investigation.~~

Section 5. Investigation

~~All such reports will be investigated, and corrective action will be taken as deemed necessary. The investigation will be immediate, thorough, and objective. Documentation of the investigation will be maintained in a confidential file. To protect the privacy of the people involved, detailed information regarding investigations and subsequent actions will be confidential.~~

~~Section 6. Confidentiality~~

~~To the extent possible, an employee reporting an act of violence or the threat of violence will be accorded confidentiality. However, depending on the circumstances, disclosure of identities of individuals making such reports may be required (i.e., when discipline results from such reports). Investigation records will be held in the strictest confidence, to the extent permitted by law. The privacy rights of all parties involved in an investigation will be protected to the greatest extent possible.~~

~~Section 7. Truthfulness~~

~~Information provided by employees must be factual, based on witnessed events, accurate and complete. It is against District policy to make false or malicious statements about other employees and doing so can result in disciplinary action being taken against the offending employee.~~

~~Section 8. Retaliation~~

~~All employees may report an actual or potentially violent incident or participate in any investigation under this policy without fear of retaliation by the District, a management staff person, or another employee. Regardless of disciplinary action resulting from an investigation of a reported incident of violence, retaliation of any kind will not be tolerated. Acts of retaliation or behavior suggestive of retaliation shall be reported to a manager.~~

~~Section 9. Training~~

~~All employees shall be trained on general workplace violence prevention issues and on the specifics of this policy. Training shall be provided when this policy is first implemented and periodically thereafter. Training shall also be provided to new employees on hire. Additional training will be provided to all employees whenever the District is made aware of new or previously unrecognized hazards, or whenever a significant change to this policy is deemed necessary. The District may also conduct additional training for managers and supervisors, so they can better deal with potentially violent situations. Records of all training performed will be maintained for a minimum of three years.~~

~~Training will include the following:~~

- ~~1. Explanation of the District's Workplace Violence Prevention Policy, including measures for reporting any violent acts or threats of violence.~~
- ~~2. Identification and recognition of the risk factors associated with workplace violence.~~
- ~~3. Measures to prevent workplace violence, including procedures for reporting to management workplace security hazards or threats.~~

- ~~4. Suggested ways to defuse hostile or threatening situations.~~

Section 10. ~~Employee and Management Responsibility~~

~~Employee Responsibility—Every District employee has an obligation to immediately report any violence or threat of violence against any District employee, visitor, or other individual. If the situation warrants, the City of Rocklin Police Department or Placer County Sheriff shall also be notified. Employees are required to behave in accordance with all aspects of this policy, which includes cooperating with and being truthful in any investigation of potential or actual workplace violence; maintaining confidentiality; participating in training; and refraining from engaging in retaliation.~~

~~Management Responsibility—Upon notification of a violation of the policy, District Management is obligated to:~~

- ~~1. Take appropriate and immediate action to prevent injury.~~
- ~~2. Managers must notify the General Manager of all acts or threats of violence.~~
- ~~3. Investigate every reported threat or act of violence. Include another manager when possible. The investigation will be immediate, thorough, and objective.~~
- ~~4. Document the investigation in a confidential file to be maintained by the Administrative Services Manager.~~
- ~~5. Maintain confidentiality. To protect the privacy of the people involved, detailed information regarding investigations and subsequent actions will be confidential.~~
- ~~6. Take appropriate preventive and disciplinary action.~~

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

| | | | |
|----------------------------|---|-----------------|------------|
| Policy Name: | 2037 – WORKPLACE VIOLENCE PREVENTION POLICY | | |
| Approval Authority: | SPMUD BOARD OF DIRECTORS | Adopted: | 11/05/2020 |
| Resolution No. | 20-33, 24-18 | Revised: | 06/27/24 |

PURPOSE

The purpose of this policy is to provide a violence-free workplace for all employees.

POLICY STATEMENT

Section 1. General

South Placer Municipal Utility District (District) is committed to providing a work environment that is free of disruptive, threatening, or violent behavior involving any employee, appointed or elected official, contractor, volunteer, client, and/or visitor. This policy is in conformance with the SPMUD Employee Manual, Section 2.20 Workplace Restrictions, Workplace Violence. The District will take all appropriate, reasonable, and timely steps to prevent acts and threats of violence against employees and other individuals while on District property or in the course of doing business with the District.

Senate Bill 553 requires the District to establish, implement, and maintain at all times in all work areas, an effective Workplace Violence Prevention Plan.

Section 2. Workplace Violence Prevention Plan Content

The Workplace Violence Prevention Plan shall include the following elements:

1. The names and titles of the persons responsible for implementing the plan.
2. The active involvement of employees in developing and implementing the plan.
3. Methods to coordinate the implementation of the plan with other employers when applicable.
4. Effective procedures to accept and respond to reports of workplace violence and to prohibit retaliation against an employee who makes such a report.
5. Effective procedures to ensure that supervisory and nonsupervisory employees comply with the plan.
6. Effective communication procedures regarding workplace violence matters.
7. Effective procedures to respond to actual or potential workplace violence emergencies.
8. Procedures to develop and provide training.
9. Procedures to identify and evaluate workplace violence hazards.
10. Procedures to correct workplace violence hazards.
11. Procedures for post-incident response and investigation.
12. Procedures to review the effectiveness of the plan after it is reviewed at least annually.
13. A violent incident log recording every workplace violence incident.

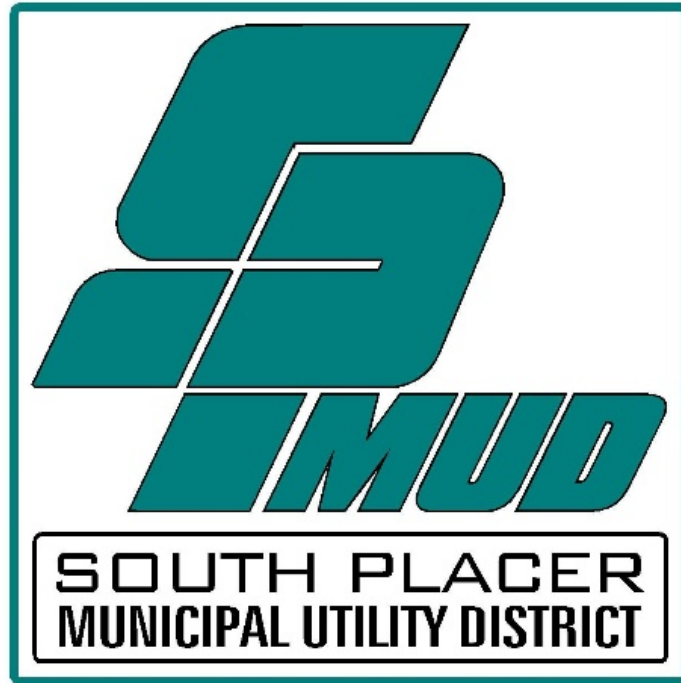
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1. A violent incident log for every workplace violence incident.
2. Training records related to workplace violence prevention.
3. Records of workplace violence hazard identification, evaluation, and correction.

Section 4. Planned Response to Workplace Violence Incidents

The Workplace Violence Prevention Plan addresses the prevention and evaluation of workplace violence incidents. The plans on how to respond in the moment of a workplace violence incident are contained in the District's Emergency Action Plan.



Workplace Violence Prevention Plan

2024

**Date of Last Review: 6/5/2024
Date of Last Revision(s): 6/5/2024**



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Appendices

- A. Workplace Violent Incident Log
- B. Workplace Violence Prevention Hazard Assessment & Correction Form

Related Regulations and Policies

South Placer Municipal Utility District (SPMUD) is committed to providing a work environment that is free of disruptive, threatening, or violent behavior involving any employee, appointed or elected official, volunteer, contractor, client, and/or visitor. On September 30, 2023, California Senate Bill 553 (Cortese) was signed into law and California Labor Code section 6401.9 is in effect and enforceable on July 1, 2024. SPMUD falls within the scope of this law must establish, implement, and maintain an effective written Workplace Violence Prevention Plan (Plan) for the purposes of protecting employees and other personnel from aggressive and violent behavior at the workplace. SPMUD will not ignore, condone, or tolerate threats of violence or workplace violence by any employee, elected official, volunteer, contractor, client, or visitor.

The purpose of SPMUD Policy 2037 – “Workplace Violence Prevention Policy” is to provide a violence-free workplace for all employees. This policy is in conformance with the SPMUD Employee Manual, Section 2.20 “Workplace Restrictions – Workplace Violence” and outlines prohibited behaviors (including threats, acts of violence, and use or possession of a weapon), reporting, investigations, prohibitions against retaliation, training, and responsibilities.

Definitions

Emergency: Unanticipated circumstances that can be life threatening or pose a risk of significant injuries to employees or other persons.

Engineering Controls: An aspect of the built space or a device that removes a hazard from the workplace or creates a barrier between the employee and the hazard.

Log: The violent incident log required (Appendix A).

Plan: The workplace violence prevention Plan.

Serious Injury or Illness: Any injury or illness occurring in a place of employment or in connection with any employment that requires inpatient hospitalization for other than medical observation or diagnostic testing, or in which an employee suffers an amputation, the loss of an eye, or any serious degree of permanent disfigurement, but does not include any injury or illness or death caused by an accident on a public street or highway, unless the accident occurred in a construction zone.

Threat of Violence: Any verbal or written statement, including, but not limited to, texts, electronic messages, social media messages, or other online posts, or any behavioral or physical conduct, that conveys an intent, or that is reasonably perceived to convey an intent, to cause physical harm or to place someone in fear of physical harm, and that serves no legitimate purpose.

Work Practice Controls: Procedures and rules which are used to effectively reduce workplace violence hazards.

Workplace Violence: Any act of violence or threat of violence that occurs in a place of employment. Includes, but is not limited to the following:

- The threat or use of physical force against an employee that results in, or has a high likelihood of resulting in, injury, psychological trauma, or stress, regardless of whether the employee sustains an injury.
- An incident involving a threat or use of a firearm or other dangerous weapon, including the use of common objects as weapons, regardless of whether the employee sustains an injury.
- The following four workplace violence types:
 - **Type 1 violence** - Workplace violence committed by a person who has no legitimate business at the worksite and includes violent acts by anyone who enters the workplace or approaches employees with the intent to commit a crime.
 - **Type 2 violence** - Workplace violence directed at employees by customers, clients, patients, students, inmates, or visitors.
 - **Type 3 violence** - Workplace violence against an employee by a present or former employee, supervisor, or manager.
 - **Type 4 violence** - Workplace violence committed in the workplace by a person who does not work there but has or is known to have had a personal relationship with an employee.
 - Workplace violence does not include lawful acts of self-defense or defense of others.

Responsibility and Authority

Workplace Violence Prevention Plan Administrator

The Superintendent is the designated Workplace Violence Plan Administrator (Administrator) and has the authority and responsibility for developing, implementing, and maintaining this Plan.

| Responsible Persons | Job Title/ Position | WVPP Responsibility(ies) | Phone # | Email |
|---------------------|--|--|-------------------|-----------------------|
| Eric Nielsen | Superintendent WVPP Administrator | Overall responsibility for the plan; <i>Eric approves the final plan and any major changes.</i> | (916) 786-8555 | enielsen@spmud.ca.gov |
| Mike Harris | Regulatory Compliance Technician | Responsible for employee involvement and training; <i>Mike organizes safety meetings, updates training materials, conducts safety inspections, and coordinates emergency response procedures.</i> | (916) 786-8555 | mharris@spmud.ca.gov |
| Emilie Costan | Admin Services Manager | <i>Handles all reports of workplace violence</i> | (916) 786-8555 | ecostan@spmud.ca.gov |

Managers and Supervisors

Responsibilities include:

- Implementing the Plan in their respective work areas.
- Providing input to the Administrator regarding the Plan.
- Participating in investigations of workplace violence reports.
- Answering employee questions concerning this Plan.

Employees

Responsibilities include:

- Complying with the Plan.
- Maintaining a violence-free work environment.
- Attending all training.
- Following all directives, policies, and procedures.
- Reporting suspicious persons in the area and alerting the proper authorities when necessary.

Employee Active Involvement

SPMUD ensures the following policies and procedures to obtain the active involvement of employees and authorized employee representatives in developing and implementing the Plan.

- Management will work with and allow employees and authorized employee

representatives to participate in:

- Identifying, evaluating, and determining corrective measures to prevent workplace violence. This includes, but is not limited to, periodic safety meetings with employees and their representatives to discuss the identification of workplace violence related concerns and hazards, and to evaluate the concerns to identify corrective action.
 - Designing and implementing training by encouraging employees to provide feedback and suggestions to help customize the training materials and sessions.
 - Reporting and potentially assisting in the investigating of workplace violence incidents.
- Management will ensure that all workplace violence policies and procedures within this Plan are clearly communicated and understood by all employees. Managers and supervisors will enforce the rules fairly and uniformly.
 - All employees will follow all directives, policies, and procedures, as outlined in this Plan, and assist in maintaining a safe work environment. District Policy 3006 - “Emergency Response Guideline for Hostile or Violent Incidents” provides direction regarding responses to hostile or violent incidents on District facilities or properties.
 - The Plan shall be in effect at all times and in all work areas and be specific to the hazards and corrective measures for each work area and operation.

Employee Compliance

The Administrator is responsible for ensuring the Plan is clearly communicated and understood by all employees. The following techniques are used to ensure all employees understand and comply with the Plan:

- Informing all employees of the plan during new employee safety orientation training and ongoing workplace violence prevention training;
- Ensuring all employees receive training on this plan;
- Providing comprehensive workplace violence prevention training to managers and supervisors concerning their roles and responsibilities for plan implementation;
- Evaluating employees to ensure their compliance with the plan;
- Disciplining employees, supervisors, managers, or elected officials for failure to comply with the Plan, and who engage in threats of violent behaviors; and
- Ensuring training of this plan is conducted on an annual basis.

Communication with Employees

SPMUD recognizes that open, two-way communication between the management team, staff, and other employers, about workplace violence issues is essential to a safe and productive workplace. The following communication system is designed to facilitate a continuous flow of workplace violence prevention information between management and staff in a form that is readily understandable by all employees, and consists of one or more of the following:

- Workplace violence prevention training programs.
- Regularly scheduled meetings that address security issues and potential workplace violence hazards.
- Effective communication between employees and supervisors about workplace violence prevention and violence concerns, in the employees' first language as applicable.
- Posted or distributed workplace violence prevention information.

Employees are encouraged to inform their supervisor about any threats of violence or workplace violence. No employee will be disciplined for reporting any threats of violence or workplace violence. After the employee has reported their concerns about any threats of violence or acts of workplace violence to their supervisor, the supervisor will report this information to the Administrator who will investigate the incident. The Administrator will then inform the employee of the results of their investigation and any corrective actions to be taken as part of the SPMUD's responsibility in complying with hazard correction measures outlined in the WVP Plan.

Any employee who believes he or she has the potential of violent behavior is encouraged to:

- Speak to their Supervisor.
- Contact CPS HR.
 - Barbara Montelongo, SPMUD HR Consultant
 - bmontelongo@cpsshr.us
 - 714. 686.7923
- Utilize the Confidential Employee Assistance Program (Concern).
 - <https://login.concernhealth.com/enter>
 - Company Code: SPMUD
 - 1.800.344.4222

Training

All employees, including managers, supervisors, and board members, will have training and instruction on general and job-specific workplace violence practices.

Training will occur:

- When the Plan is first established.
- When hired.
- Annually to ensure all employees understand and comply with the Plan.
- When a new or previously unrecognized workplace violence hazard has been identified.

Employee training on workplace violence will include:

- A review of the Plan, how to obtain a copy of the Plan, and how to participate in the development and implementation of the Plan.
- How to report workplace violence incidents or concerns to SPMUD or law enforcement, without fear of reprisal.

- Workplace violence risks that employees may encounter in their jobs.
- How to recognize the potential for violence and escalating behavior.
- General and personal safety measures.
- Strategies to de-escalate behaviors and to avoid physical harm.
- SPMUD's alerts, alarms, or systems that are in place to warn of emergencies.
- Information about the Violent Incident Log and how to obtain copies of records pertaining to completed logs, hazard identification, evaluation and correction, and training records.

Employees will always have opportunities for interactive questions and answers with the Administrator or a person knowledgeable about SPMUD's Plan.

Coordination with Other Employers

SPMUD will implement the following effective procedures to coordinate implementation of its Plan with other employers to ensure those employers and their employees understand their respective roles:

- All employees will be trained in workplace violence prevention.
- Workplace violence incidents involving any employee are reported, investigated, and recorded.
- At a multiemployer worksite, SPMUD will ensure that if SPMUD employees experience a workplace violence incident, SPMUD will record the information in the Violent Incident Log and provide a copy to the controlling employer.

Emergency Response Procedures

In the event of an actual or potential workplace violence emergency, the employee should determine the best immediate reporting option based on the situation and circumstances. The methods of reporting emergencies include, but are not limited to:

- Dialing 911, pressing the panic button, or lockdown button
- Immediately notifying all employees by
 - Direct contact
 - Phone Call
 - Text Message

Upon being notified of a workplace violence emergency, the General Manager (or next in the chain of command) will determine if emergency procedures should be activated and if evacuation or shelter-in-place procedures should be implemented.

Chain of Command / Order of Succession

Leadership authority during an emergency shall flow downward through the following list of people:

1. General Manager
2. Superintendent
3. Administrative Services Manager
4. District Engineer

Refer to SPMUD's Emergency Action Plan (EAP) for procedures on how to respond to specific workplace violence emergency scenarios.

SPMUD's Emergency Action Plan is located on the S drive and in the SPMUD's Emergency Action Plan binders. These are in the following locations.

- S Drive: S:\00-SPMUD\Safety\Compliance\Emergency Action Plan
- EAP Binders
 - Superintendent's Office
 - Admin Services Manager's Office
 - District Engineer's Office

Workplace Violence Hazard Assessment

A workplace hazard assessment will be conducted by the Administrator, and other selected employees, utilizing the Workplace Violence Prevention Hazard Assessment & Correction Form (Appendix B). An annual review of the past year's workplace violence incidents will be conducted.

Inspections are performed according to the following schedule:

- When the Plan is first established.
- Annually.
- When new, previously unidentified workplace violence/security hazards are recognized.
- After each workplace violence incident or threats occur.

Workplace Violence Hazard Correction

Workplace violence hazards will be evaluated and corrected in a timely manner. The Administrator will implement the following procedures to correct the identified workplace violence hazards:

- If an imminent workplace violence hazard exists that cannot be immediately abated without endangering employee(s), all exposed employee(s) will be removed from the situation except those necessary to correct the existing condition. Employees necessary to correct the hazardous condition will be provided with the necessary protection, depending on the exposure.

- All corrective actions taken will be documented and dated on the appropriate forms, such as the Workplace Violence Hazard Assessment and Correction form (Appendix B), or other tracking measures.

Post Incident Response and Investigation

After a workplace incident, the Administrator or their designee will implement the following post-incident procedures:

- Visit the scene of an incident as soon as safe and practicable.
- Interview involved parties, such as employees, witnesses, law enforcement, and/or security personnel.
- Review security footage of existing security cameras if applicable.
- Examine the workplace for security risk factors associated with the incident, including any previous reports of inappropriate behavior by the perpetrator.
- Determine the cause of the incident.
- Take corrective action to prevent similar incidents from occurring.
- Complete the Violent Incident log (see Appendix A) for every workplace violence incident and ensure corrective actions are taken.
- Obtain any reports completed by law enforcement.

Recordkeeping

Records of violent incidents (Violent Incident Log), workplace violence hazard identification, evaluation and correction, and incident investigations will be maintained for (5) five years. No records shall contain medical information.

Training for each employee, including the employee's name, training dates, type of training, and training provider will be maintained for a minimum of 3 years.

Cal/OSHA Reporting of Work Related Fatalities and Serious Injuries

SPMUD will immediately, but no later than 8 hours after awareness, report to Cal/OSHA any work-related death or serious injury or illness, including any due to workplace violence, of an employee occurring at the workplace or in connection with any employment.

A serious injury or illness (CCR330) is defined as:

- Any inpatient hospitalization for more than observation
- Amputation
- Loss of an eye
- Serious degree of permanent disfigurement.

It does not include any injury or illness or death caused by an accident on a public street or

highway unless the accident occurred in a construction zone.

Annual Review

SPMUD's Workplace Violence Prevention Plan will be reviewed for effectiveness:

- At least annually.
- When a deficiency is observed or become apparent.
- After a workplace violence incident.
- As needed.

Review of the Plan will include measures outlined in the Employee Active Involvement section as well as the following:

- A review of the incident investigations and violent incident log.
- Assessment of the effectiveness of security systems, including alarms, emergency response, and available security personnel, if applicable.
- Review if violence risks are being properly identified, evaluated, and corrected.
- Any revisions should be made promptly and communicated to all employees.

Appendix A

WORKPLACE VIOLENT INCIDENT LOG

This form must be completed for every record of violence in the workplace.

| | | |
|-------------------------|-----------------------------------|--------------------|
| Incident ID # *: | Date and Time of Incident: | Department: |
|-------------------------|-----------------------------------|--------------------|

* Do not identify employee by name, employee #, or SSI. The Incident ID must not reflect the employee's identity.

Describe Incident (provide detailed description and information on the violence incident type. Include additional pages if needed):

Specific Location(s) of Incident & Workplace Violence Type (see definitions, enter 1, 2, 3 or 4)

| | | | | |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 |
| | <input type="checkbox"/> 1 | <input type="checkbox"/> 2 | <input type="checkbox"/> 3 | <input type="checkbox"/> 4 |

Where Incident Occurred:

| | | | |
|------------------------------------|--------------------------------------|--|---|
| <input type="checkbox"/> Workplace | <input type="checkbox"/> Parking lot | <input type="checkbox"/> Outside of Building | <input type="checkbox"/> Outside of workplace |
|------------------------------------|--------------------------------------|--|---|

Type of Incident (check as many apply):

| | | |
|--|---|--|
| <input type="checkbox"/> Robbery | <input type="checkbox"/> Grabbed | <input type="checkbox"/> Pushed |
| <input type="checkbox"/> Verbal threat/harassment | <input type="checkbox"/> Kicked | <input type="checkbox"/> Scratched |
| <input type="checkbox"/> Sexual threat/harassment/assault | <input type="checkbox"/> Hit with an object | <input type="checkbox"/> Bitten |
| <input type="checkbox"/> Animal attack | <input type="checkbox"/> Shot (or attempted) | <input type="checkbox"/> Slapped |
| <input type="checkbox"/> Threat of physical force | <input type="checkbox"/> Bomb threat | <input type="checkbox"/> Hit with fist |
| <input type="checkbox"/> Threat of use of weapon or object | <input type="checkbox"/> Vandalism (of victim's property) | <input type="checkbox"/> Knifed (or attempted) |
| <input type="checkbox"/> Assault with a weapon or object | <input type="checkbox"/> Vandalism (of employer's property) | <input type="checkbox"/> Arson |
| <input type="checkbox"/> Robbery | <input type="checkbox"/> Other: | |

Workplace violence committed by:

| | | |
|--|---|---|
| <input type="checkbox"/> Family or friend | <input type="checkbox"/> Client | <input type="checkbox"/> Coworker |
| <input type="checkbox"/> Partner/Spouse | <input type="checkbox"/> Family or friend of client | <input type="checkbox"/> Manager/Supervisor |
| <input type="checkbox"/> Former Partner/Spouse | <input type="checkbox"/> Customer | <input type="checkbox"/> Stranger w/criminal intent |
| <input type="checkbox"/> Parent/Relative | <input type="checkbox"/> Family or friend of customer | <input type="checkbox"/> Other: |

Circumstances at time of incident:

| | | |
|--|---|---|
| <input type="checkbox"/> Employee performing normal duties | <input type="checkbox"/> Working in poor lighting | <input type="checkbox"/> Employee rushed |
| <input type="checkbox"/> Employee isolated or alone | <input type="checkbox"/> Unable to get help or assistance | <input type="checkbox"/> Working during low staffing levels |
| <input type="checkbox"/> Working in a community setting | <input type="checkbox"/> Working in unfamiliar/new location | <input type="checkbox"/> Other: |

Consequences of incident:

| |
|---|
| Law enforcement/Security called? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, explain: |
| Were actions taken to protect employees from continuing threat or other hazards? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, explain: |
| Any injuries? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, explain: |
| Emergency medical responders contacted, including on-site First Aid/CPR? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, explain: |
| Did severity of injuries require reporting to Cal/OSHA? <input type="checkbox"/> Yes <input type="checkbox"/> No. If yes, enter date, time, and representative contacted: |

Completed by:

| | |
|-------|-----------|
| Name: | Title: |
| Date: | Signature |

Appendix B

**WORKPLACE VIOLENCE PREVENTION
HAZARD ASSESSMENT & CORRECTION FORM**

| | |
|------------------------------|---------------|
| Assessed by: | Title: |
| Location(s) Assessed: | |

This checklist is designed to evaluate the workplace and job tasks to help identify situations that may place employees at risk of workplace violence.

Step 1: Identify risk factors that may increase SPMUD’s vulnerability to workplace violence events.

Step 2: Conduct a workplace assessment to identify physical and process vulnerabilities.

Step 3: Develop a corrective action Plan with measurable goals and target dates.

STEP 1: IDENTIFY RISK FACTORS

| Yes | No | Risk Factors | Comments: |
|------------|-----------|---|------------------|
| | | Does staff have contact with the public? | |
| | | Does staff exchange money with the public? | |
| | | Does staff work alone? | |
| | | Is the workplace often understaffed? | |
| | | Is the workplace located in an area with a high crime rate? | |
| | | Does staff enter areas with high crime rates? | |
| | | Does staff have mobile workplaces? | |
| | | Does staff perform public safety functions that might put them in conflict with others? | |
| | | Does staff perform duties that may upset people? | |
| | | Does staff work with people known or suspected to have a history of violence? | |
| | | Do any employees have a history of threats of violence? | |
| | | | |
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STEP 2: CONDUCT ASSESSMENT

| Yes | No | Building Interior | Comments: |
|-----|----|--|-----------|
| | | Are employee ID badges required? | |
| | | Are employees notified of past workplace violence events? | |
| | | Are trained security personnel or staff accessible to employees? | |
| | | Are bullet resistant windows or similar barriers used when money is exchanged with the public? | |
| | | Are areas where money is exchanged visible to others? | |
| | | Is a limited amount of cash kept on hand with appropriate signage? | |
| | | Could someone hear an employee who called for help? | |
| | | Do employees have a clear line of sight of visitors in waiting areas? | |
| | | Do areas used for client or visitor interviews allow co-employees to observe problems? | |
| | | Are waiting and work areas free of objects that could be used as weapons? | |
| | | Is furniture in waiting and work areas arranged to prevent employee entrapment? | |
| | | Are clients and visitors clearly informed how to use the department services so they will not become frustrated? | |
| | | Are private, locked restrooms available for employees? | |
| | | Do employees have a secure place to store personal belonging? | |
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| Yes | No | Building Exterior/Parking Lot | Comments: |
|-----|----|---|-----------|
| | | Do employees feel safe walking to and from the workplace? | |
| | | Are the entrances to the building clearly visible from the street? | |
| | | Is the area surrounding the building free of bushes or other hiding places? | |
| | | Are security personnel provided outside the building? | |
| | | Is video surveillance provided outside the building? | |
| | | Is there enough lighting to see clearly? | |
| | | Are all exterior walkways visible to security personnel? | |
| | | Is there a nearby parking lot reserved for staff? | |
| | | Is the parking lot attended and secure? | |
| | | Is the parking lot free of blind spots and landscape trimmed to prevent hiding? | |
| | | Is there enough lighting to see clearly? | |
| | | Are security escorts available? | |
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| Yes | No | Security Measures | Comments: |
|-----|----|--|-----------|
| | | Is there a response Plan for workplace violence emergencies? | |
| | | Are there physical barriers? (between staff and clients) | |
| | | Are there security cameras? | |
| | | Are there panic buttons? | |
| | | Are there alarm systems? | |
| | | Are there metal detectors? | |
| | | Are there X-ray machines? | |
| | | Do doors lock? | |
| | | Does internal telephone system activate emergency assistance? | |
| | | Are telephones with an outside line programed for 911? | |
| | | Are there two-way radios, pagers, or cell phones? | |
| | | Are there security mirrors? | |
| | | Is there a secured entry? | |
| | | Are there personal alarm devices? | |
| | | Are there "drop safes" to limit available cash? | |
| | | Are pharmaceuticals secured? | |
| | | Is there a system to alert staff of the presence, location, and nature of a security threat? | |
| | | Is there a system in place for testing security measures? | |
| | | | |
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STEP 3: DEVELOP CORRECTIVE ACTION PLAN

(Action Plan Types: BI – Building Interior, BE – Building Exterior, PA – Parking Area, SM – Security Measure)

| Type | Action Item | Person(s) Responsible | Target Date | Status | Comments |
|------|-------------|-----------------------|-------------|--------|----------|
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**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Herb Niederberger, General Manager
Eric Nielsen, Superintendent
Carie Huff, District Engineer

Subject: Resolution 24-19 Adopting the Fiscal Year 2024/25 Budget and Proposed Spending Plan

Meeting Date: June 27, 2024

Overview

South Placer Municipal Utility District (District) Policy 3105 states that the District will adopt, by resolution, an annual budget that provides the Board with the upcoming fiscal year revenues and expenses for the Operating and Capital Funds conforming to policies previously adopted by the Board. The budget's primary use is as a financial planning tool to accomplish the District's strategic goals and objectives.

On May 8, 2024, the Fee and Finance Committee met to review and provide recommendations on the proposed spending plan for Fiscal Year 2024/25 (beginning July 1, 2024, and ending June 30, 2025). On June 6, 2024, the Board of Directors conducted a public workshop for the proposed budget outlining projected revenues and expenses for the Operating and Capital Funds to obtain feedback from the Board of Directors and receive public input. No changes were recommended to the proposed budget. Following the budget workshop, staff updated the budget worksheets to more accurately reflect the proposed revenue from the local capacity charge and the property and liability insurance expense based on information received after the workshop.

The Fiscal Year 2024/25 budget of \$41.06 million is comprised of \$21.31 million in Operating Fund Expenses and \$19.75 million in Capital Investment and includes carryover spending from the Fiscal Year 2023/24 adopted budget of \$37.36 million. Projected actual expenditures for Fiscal Year 2023/24 are \$21.37 million; \$18.72 million in Operating Fund Expenses and \$2.65 million in Capital Investment.

Last July, the District submitted the Fiscal Year 2023/24 Budget Book to the Government Finance Officers Association (GFOA) to be considered for the Distinguished Budget Presentation Award. This was the first time that the District submitted a budget document to the awards program. The District was notified in September 2023 that the Fiscal Year 2023/24 Budget Book received the

prestigious award. This budget book incorporates the feedback and comments from the reviewers of last year's budget book and will also be submitted for review and consideration for the Distinguished Budget Presentation Award.

Recommendation

Staff recommends that the Board of Directors approve Resolution 24-19, adopting the Budget and proposed spending plan for Fiscal Year 2024/25.

Strategic Plan Goals

The Fiscal Year 2024/25 Budget supports the District's Strategic Plan Priorities: Maintain an Excellent Regulatory Compliance Record, Prepare for the Future and Foreseeable Emergencies, Leverage Existing and Applicable Technologies to Improve Efficiencies, and Provide Exceptional Value for the Cost of Service, and Make the District a Great Place to Work.

Related District Ordinances and Policies

This action complies with the following District Policies:

- Policy No. 3105 – Budget Preparation
- Policy No. 3130 – District Reserve Policy
- Ordinance 23-01 – Monthly Service Charges
- Ordinance 23-02 – District Capacity Charge

Fiscal Impact

The total budget recommendation for Fiscal Year 2024/25 is \$41.06 million; \$21.31 million in Operating Fund Expenses and \$19.75 million in Capital Investment. This represents a \$3.70 million increase (9.9%) from the prior year's proposed spending plan of \$37.36 million. Operating Fund Revenues (\$19.73 million, less CEPPT interest) and usable Operating Fund Reserve Surplus (8.55 million) of \$28.28 million exceed the sum of Operating Fund Expenses (\$21.31 million) and Operating Fund Annual Capital Projects (\$1.66 million) of \$22.97 million.

Revenues

In accordance with Ordinance 23-01, the monthly service charge for Fiscal Year 2024/25 will increase to \$38.94 a month per EDU. In addition, per Ordinance 23-02, the Local Capacity Charge will increase to \$4,926 per EDU on July 1, 2024. Total revenues for Fiscal Year 2024/25 are projected to be \$22.99 million with Operating Fund revenues projected to be \$19.80 million (86%), and Capital Fund Revenues projected to be \$3.19 million (14%).

Expenses

Fiscal Year 2024/25 Operating Fund expenses are budgeted to be \$21.31 million (\$18.63 million before depreciation).

Capital Projects

Fiscal Year 2024/25 Capital Projects are projected to be approximately \$19.75 million. This can be broken down into the following categories: Operating Fund Capital Projects (Fund 100) - \$1.66

million; Capital Improvements & Enlargement Projects (Fund 300) – \$10.48 million; and Capital Replacements & Rehabilitation Projects (Fund 400) - \$7.61 million.

Fund Balances

As of March 31, 2024, fund balances are \$16.07 million in Fund 100, \$32.96 million in Fund 300, and \$24.71 million in Fund 400.

Attachments

1. Resolution 24-19 Adopting the Budget and Proposed Spending Plan for Fiscal Year 2024/25
2. South Placer Municipal Utility District Budget Workbook for Fiscal Year 2024/25

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 24-19

ADOPTING THE BUDGET AND PROPOSED SPENDING PLAN

FOR FISCAL YEAR 2024/25

WHEREAS, the South Placer Municipal Utility District (District) Policy 3105 states that the District will adopt an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the Operating and Capital Funds conforming to policies previously adopted by the Board of Directors; and

WHEREAS, the District conducted a public workshop on June 6, 2024, for the proposed Budget for the Fiscal Year 2024/25 (beginning July 1, 2024, and ending June 30, 2025) to obtain feedback from the Board of Directors and receive public input and no changes were recommended to the proposed budget; and

WHEREAS, the Fiscal Year 2024/25 Budget, attached as Exhibit “A” to this Resolution and incorporated herein, outlines the projected revenues, expenses, and spending plan for the Operating and Capital Funds and is the fiscal planning tool to accomplish the District’s strategic goals and objectives.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the South Placer Municipal Utility District hereby adopts the Budget for Fiscal Year 2024/25 and the proposed spending plan therein stated.

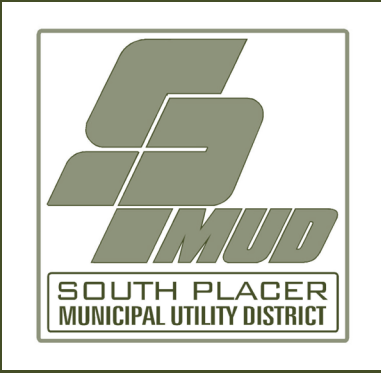
PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 27th day of June 2024.

Signed: _____

James Durfee, President of the Board of Directors

Attest: _____

Emilie Costan, Board Secretary



South Placer Municipal Utility District

Operating and Capital Budget
For the Fiscal Year Ending June 30, 2025



SOUTH PLACER MUNICIPAL UTILITY DISTRICT

FINAL ANNUAL BUDGET

FISCAL YEAR 2024/2025

PROTECT public health and the water environment.

PROVIDE efficient and effective sanitary sewer service.

PREPARE for the future.

PREPARED BY THE ADMINISTRATIVE SERVICES DEPARTMENT

HERB NIEDERBERGER, GENERAL MANAGER

EMILIE COSTAN, ADMINISTRATIVE SERVICES MANAGER

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SOUTH PLACER MUNICIPAL UTILITY DISTRICT

Vision Mission & Values

VISION

Our Vision is to be a reliable, innovative, sustainable, efficient, and cost-effective sewer service provider.

MISSION

We are a customer-owned Utility dedicated to:

PROTECT public health and the water environment

PROVIDE efficient and effective sanitary sewer service

PREPARE for the future

VALUES

Our Core Values are:

INTEGRITY:

We will be trustworthy, truthful, and honest

STEWARDSHIP:

We will be accountable and committed to responsible management and respect our environment

SERVICE:

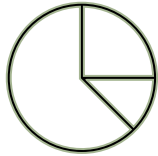
We will be responsive, reliable, and respectful; putting the needs of the District and customers first

QUALITY:

We will be dedicated to continuous improvement

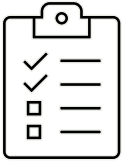
SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STRATEGIC PRIORITIES



PROVIDE EXCEPTIONAL VALUE FOR THE COST OF SEWER SERVICE

- ✓ **Maintain Low Service Charges while Meeting Established Service Levels**
- ✓ **Use Investment Vehicles with the Best Return**
- ✓ **Become more Involved with the Determination of South Placer Wastewater Authority (SPWA) Treatment Costs**



MAINTAIN AN EXCELLENT REGULATORY COMPLIANCE RECORD

- ✓ **Reduce Sanitary Sewer Overflows**
- ✓ **Comply with Statewide Sanitary Sewer Systems General Order Reissuance**



PREPARE FOR THE FUTURE AND FORESEEABLE EMERGENCIES

- ✓ **Pay Down Unfunded Actuarial Liability (UAL)**
- ✓ **Prepare Written Contingency Plans for Emergencies**



MAKE THE DISTRICT A GREAT PLACE TO WORK

- ✓ **Employee Recognition**
- ✓ **Team Building Events**



LEVERAGE EXISTING AND APPLICABLE TECHNOLOGIES TO IMPROVE EFFICIENCIES

- ✓ **Tactical Asset Management Plan (TAMP)**
- ✓ **Update Supervisory Control & Data Acquisition (SCADA)**
- ✓ **Reduce Reliance on Energy**

BUDGET MESSAGE

To the Honorable Board of Directors and Customers of the South Placer Municipal Utility District

The South Placer Municipal Utility District (District) staff is pleased to present the operating budget and supplemental information for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025. Each year staff makes careful consideration in its budget development to ensure the District's mission, strategic goals, and commitments are being financially supported.

The District prepares the budget after carefully setting sewer rates and charges to address the many challenges facing the sewer industry which include a more stringent regulatory environment, continued inflationary pressures, and aging infrastructure. The District's budget priorities align with the strategic plan priorities, work plans, and action steps and include maintaining a low sewer service rate, preventing sanitary sewer overflows, continuing an excellent compliance record, extending the useful life of District assets, and ensuring assets are replaced when needed at the best value to customers of the District. The budget's primary use is as a financial planning tool to accomplish the District's strategic goals. This budget incorporates the District's Five-Year Cost of Service Study and Capacity Charge Study adopted on June 1, 2023.

REPORT ORGANIZATION

This Annual Budget is intended to provide the Board with an overview of the District's fiscal plan of action, including revenue and expense details for the upcoming Fiscal Year 2024/25. This report is organized into a General Manager's budget message, District overview, budget overview, budget summary, revenue budget, expense budget, department schedules, capital outlay budget, fund balances, debt, and reserves, regional wastewater treatment plants and rate stabilization reserves, long range planning and projections, and statistical and supplemental information.

The total adopted budget for Fiscal Year 2024/25 is \$41.06 million.

The District's Board of Directors and staff members are proud to serve the City of Rocklin, the Town of Loomis, and the unincorporated communities of Penryn, Newcastle, and the Rogersdale area of Granite Bay. The District is a recognized leader in local government and demonstrates continued excellence in governance, transparency, operations, finance, and strategic planning. The adoption of this budget confirms the District's commitment to preventing sanitary sewer overflows and maintaining and improving facilities, services, and infrastructure in a fiscally responsible manner. The budget is a management tool and is not a legal document.

**GOVERNMENT FINANCE OFFICERS ASSOCIATION
DISTINGUISHED BUDGET PRESENTATION AWARD**



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**South Placer Municipal Utility District, CA
California**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

Executive Director

KEY ACCOMPLISHMENTS

The District strives to be a reliable, innovative, sustainable, efficient, and cost-effective sewer service provider. To that end, the District had the following key accomplishments in Fiscal Year 2023/24:

- ✓ Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association.
- ✓ Received the Distinguished Budget Award from the Government Finance Officers Association.
- ✓ Obtained new staff certifications for Senior Human Resource Professional from the Society for Human Resource Management (SHRM) and Certified Special District Manager from the California Special Districts Association (CSDA).
- ✓ Invested in Fixed-Income-Securities to reduce interest rate risk and provide stable long-term returns on a portion of the District’s reserve funds.
- ✓ Added new Standard Operating Procedures to ensure uniformity and continuity of District services.
- ✓ Completed the Building Addition and Tenant Improvement Project which included significant staff involvement in project management and IT networking.
- ✓ Oversaw the replacement of twelve new grease control devices at existing food service establishments throughout the District to comply with the District’s updated Fats, Oils, and Grease (FOG) Control Program.
- ✓ Hosted representatives from the City of Palo Alto and the City of Roseville to educate on the implementation of the District’s FOG Control Program. Served as a resource for the City of San Luis Obispo’s FOG Control Program.
- ✓ Completed the design of the Taylor Road Crossing Project, the Jack in the Box Sewer Line Replacement Project, and the Del Rio Court and Delmar Sewer Trunk Extension Project.
- ✓ Completed the preliminary engineering and environment analysis for the feasibility of the Johnson Springview Creek Crossing.
- ✓ Initiated preliminary engineering and environmental review for two capital projects (Cameo Court Trunk and Lift Station Abandonment and Sierra College Trunk and Lift Station Abandonment) that would eliminate two lift station facilities.

- ✓ Coordinated with Placer County Water Agency (PCWA) to replace two difficult-to-access damaged sewer laterals during a waterline replacement project.
- ✓ Initiated the Municipal Services Review and Sphere of Influence Study in coordination with Placer County Local Agency Formation Commission (LAFCO).
- ✓ Initiated updates to the District's Standard Specifications and Improvement Standards for Sanitary Sewer to align with Sewer Code updates and to Chapter 4 – Wastewater Pump Stations.
- ✓ Continued implementation of the industrial source control program in cooperation with the City of Roseville.
- ✓ Completed a brewery study in collaboration with the City of Roseville and initiated source control measures to mitigate impacts to the District's collection system.
- ✓ Initiated the State of California application for the consolidation of the Castle City Mobile Home Park in Newcastle.
- ✓ Initiated new outreach measures including a comic book and postcard along with joint outreach opportunities with PCWA. In addition, the District participated in multiple community outreach events.
- ✓ Continued cross training, collaboration, outreach, and coordination efforts with partner agencies and stakeholders, including the City of Rocklin, the Town of Loomis, Placer County, and PCWA.
- ✓ Completed the first annual report on the 2023/2027 District Strategic Plan.
- ✓ Substantially completed the design of the replacement Supervisory Control and Data Acquisition (SCADA) system.
- ✓ Chemically treated 33,659 feet of mainline to slow root growth and lessen the chance of blockages in the sewer system.
- ✓ Inspected over 1,550 sewer mainlines with closed caption television (CCTV).
- ✓ Created a new Workplace Violence Prevention Plan to comply with California Labor Code §6401.9.

DISTRICT OVERVIEW

The District, originally called the Rocklin-Loomis Municipal Utility District, was created in 1956 to provide sanitary sewer service to Rocklin and Loomis. While the service area has expanded, this remains the District’s core service. The District service area is divided into five wards and is governed by an elected five-member Board of Directors who establish policy and oversee the General Manager. The General Manager is responsible for managing the day-to-day operations of the District. In the 1970s, the District decommissioned its sewage treatment facilities and began using the City of Roseville Dry Creek Wastewater Treatment Plant.

In the 1980s, the name of the District was changed to the South Placer Municipal Utility District (District) to reflect its expanding service area. In 2000, the District, the City of Roseville, and Placer County created the South Placer Wastewater Authority (SPWA) under a Joint Powers Agreement to finance the construction of a second wastewater treatment plant, the Pleasant Grove Wastewater Treatment Plant.

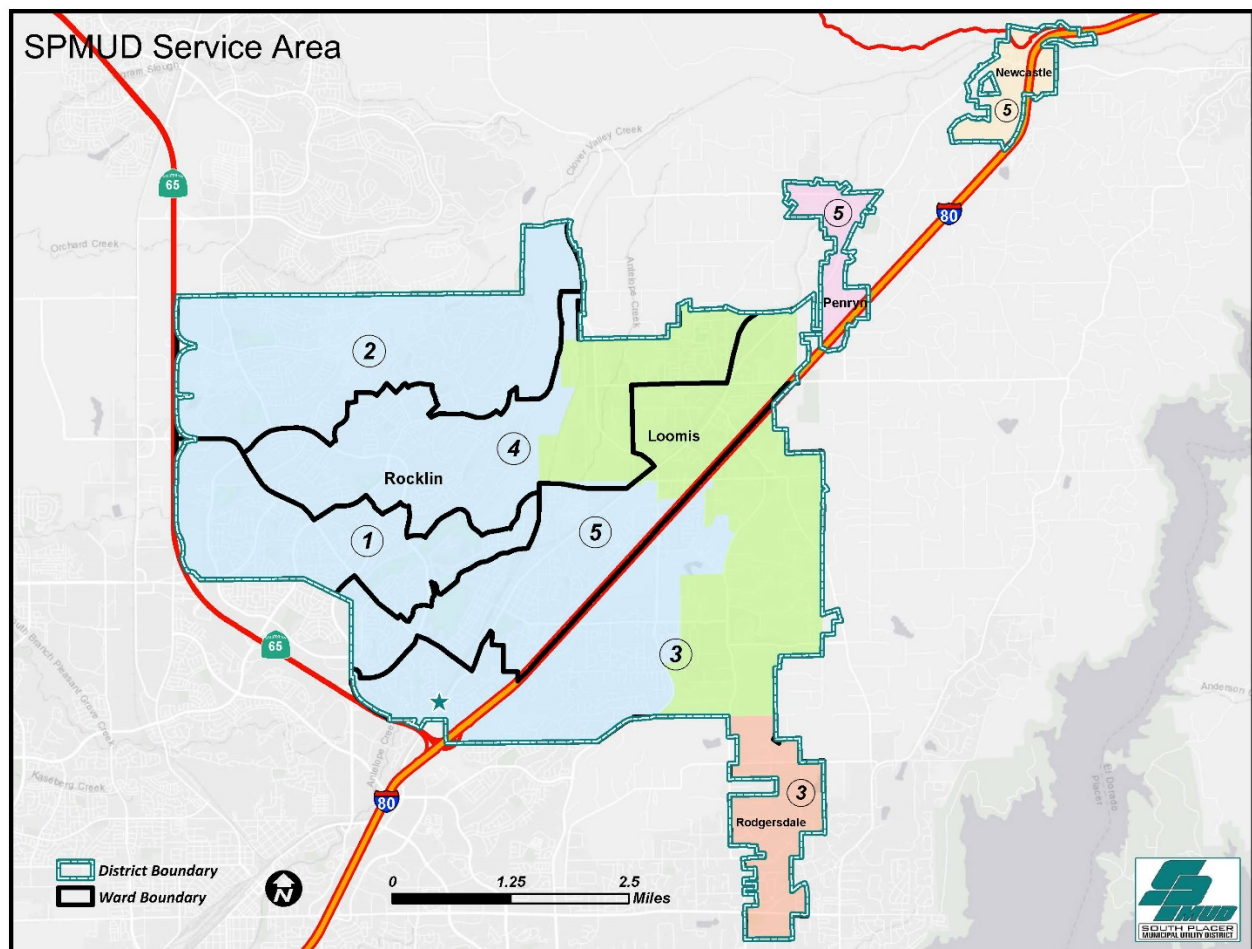
In 2010, the District annexed the Newcastle Sanitary District (NSD) area. The District currently provides sewer collection services in southwestern Placer County, California, and currently serves residents and businesses in the City of Rocklin, the Town of Loomis, and the unincorporated communities of Penryn, Newcastle, and the Rogersdale area of Granite Bay. Sewage is collected by the District and conveyed to the two regional wastewater treatment plants, Dry Creek and Pleasant Grove, which are operated by the City of Roseville.

In March 2022, the District adopted Ordinance 22-01. This Ordinance transitioned the District from at-large/from-district elections to by-district/from-district elections requiring that each director shall reside in a particular ward and be elected by only those voters residing within that same ward. The Ordinance also established new ward boundaries in accordance with the California Elections Code Section 21500(c) giving due consideration to topography, geography, cohesiveness, contiguity, integrity, compactness of territory, communities of interest, and balance of the population.

The District adopts a five-year Strategic Plan. The purpose of the Strategic Plan is to describe and reaffirm the mission, vision, and core values of the District. It also outlines strategic priorities and combines those with work plans to direct the work of the District departments to implement the priorities. These strategic priorities reflect the direction, insights, and expertise of the District Board of Directors and District staff. An annual progress report is presented to the Board of Directors. In September 2023, the District

adopted the 2023-2027 Strategic Plan. Prior to adoption, a public workshop was held to solicit feedback from constituents. This Strategic Plan presents performance measures using the Effective Utility Management framework to provide a mechanism for reporting progress, identifying, and making course corrections, and ensuring accountability. In October 2023, the District presented the first Strategic Plan Annual Report to the Board of Directors. The 2023-2027 Strategic Plan and Annual Report are available on the District website at <https://spmud.ca.gov/strategic-plan>.

FIGURE 1 – DISTRICT BOUNDARIES



The South Placer Municipal Utility District service area covers thirty-one square miles as shown in Table 1 and includes all of the incorporated limits of the City of Rocklin and Town of Loomis, plus portions of southern Placer County around the unincorporated communities of Penryn, Newcastle, and the Rodgersdale area of Granite Bay. Rocklin makes up 88%, Loomis is 9%, and 3% is in unincorporated Placer County. The District serves a population of approximately 86,976 people with 26,433 connections to the

District’s collection system. This equates to 36,840 Equivalent Dwelling Units (EDU) (80% residential and 20% commercial) with an average dry weather sewer flow of about 4.5 million gallons per day. The District collects the sewage and transports this via 292 miles of District-owned and operated sewer mains (from 4” to 42” diameter). The District maintains an additional 123 miles of lower laterals within our easement or public right-of-way. Other assets include our Headquarters, Maintenance, and Corporation Yard facilities, 6,915 manholes/flushing branches, 15 lift stations, 12 metering sites, and related buildings, facilities, and equipment.

TABLE 1 – DISTRICT STATISTICS

| STATISTICS | UNIT | TOTAL |
|----------------------------|-----------------|--------|
| SERVICE AREA | Square Miles | 31 |
| ESTIMATED POPULATION | Each | 86,976 |
| EQUIVALENT DWELLING UNITS | EDU | 36,840 |
| CUSTOMERS CONNECTED | Each | 26,433 |
| ANNUAL FLOW TO WWTP | Million Gallons | 1,878 |
| SEWER MAINS | Miles | 292 |
| LOWER LATERALS | Miles | 123 |
| MANHOLES/FLUSHING BRANCHES | Each | 6,915 |
| LIFT STATIONS | Each | 15 |
| FORCE MAINS | Miles | 7 |
| FLOW RECORDER STATIONS | Each | 12 |
| EASEMENTS | Miles | 69 |
| CREEK CROSSINGS | Each | 80 |

The District’s monthly service charge is a fixed amount that is billed quarterly in arrears. Bills are due two months after the billing date. Quarterly bills not paid by the due date are assessed a late fee. The monthly service charge for Fiscal Year 2023/24 was \$37.44 per equivalent dwelling unit (EDU). The monthly late fee was \$2.50 per EDU, and the Local Sewer Capacity Charge to “connect” a home or business to the sewer system was \$4,915 per EDU. The monthly service charge for Fiscal Year 2024/25 will adjust to \$38.94 per EDU, the monthly late fee will remain \$2.50 per EDU, and the Local Sewer Capacity Charge will adjust to \$4,926 per EDU.

BOARD OF DIRECTORS

- Gerald Mitchell **WARD 1:** West Central area of the City of Rocklin lying East of Highway 65; including the Blue Oaks Town Center, the Sunset Whitney Recreation Area, the West Oaks, portions of Stanford Ranch, Fairway Heights (north of Sunset), Parker Whitney, and Mission Hills neighborhoods.
- William Dickinson **WARD 2:** Northwest area of the City of Rocklin, East of Highway 65, directly South of the Town of Lincoln; including William Jessup University, Whitney High School, Whitney Ranch, and portions of the Whitney Oaks neighborhoods.
- Christy Jewell **WARD 3:** Southeast area of the City of Rocklin, South area of the Town of Loomis (east of I-80), and the Rodgersdale area of Granite Bay; including Sierra College, the Crossings Shopping Center, Southside Ranch, Sierra de Montserrat, and the Woodside neighborhoods.
- James Durfee **WARD 4:** Central area of the City of Rocklin and a portion of the Western area of the Town of Loomis; including Rocklin High School, Twin Oaks Park, Sunrise Loomis Park, Clover Valley, and portions of the Stanford Ranch neighborhoods.
- James Williams **WARD 5:** Central area of the City of Rocklin, Central area of the Town of Loomis, the community of Penryn, and the community of Newcastle along the Interstate 80 corridor; including the downtown areas of Rocklin and Loomis, the Quarry District, Johnson-Springview Park, Del Oro High School, Fairway Heights (south of Sunset), Yankee Hill, and Lemos Ranch neighborhoods.

MANAGEMENT

- Herb Niederberger General Manager
- Emilie Costan Administrative Services Manager and Board Secretary
- Eric Nielsen Superintendent
- Carie Huff District Engineer

DEPARTMENTS

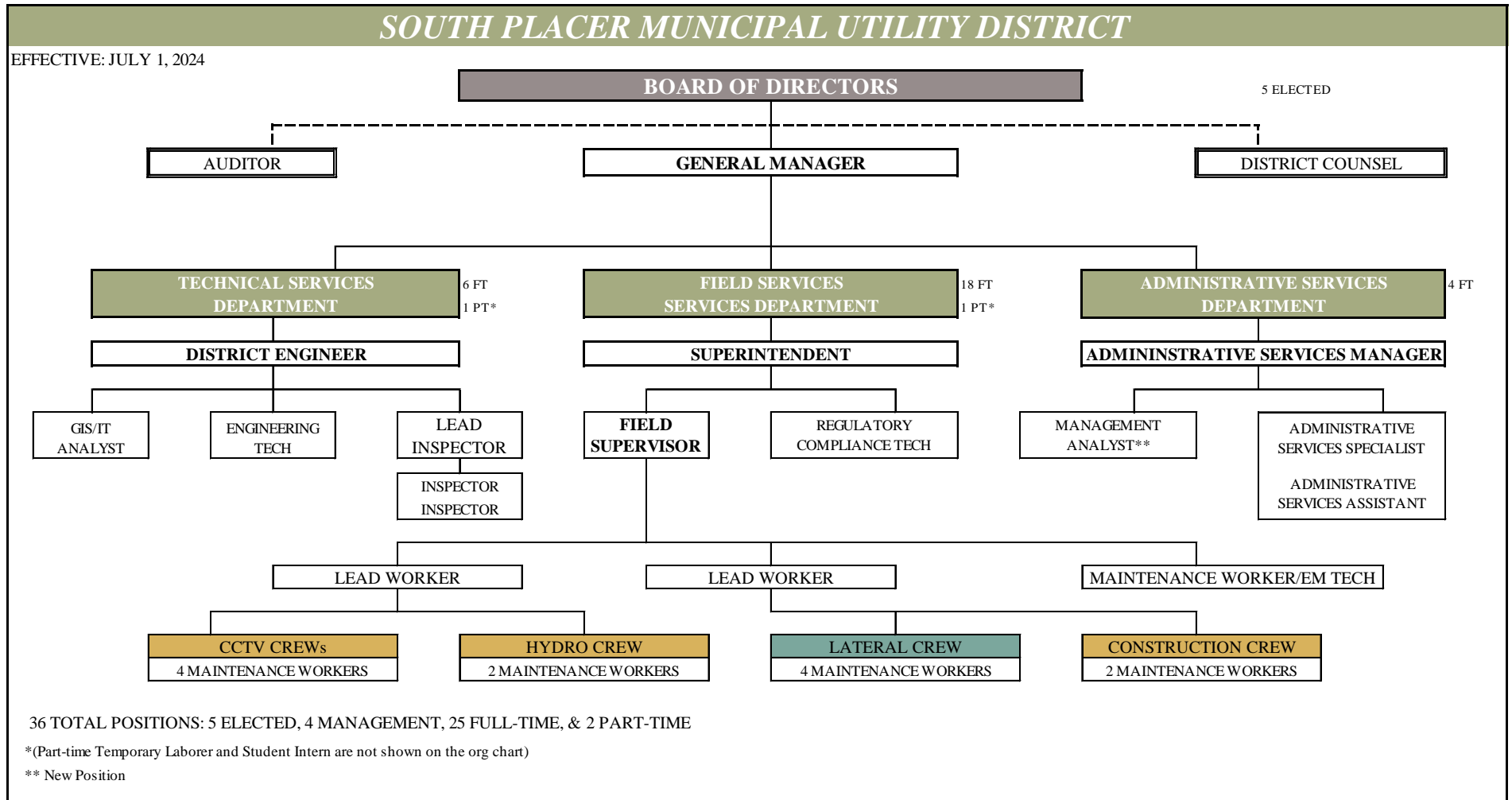
The District is organized into three departments: Administrative Services, Field Services, and Technical Services which are shown in Figure 2.

Administrative Services Department – *provides administrative support to the Board of Directors, the General Manager, and all departments, including the areas of utility billing and account services, finance, and human resources.*

Field Services Department – *provides for the maintenance and construction of infrastructure within the District and oversees the collection of wastewaters within the jurisdiction.*

Technical Services Department – *provides the review and approval of capital projects and development activity within the District, including permitting, plan review, inspections, and geographic information systems.*

FIGURE 2 – ORGANIZATIONAL CHART



PERFORMANCE MEASURES

District Managers present a monthly report to the Board of Directors that summarizes activities occurring during the previous month and provides the Board with monthly performance data. As of April 2024, the District had 2,770 days, equivalent to 7.6 years, without a lost time accident or injury. Monthly performance measures are available on the District website at <https://spmud.ca.gov/district-performance-measures>.

Strategic Plan Progress Reports are made to the Board of Directors annually in the Fall of every year. The most recent Strategic Plan Performance Measures are shown by department in the individual department schedules included later in this budget document. More detailed information on the Strategic Plan Performance Measures is available in the Strategic Plan Annual Report located on the District website at <https://spmud.ca.gov/strategic-plan>. Additionally, Board reports presented to the Board of Directors throughout the year include the Strategic Plan Priorities supported by the Board action.

STRATEGIC PLAN PRIORITIES, WORK PLAN, AND ACTIONS STEPS

| PRIORITIES | WORK PLAN | ACTION STEPS AND TIMELINE |
|---|---|--|
| Maintain an excellent regulatory compliance record | (1) Reduce SSOs | <ul style="list-style-type: none"> • Maintain a compliant Sewer System Management Plan (SSMP) • Conduct biennial audits of the SSMP |
| | (2) Comply with Statewide Sanitary Sewer Systems General Order Reissuance (Order) | <ul style="list-style-type: none"> • Attend industry conferences and workshops to stay abreast of updates • Fully comply with all requirements by Order Effective Date |
| Prepare for the future and foreseeable emergencies | (1) Pay down Unfunded Actuarial Liability (UAL) | <ul style="list-style-type: none"> • Analyze rates of return of investments and current UAL liability • Present findings to Fee & Finance Committee for consideration annually |
| | (2) Prepare written contingency plans for emergencies | <ul style="list-style-type: none"> • Develop a list of contingency plans by Dec 2022 • Develop two plans per fiscal year |
| Leverage existing and applicable technologies to improve efficiencies | (1) Develop Tactical Asset Management Plan (TAMP) | <ul style="list-style-type: none"> • Update asset inventory by Jul 2023 • Establish criteria for renewal decisions by Dec 2023 • Assess all lift stations by Jul 2024 • Draft TAMP by Dec 2025 • Final TAMP by Dec 2026 |
| | (2) Update SCADA | <ul style="list-style-type: none"> • Design by Jul 2023 |

| PRIORITIES | WORK PLAN | ACTION STEPS AND TIMELINE |
|---|--|---|
| | (3) Reduce reliance on energy | <ul style="list-style-type: none"> • Complete Phase 1 (HQ & FRs) by Dec 2024 • Complete Phase 2 (LSs) by Jul 2026 • Determine the cost of District-wide energy use by Jul 2023 • Develop options for energy savings by Jul 2024 |
| Provide exceptional value for the cost of sewer service | (1) Maintain low service charge while meeting established service levels | <ul style="list-style-type: none"> • Complete Rate study by Mar 2023 • Adopt new rates (if necessary) by Jul 2023 |
| | (2) Use investment vehicles with the best return | <ul style="list-style-type: none"> • Evaluate investments • Present options to Fee & Finance Committee |
| | (3) Become more involved with determination of SPWA treatment costs | <ul style="list-style-type: none"> • Staff attends all SPWA Board Meetings • Staff from partners agencies meet to discuss treatment cost options |
| Make SPMUD a great place to work | (1) Employee Recognition | <ul style="list-style-type: none"> • Hold monthly employee recognition events • Promote the Masters Program |
| | (2) Team Building Events | <ul style="list-style-type: none"> • Support Employee Engagement Committee • Monthly “All Hands” meetings • Annual employee team-building activity |

BUDGET PROCESS

The District adopted its annual budget for Fiscal Year 2025 at the regularly scheduled meeting of the Board of Directors on June 27, 2024.

The Annual Budget is a blueprint of planned operating and capital expenditures for each fiscal year beginning on July 1st and ending on June 30th. For each fiscal year, the South Placer Municipal Utility District adopts an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the Operating and Capital Funds. The Budget’s primary use is as a financial planning tool to accomplish the District’s strategic goals and objectives.

District staff work with the Board of Directors Fee & Finance Committee to develop the annual budget. Staff present the budget at a public workshop before adoption.

The District held its annual budget workshop on June 6, 2024, to obtain feedback from the Board of Directors and receive public input. No changes were recommended to the proposed budget. Following the budget workshop, staff updated the budget worksheets incorporated in this document to more accurately reflect the proposed revenue from the local capacity charge and the property and liability expense based on information received after the workshop.

The annual budget conforms to all policies previously adopted by the Board of Directors.

TABLE 2 – BUDGET TIMELINE

| Month | Responsibility | Budget Function |
|----------|---|--|
| January | Administrative Services Manager/Department Managers | Prepare Mid-Year Calculations / Provide Year-End Estimates |
| February | Administrative Services Manager/General Manager | Present Mid-Year Budget Report to the Board of Directors |
| April | Administrative Services Manager/Department Managers | Prepare Budget Projections / Review Prior Year |
| May | Fee & Finance Committee | Review Proposed Expenditures |
| June | Administrative Services Manager/General Manager | Present Budget Workshop to the Board of Directors |
| July | Board of Directors | Considers and Adopts the Budget |

BUDGET OVERVIEW

The South Placer Municipal Utility District budget is developed in conformance with the generally accepted account principles (GAAP). The budget is prepared on an accrual basis whereby revenues and expenses are reported as they are earned and incurred, respectively. The program budget by fund format is used versus a line-item detail format to provide the most valuable information to the reader on all of the District’s major areas of service; although, additional detail is included throughout for reference.

The South Placer Municipal Utility District is a stand-alone Special District operating as a single enterprise fund. For budgeting purposes, the District separates its single enterprise into three different proprietary funds: an Operating Fund (100), a Capital Improvement Project & Expansion Fund (300), and a Replacement & Rehabilitation Fund (400).

The Operating Fund is used to support the general maintenance and operations of the District. The Capital Improvement Project (CIP) & Expansion Fund is used to fund construction projects for new infrastructure or infrastructure improvements and enlargements, and the Replacement & Rehabilitation (R&R) Fund is funded through a transfer of the calculated depreciation expense and is used to finance the rehabilitation and replacement of existing infrastructure.

The District does not have any outstanding debt and does not anticipate potential issuance of debt until 2033. The District, the City of Roseville, and Placer County are participants in the South Placer Wastewater Authority (SPWA). SPWA has its own debt issuance which is discussed in more detail in the section of this report titled Regional Wastewater Treatment Plant Funding, Debt & Rate Stabilization Reserve Fund.

RATE STUDIES/LONG-TERM FINANCIAL PLANS

It is the District’s policy to develop rate studies and long-term financial plans every five years using current budgetary and year-end actual information and incorporating anticipated changes. These are presented to the Board of Directors for discussion and consideration and adopted through the Proposition 218 process. Staff continually reviews, maintains, and updates the long-term financial plans to evaluate the impact of operating factors and performance rates and reserves. The District underwent a cost of service and rate study in Fiscal Year 2022/23. The proposed monthly service rates for Fiscal Year 2023/24 through 2027/28 are incorporated in this budget document.

The South Placer Municipal Utility District’s primary funding goals are:

- Fully funding all Operations, Maintenance, and Regulatory Obligations.
- Providing adequate funding for Capital Investments.

- Fully funding the District's obligations to CalPERS.
- Fully funding the District's actuarial determined contributions (ADC) for Other Post-Employment Benefits (OPEB).
- Maintaining minimum reserve fund balances.
- Meeting the Debt Coverage Ratio mandated by the South Placer Wastewater Authority (SPWA) debt indenture.

BUDGETARY CONTROLS

The District prepares an annual budget where revenues and available reserves exceed expenses and provide adequate funding for capital projects and minimum reserve requirements unless otherwise approved by the Board. District management uses the approved budget as the tool for ensuring adequate resources to meet the District's stated needs, complying with the District's primary funding goals, and assessing planned versus actual activities throughout the fiscal year. The General Manager is authorized to reallocate up to \$50,000 in funds within the operating and capital expense budgets.

DISTRICT RESERVE POLICY – DISTRICT POLICY #3130

Reserve funds are accumulated and maintained in a manner that allows the funding of costs and capital investments consistent with the District's Capital and Financial Plans while avoiding significant rate fluctuations due to changes in cash flow requirements. In accordance with the District's Reserve Policy #3130, the Operating Fund Assigned Fund Balance Reserves consists of two parts: the Operation and Maintenance Reserve and the Emergency Reserve, discussed in more detail below. The reserve policy was revised in June 2023 following adoption of the Cost of Service and Rate Study covering fiscal years 2023/24 through 2027/28. The new policy eliminated the Rate Stabilization Reserve and reduced the Emergency Reserve from \$3 million to \$1 million. The classification of these reserve fund balances is in conformance with Government Accounting Standards Board (GASB) Statement No.54 (Fund balance reporting and governmental fund type definitions).

OPERATIONS AND MAINTENANCE RESERVE

The purpose of the District Operation and Maintenance Reserve Fund is to ensure that the District will have sufficient funding available at all times to meet its operating obligations. Operating revenue is primarily received from monthly service charges which are a flat rate and consistent over the year. Delinquencies are trued-up through tax liens which are recoverable twice a year. Operating expenses are generally incurred uniformly over the year; however, work can be planned or deferred during the year to accommodate minor fluctuations in revenue. The source of funding for this reserve is Sewer Service Charges. The District shall

maintain an Operation and Maintenance Reserve Fund equivalent to 3 months of Operation and Maintenance expenses.

EMERGENCY RESERVES

The purpose of the Emergency Reserve Fund is to provide funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated failure. The Emergency Reserve would be used when capital improvement funds have otherwise been purposefully spent down to a preset limit on planned projects. The source of funding for this reserve is Sewer Service Charges. The District shall maintain an Emergency Reserve of \$1 million.

OTHER FINANCIAL POLICIES

The District adopts financial policies to provide the General Manager with operational guidance on financial transactions and decision making.

BUDGET PREPARATION – DISTRICT POLICY #3105

The District's Budget Policy requires the adoption of an annual budget that is used as a financial planning tool to accomplish the District's strategic goals and objectives.

FIXED ASSET CAPITALIZATION AND ACCOUNTING CONTROL – DISTRICT POLICY # 3115

The Fixed Asset Capitalization and Accounting Control Policy defines capital assets and sets the capitalization threshold at an original cost of \$5,000 or more. The policy also specifies that the District will use straight-line depreciation calculated over the estimated useful life of the asset, and the established estimated useful life of the District's capital assets.

RECORDATION OF ASSETS FOR DEPRECIATION PURPOSES – DISTRICT POLICY #3251

The Recordation of Assets for Depreciation Purposes Policy specifies that an amount equal to 115% of the annual calculated depreciation shall be accumulated in the Capital Replacement and Rehabilitation Fund (400). The policy also requires the annual adoption of a schedule of values that is used to determine the value of developer-installed assets.

INVESTMENT POLICY – DISTRICT POLICY #3120

The District's current Investment Policy was developed and approved in accordance with California Government Code Section 53600. This Policy is reviewed annually by the Board of Directors.

The District holds a diversified investment portfolio that includes the Placer County Treasury Pool, the Local Agency Investment Fund, CalTrust, CA CLASS, Wells Fargo Securities, and Five Star Bank.

FUNDING OF CALPERS OTHER POST-EMPLOYMENT BENEFITS (OPEB) – DISTRICT POLICY #2575

The District participates in a Section 115 OPEB Trust through CalPERS called CERBT. The trust is used to prefund retiree health benefits and is reported in the District's GASB 75 Report. The Section 115 Trust allows the District to set aside extra resources for retiree health contributions at reduced investment risk and smooths volatility from year-to-year fluctuations in annual required contributions. The District is invested in CERBT Strategy 2 with an expected long-term return on trust assets of 5.5% per year.

FUNDING OF CALPERS UNFUNDED ACCRUED LIABILITY (UAL) – DISTRICT POLICY #2576

The District also participates in a Section 115 Pension Trust through CalPERS called CEPPT. The trust is used to prefund employer contributions including unfunded accrued liabilities from the District's defined benefit pension obligations. The Section 115 Trust allows the District to set aside extra resources for pension contributions at reduced investment risk and smooths volatility from year-to-year fluctuations in annual required contributions. The District is invested in CEPPT Strategy 1 with an expected long-term return on trust assets of 4.5% per year. While these funds are not shown in the GASB 68 Report, they are reported along with other District investments and reflected as restricted funds in the District's Statement of Net Position.

PURCHASING POLICY– DISTRICT POLICY #3150

The District purchasing policy establishes efficient, equitable, and uniform procedures for purchasing goods and services and public construction projects. The Policy sets the purchasing authority of the General Manager at \$50,000, Department Managers at \$5,000, and other approved staff members at \$1,000.

The policy sets the purchasing requirements for goods, services, and public construction projects and specifies when a purchase order is required.

CHECK PROCESSING – DISTRICT POLICY #3140

The Check Processing Policy prescribes the approved signatories for all District payments and requires a minimum of two signatures on all District checks. The policy also requires that a monthly register of all issued checks be presented to the Board of Directors at the monthly board meeting and sets a bi-weekly payroll schedule and a monthly retiree health reimbursement schedule.

ACCOUNTING SYSTEM AND CONTROLS

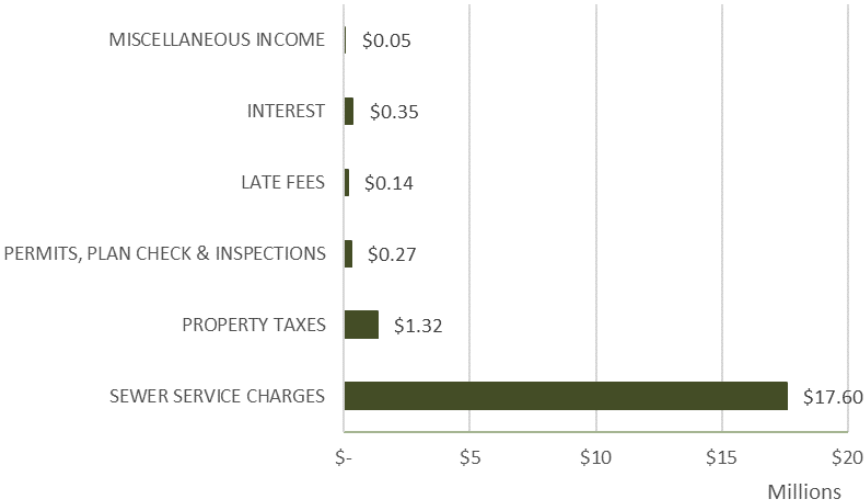
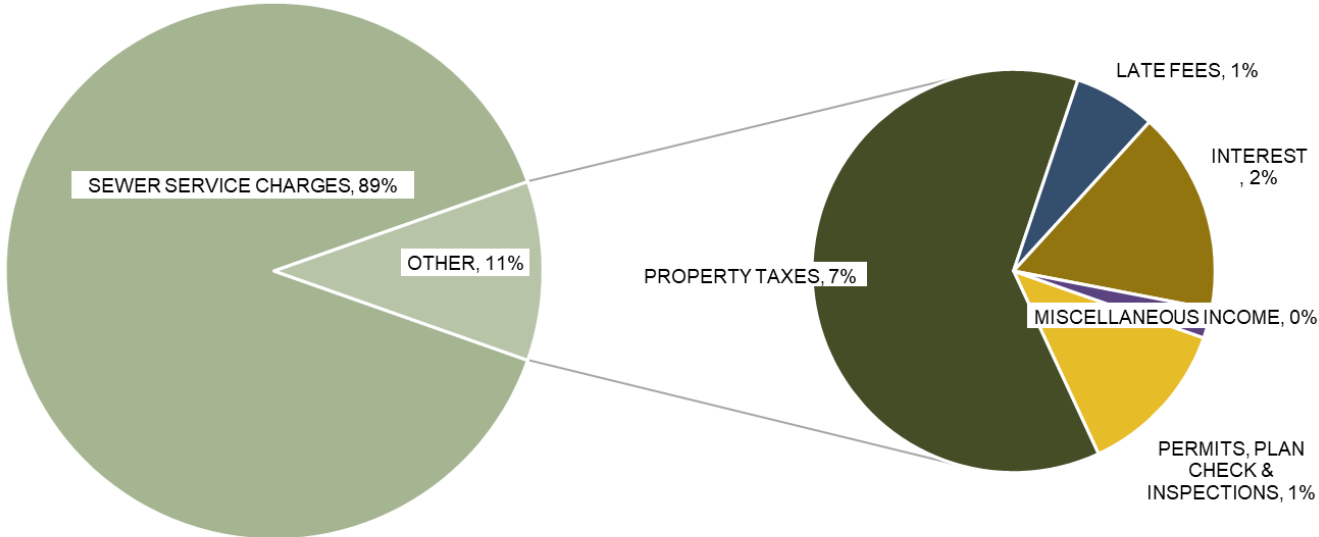
The District utilizes program and project cost accounting to record financial transactions throughout the year. The District uses the accrual basis for accounting and auditing whereby revenues and expenses are reported as they are earned and incurred, respectively. At the end of each fiscal year, ended June 30, the District prepares an Annual Comprehensive Financial Report (ACFR) containing a management discussion and analysis, financial statements and notes, statistical data, and other information. An independent auditing firm audits the District annually and provides the financial statements and notes and reports its audit findings to the Board. The District's financial audit is conducted in conformance with the generally accepted account principles (GAAP). The District has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers' Association for its ACFR for fiscal years ending 2019, 2020, 2021, 2022, and 2023.

BUDGET SUMMARY

OPERATING REVENUES

The District’s Operating Fund Revenues are projected to be \$19.80 million. Operating Fund Revenues are primarily comprised of monthly service charges which make up 89% of the District’s operating revenues. Additional revenues consist of fees for services such as plan review, permitting, inspection, property taxes, and interest revenue. This budget projections interest earnings of 3% on operating reserves. The District has the lowest monthly residential customer service fees in the region, \$38.94 a month for Fiscal Year 2024/25.

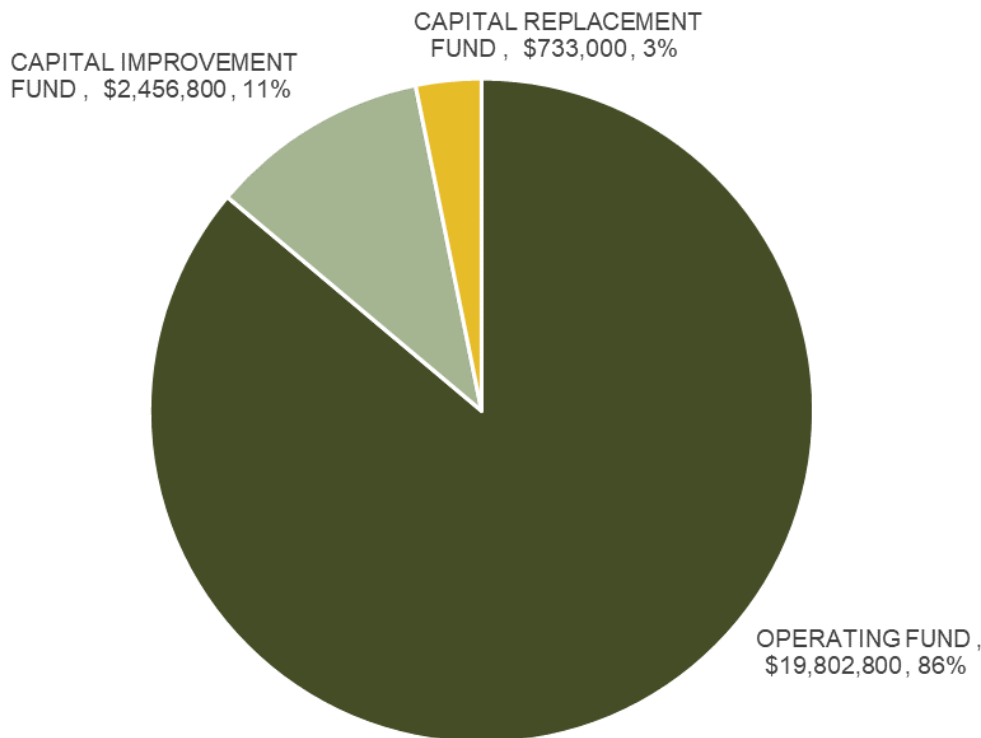
FIGURE 3 – OPERATING FUND REVENUES CHART



NON-OPERATING REVENUES

Non-operating Capital Outlay funds revenues are made up of sewer capacity charges, and investment interest income. The sewer capacity charges for Fiscal Year 2024/25 are \$14,728 per EDU which is comprised of a \$4,926 Local Capacity Charge and a \$9,802 Regional Capacity Charge that is collected by the District but paid to the City of Roseville monthly. Capital non-operating revenue is projected to be \$3.19 million, based upon a three hundred additional EDU projection for the year and interest earnings of 3% on capital reserves.

FIGURE 4 – OPERATING REVENUES BY FUND CHART



OPERATING EXPENSES

Operating Fund expenses are projected to be \$21.31 million, or \$18.63 million before Depreciation. Operating expenses are the Districtwide costs to operate the sewer collection system and pay for wastewater treatment. They are comprised of personnel, administrative and operational costs, and capital projects that are less than \$5,000.

This year's expense budget allocates 43% of the total operating fund expenses to pay for Regional Wastewater Treatment operated by the City of Roseville and financed through the South Placer Wastewater Authority. The District's Local Collection System operations and maintenance expenses make up 44% of the spending plan with an additional 13% allocated to rehabilitation and replacement of the Local Collection System.

FIGURE 5 – OPERATING FUND EXPENDITURES CHART

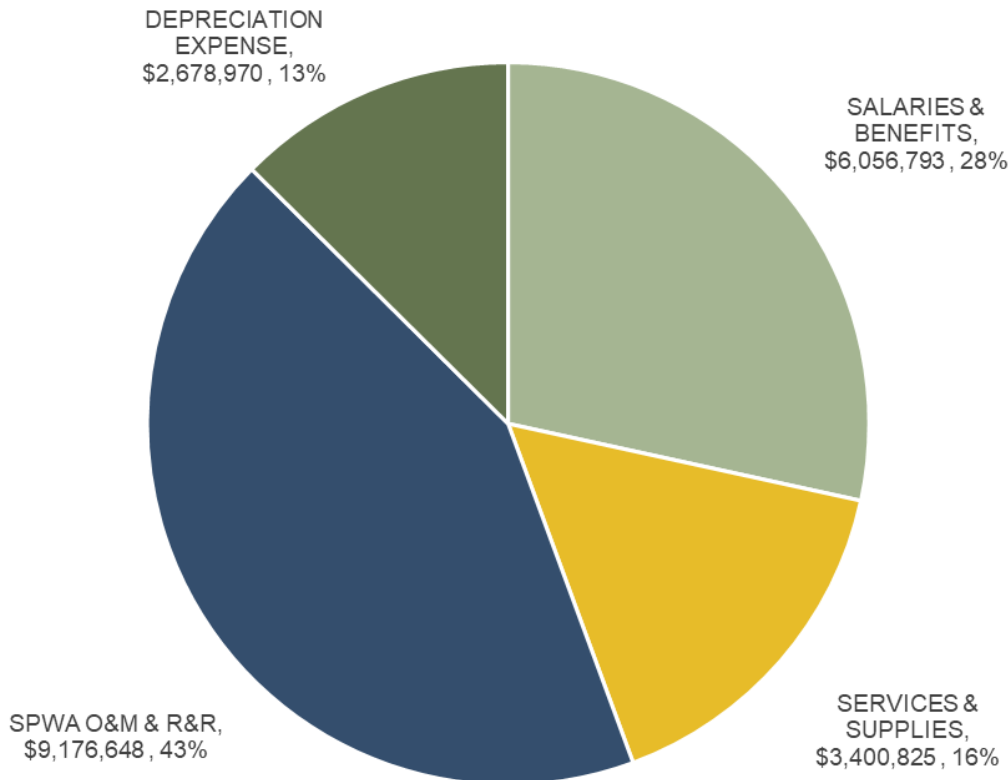


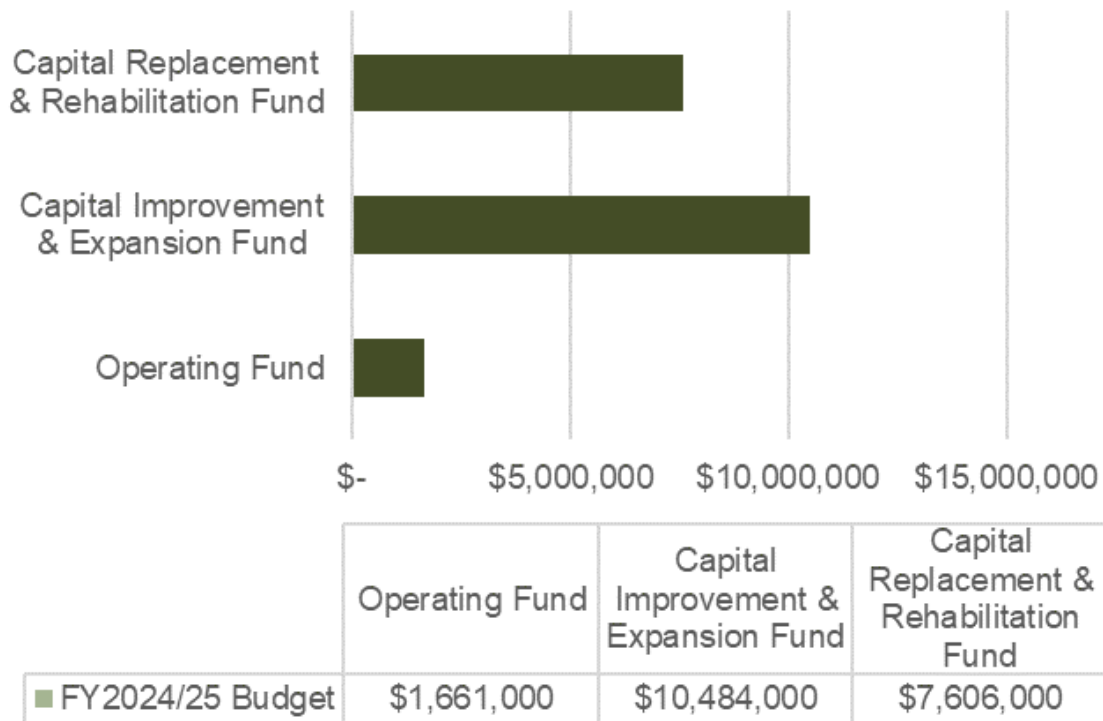
TABLE 3 – FISCAL YEAR 2024/25 OPERATING REVENUE & EXPENDITURE SUMMARY

| REVENUES | \$ 19,802,800 |
|---|----------------------|
| SEWER SERVICE CHARGES | \$ 17,602,000 |
| PERMITS, PLAN CHECK FEES & INSPECTIONS | \$ 269,800 |
| PROPERTY TAXES | \$ 1,320,000 |
| LATE FEES | \$ 140,000 |
| INTEREST | \$ 346,000 |
| MISCELLANEOUS INCOME | \$ 50,000 |
| Interest Income from CEPPT (Restricted) | \$ 75,000 |
| EXPENSES | \$ 21,313,236 |
| SALARIES/WAGES | \$ 3,356,000 |
| FICA - SOCIAL SECURITY | \$ 256,734 |
| RETIREMENT BENEFITS | \$ 941,807 |
| INSURANCE BENEFITS | \$ 1,008,240 |
| OPEB BENEFITS | \$ 494,012 |
| ASPHALT PAVING/ ROOT CONTROL | \$ 154,000 |
| BUILDING & GROUNDS MAINTENANCE | \$ 97,000 |
| EASEMENT MAINTENANCE | \$ 155,000 |
| ELECTION EXPENSE | \$ 80,000 |
| GAS & OIL EXPENSE | \$ 75,000 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 228,200 |
| LATERAL CAMERA REPAIRS | \$ 29,000 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ 96,000 |
| PROFESSIONAL DEVELOPMENT/ EMPLOYEE ENGAGEMENT | \$ 67,625 |
| PROFESSIONAL SERVICES | \$ 1,194,000 |
| PROPERTY & LIABILITY INSURANCE | \$ 340,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 91,500 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 171,200 |
| SAFETY GEAR/UNIFORMS | \$ 32,750 |
| TOOLS & EQUIPMENT / COMPUTER & SMALL OFFICE | \$ 24,750 |
| UTILITIES | \$ 204,000 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 280,800 |
| VEHICLE REPAIR & MAINTENANCE | \$ 80,000 |
| RWWTP EXPENSE | \$ 9,176,648 |
| TOTAL OPERATIONS EXPENSE LESS DEPRECIATION | \$ 18,634,266 |
| DEPRECIATION EXPENSE | \$ 2,678,970 |

CAPITAL EXPENSES

Fiscal Year 2024/25 Capital Projects are projected to be \$19.75 million. Major Capital expenses for Fiscal Year 2024/25 include design and construction of the Placer County Water Agency Old State Highway Construction Project, design and construction of the Taylor Road Crossing Project, preliminary engineering for the Sierra College Trunk, abandonment of the Cameo Court Lift Station, developer reimbursements for trunk line extensions at Del Rio & Del Mar, the Boyington Lift Station, and College Park South, preliminary engineering and environmental review of the Antelope Creek A Project, design and construction of the Jack in the Box Line, the King Road Replacement Project, the Farron Street Project, the SCADA Master Plan Implementation, Cured in Place Pipe, participation in several regional projects, replacement vehicle purchases, and easement upgrades.

FIGURE 6 – CAPITAL EXPENDITURES BY FUND CHART



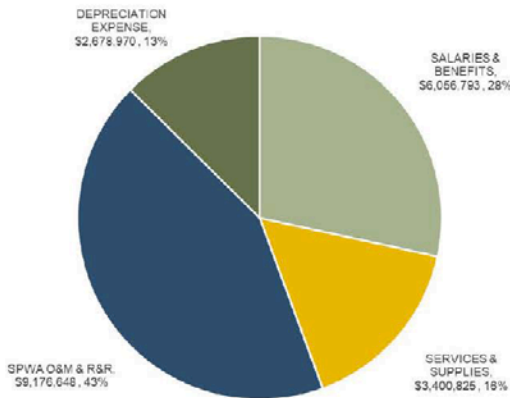
South Placer Municipal Utility District

Budget-at-a-Glance Fiscal Year 2024/25



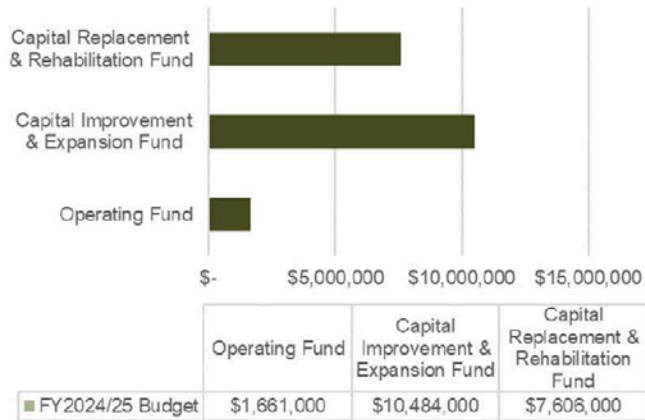
The Fiscal Year 2024/25 Budget supports the District's Vision to be a reliable, innovative, sustainable, efficient, and cost-effective sewer service provider.

Fiscal Year 2024/25 Operating Fund revenues are projected to be \$19.80 Million. Operating Fund revenues are comprised of monthly service fees, other service fees, property taxes, and interest revenues. The District has one of the lowest monthly residential customer service fees in the region at \$38.94 a month.



This year's budget allocates 43% of the operating fund expenses to Regional Wastewater Treatment operated by the City of Roseville and financed through the South Placer Wastewater Authority. Local Collection System operations and maintenances expenses make up 44% of the spending plan with an additional 13% allocated to repair & rehabilitation of the Local Collection System.

Major Fiscal Year 2024/25 Capital Expenses include the Taylor Road Crossing and Old State Highway and Buena Vista Sewer Replacement projects in Newcastle, Participation in Regional Projects, Trunk Extension Reimbursements, SCADA Implementation, Cured-in-Place Pipe, Vehicle Purchases, Easement Upgrades, and System Rehabilitation Projects.



REVENUE BUDGET

The Revenue Budget is made up of Operating Revenues and Capital Outlay Revenues. Revenue projections are based on trend analysis and include projected growth within the District’s service area.

OPERATING REVENUES

Operating Fund revenues are projected to be \$19.80 million. Operating Fund revenues are comprised of monthly service charges, service fees collected during the year, property taxes, and interest revenues. In accordance with District Ordinance 23-01, monthly service charges for Fiscal Year 2024/25 are \$38.94 per EDU. The District currently has the lowest monthly customer service fees in the region, see *Figure S2 Monthly Sewer Rate Comparison for Placer County*.

| OPERATING FUND | FISCAL YEAR 2024/25 |
|---|--------------------------------|
| SEWER SERVICE CHARGES | \$ 17,602,000 |
| PERMITS, PLAN CHECK & INSPECTIONS | \$ 269,800 |
| PROPERTY TAXES | \$ 1,320,000 |
| LATE FEES | \$ 140,000 |
| INTEREST | \$ 346,000 |
| GAIN/LOSS ON SALE FIXED ASSET DISPOSAL | \$ - |
| MISCELLANEOUS INCOME | \$ 50,000 |
| OPERATING FUND less CEPPT Interest Earnings | \$ 19,727,800 |
| Interest Income from CEPPT (Restricted) | \$ 75,000 |
| OPERATING FUND | \$ 19,802,800 |

NON-OPERATING REVENUES

Non-operating Capital Outlay funds are made up of sewer participation charges and investment interest income. The sewer participation fees for Fiscal Year 2024/25 are \$14,728 per EDU which is comprised of a \$9,802 Regional Capacity Charge used to fund treatment plant expansion and enlargement and a \$4,926 Local Capacity Charge adopted by Ordinance 23-02 and used to fund collection system expansion and enlargement. Capital non-operating revenue is projected to be \$3.19 million, based upon an estimated three hundred additional EDU projection for the year.

| | | <u>FISCAL YEAR</u> <u>2024/25</u> |
|---------------------------------|--|--------------------------------------|
| CAPITAL IMPROVEMENT FUND | | |
| SEWER PARTICIPATION FEES | | \$ 1,477,800 |
| INTEREST | | 979,000 |
| CAPITAL IMPROVEMENT FUND | | \$ 2,456,800 |
| | | |
| CAPITAL REPLACEMENT FUND | | |
| INTEREST | | \$ 733,000 |
| CAPITAL REPLACEMENT FUND | | \$ 733,000 |
| TOTAL SPMUD REVENUE | | \$ 22,992,600 |

TOTAL REVENUES

The District's total revenues for Fiscal Year 2024/25 are projected to be approximately \$22.99 million. Revenues are expected to increase slightly due to a moderate increase in the monthly service charge from the Proposition 218 approved rate increase and the adjusted local participation fee. The District is adopting a revenue budget with less conservative interest earnings due to the purchase of a series of fixed-income-securities in Fiscal Year 2023/24 which is discussed in more detail in the section titled *Cash and Investment Balances*.

TABLE 4 – FISCAL YEAR 2024/25 REVENUE BUDGET

| | <u>AUDITED FINANCIALS</u> | | <u>PROJECTED</u> | <u>PROPOSED</u> |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | <u>FISCAL YEAR</u> <u>2021/22</u> | <u>FISCAL YEAR</u> <u>2022/23</u> | <u>FISCAL YEAR</u> <u>2023/24</u> | <u>FISCAL YEAR</u> <u>2024/25</u> |
| OPERATING FUND | | | | |
| SEWER SERVICE CHARGES | \$ 15,825,794 | \$ 16,143,342 | \$ 16,897,496 | \$ 17,602,000 |
| PROPERTY TAXES | 1,190,070 | \$ 1,290,539 | 1,300,000 | \$ 1,320,000 |
| PERMITS, PLAN CHECK & INSPECTIONS | 255,155 | \$ 263,345 | 496,388 | \$ 269,800 |
| LATE FEES | 130,032 | \$ 129,800 | 143,000 | \$ 140,000 |
| INTEREST | 48,944 | \$ 340,185 | 400,000 | \$ 346,000 |
| GAIN/LOSS ON SALE OF FIXED ASSET DISPOSAL | 21,993 | \$ 13,900 | - | \$ - |
| MISCELLANEOUS INCOME | 478,946 | \$ 134,579 | 75,000 | \$ 50,000 |
| OPERATING FUND less CEPPT Interest Earnings | \$ 17,950,934 | \$ 18,315,690 | \$ 19,311,884 | \$ 19,727,800 |
| Interest Income from CEPPT (Restricted) | \$ (434,002) | \$ 184,070 | \$ 300,000 | \$ 75,000 |
| OPERATING FUND | \$ 17,516,932 | \$ 18,499,760 | \$ 19,611,884 | \$ 19,802,800 |
| | | | | |
| CAPITAL IMPROVEMENT FUND | | | | |
| SEWER PARTICIPATION FEES | \$ 3,476,886 | \$ 1,443,652 | \$ 1,474,500 | \$ 1,477,800 |
| INTEREST | 100,826 | \$ 648,461 | 1,000,000 | 979,000 |
| CAPITAL IMPROVEMENT FUND | \$ 3,577,712 | \$ 2,092,113 | \$ 2,474,500 | \$ 2,456,800 |
| | | | | |
| CAPITAL REPLACEMENT FUND | | | | |
| INTEREST | \$ 100,826 | \$ 444,622 | \$ 850,000 | \$ 733,000 |
| CAPITAL REPLACEMENT FUND | \$ 100,826 | \$ 444,622 | \$ 850,000 | \$ 733,000 |
| TOTAL SPMUD REVENUE | \$ 21,195,470 | \$ 21,036,495 | \$ 22,936,384 | \$ 22,992,600 |

OPERATIONS EXPENSE BUDGET

The following discussion details the Fiscal Year 2024/25 operational expenses. Operating expenses are the Districtwide costs to operate the sewer collection system. They are comprised of personnel, administrative and operational costs, and capital projects that are less than \$5,000.

SALARY & BENEFITS

District salary and benefit expenses are projected to be \$6,056,793. The District adopted two-year Memorandums of Understanding (MOUs) with the Employees and Managers on August 3, 2023, covering the Fiscal Years of 2023/24 and 2024/25. The MOUs provided for a two percent cost of living increase in July of each fiscal year covered by the MOUs and a one percent cost of living increase in January of each fiscal year covered by the MOUs. Health Insurance Premiums are expected to continue to increase at a rate higher than inflation, and Workers Compensation Insurance is projected to increase from \$75,000 to \$120,000 due to three District claims in Fiscal Year 2023/24 and the rising costs of insurance in the limited California insurance market.

The budget includes payment of the required minimum CalPERS unfunded liability payments of \$492,044 for Tier I, \$4,961 for Tier II, and \$4,716 for Tier III. Other Post-Employment Benefits (OPEB) payments for retiree medical benefits are expected to increase to \$430,000 with an Actuarial Determined Contribution (ADC) to the CalPERS CERB Trust of \$64,012. Total Salary and Benefits are programmed to increase by \$658,500 (11%) over the prior year.

| | FISCAL YEAR |
|------------------------------------|---------------------|
| | 2024/25 |
| SALARIES/WAGES | \$ 3,356,000 |
| FICA - SOCIAL SECURITY | \$ 256,734 |
| CALPERS RETIREMENT | \$ 297,000 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ 502,507 |
| 457 & 401A RETIREMENT | \$ 142,300 |
| INSURANCE BENEFITS | \$ 1,008,240 |
| RETIREE HEALTH/OPEB | \$ 494,012 |
| SALARIES & BENEFITS | \$ 6,056,793 |

The District is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments: Field Services, Technical Services, and Administrative Services. The District has thirty-eight funded positions comprised of twenty-five full-time, two part-time, five elected, two contracted, and four management. The Fiscal Year 2024/25 budget includes the reclassification of an Administrative Services Assistant I/II/III position to a Management Analyst I/II and

separates the Administrative Services Assistant I/II/III job specification into an Administrative Services Assistant I/II and an Administrative Services Specialist in the Administrative Services Department. The budget also provides for a part-time Temporary Laborer in the Field Services Department and a Student Intern in the Technical Services Department.

TABLE 5 – FISCAL YEAR 2024/25 PERSONNEL CLASSIFICATIONS

| | AUDITED FINANCIALS | | PROJECTED | PROPOSED |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| | FISCAL YEAR 2021/22 | FISCAL YEAR 2022/23 | FISCAL YEAR 2023/24 | FISCAL YEAR 2024/25 |
| GENERAL MANAGER | 1 | 1 | 1 | 1 |
| ADMINISTRATIVE SERVICES MANAGER | 1 | 1 | 1 | 1 |
| MANAGEMENT ANALYST I/II (a) (b) | 0 | 0 | 0 | 1 |
| ADMINISTRATIVE SERVICES SPECIALIST | 1 | 1 | 1 | 1 |
| ADMINISTRATIVE SERVICES ASSISTANT I/II (a) | 2 | 2 | 2 | 1 |
| ADMINISTRATIVE SERVICES TOTAL | 5 | 5 | 5 | 5 |
| DISTRICT ENGINEER | 1 | 1 | 1 | 1 |
| ASSOCIATE ENGINEER (b) | 0 | 0 | 0 | 0 |
| GIS TECH/ANALYST (a) | 0 | 0 | 1 | 1 |
| ENGINEERING TECHNICIAN I/II (a) | 2 | 2 | 1 | 1 |
| LEAD INSPECTOR | 1 | 1 | 1 | 1 |
| INSPECTOR I/II (a) | 2 | 2 | 2 | 2 |
| STUDENT INTERN I/II/III (a) (b) (c) | 0 | 0 | 0 | 1 |
| TECHNICAL SERVICES TOTAL | 6 | 6 | 6 | 7 |
| SUPERINTENDENT | 1 | 1 | 1 | 1 |
| REGULATORY COMPLIANCE TECH/SPEC (a) | 1 | 1 | 1 | 1 |
| FIELD SUPERVISOR | 2 | 1 | 1 | 1 |
| LEADWORKER | 3 | 2 | 2 | 2 |
| MAINTENANCE WORKER/INSPECTOR | 1 | 1 | 1 | 1 |
| MAINTENANCE WORKER/ELECTRO-MECHANICAL TECH | 0 | 2 | 2 | 2 |
| MAINTENANCE WORKER I/II (a) | 9 | 10 | 10 | 10 |
| TEMPORARY LABORER I/II/III (a) (b) (c) | 1 | 0 | 0 | 1 |
| FIELD SERVICES TOTAL | 18 | 18 | 18 | 19 |
| TOTAL REGULAR POSITIONS | 29 | 29 | 29 | 31 |
| BOARD OF DIRECTORS | 5 | 5 | 5 | 5 |
| DISTRICT LEGAL COUNSEL | 1 | 1 | 1 | 1 |
| CONTRACT AUDITOR | 1 | 1 | 1 | 1 |
| MISCELLANEOUS TOTAL | 7 | 7 | 7 | 7 |
| TOTAL AUTHORIZED POSITIONS | 36 | 36 | 36 | 38 |

***Full Time Equivalent Positions (FTE)**

(a) Promotional/Flexible Classification

(b) Vacant position

(c) part-time (up to 20 hrs per week/non-benefitted) or temporary (full time for up to 6 months or 1,000 hours/non-benefitted).

FIGURE 7 – POSITIONS BY DEPARTMENT

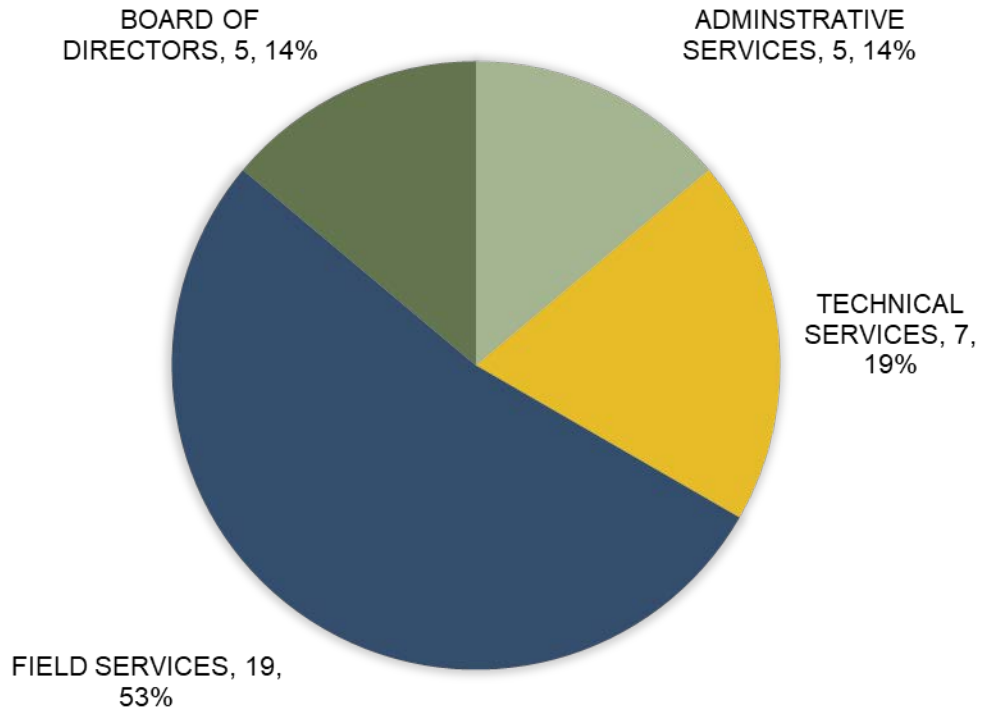


FIGURE 8 – SALARIES BY DEPARTMENT

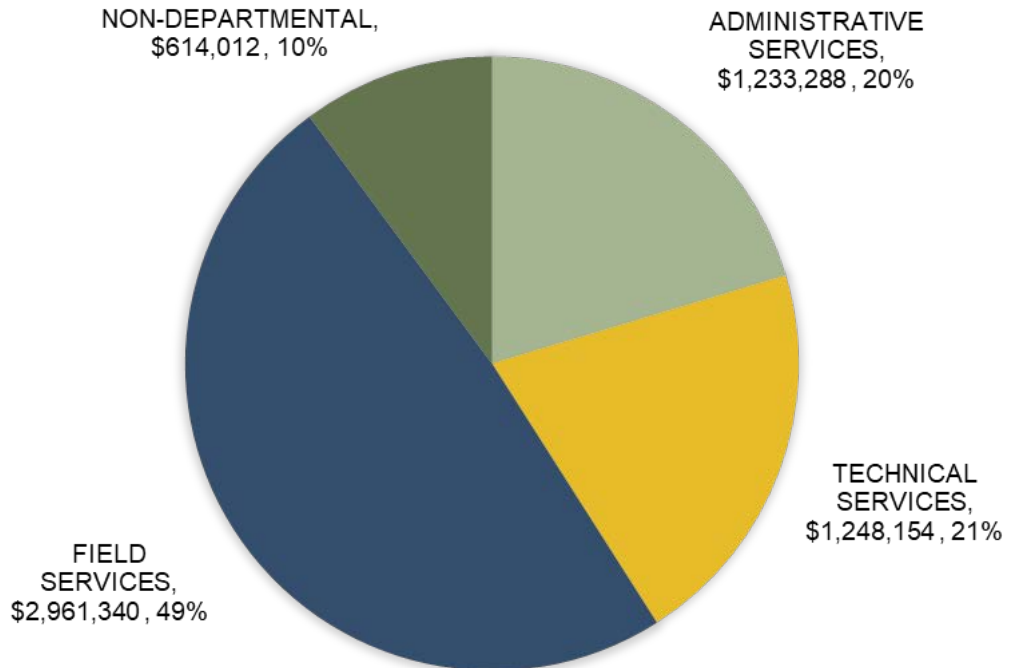


TABLE 6A – FISCAL YEAR 2024/25 SALARY SCHEDULE JULY

| SALARY SCHEDULE - HOURLY RATES | | STEPS (\$/HR) | | | | |
|---------------------------------------|--|------------------------------------|----------|----------|----------|----------|
| RANGE | POSITION | A | B | C | D | E |
| 9 | Student Intern I | 18.37 | 19.29 | 20.25 | | |
| 15 | Student Intern II | 21.30 | 22.37 | 23.49 | | |
| 21 | Student Intern III | 24.70 | 25.94 | 27.24 | | |
| 17 | Temporary Laborer I | 22.38 | 23.50 | 24.68 | | |
| 23 | Temporary Laborer II | 25.96 | 27.25 | 28.62 | | |
| 29 | Temporary Laborer III | 30.10 | 31.61 | 33.19 | | |
| 22 | Admin Services Asst I | 25.32 | 26.59 | 27.92 | 29.31 | 30.78 |
| 29 | Maintenance Worker I | 30.10 | 31.61 | 33.19 | 34.85 | 36.59 |
| 33 | Admin Services Asst II | 33.23 | 34.89 | 36.63 | 38.46 | 40.39 |
| 34 | GIS Tech | 34.06 | 35.76 | 37.55 | 39.42 | 41.40 |
| 35 | Maintenance Worker II / Engineering Tech I | 34.91 | 36.65 | 38.49 | 40.41 | 42.43 |
| 36 | MW/Inspector | 35.78 | 37.57 | 39.45 | 41.42 | 43.49 |
| 37 | MW/Elec-Mech Tech | 36.67 | 38.51 | 40.43 | 42.46 | 44.58 |
| 38 | Inspector I | 37.59 | 39.47 | 41.44 | 43.52 | 45.69 |
| 41 | Inspector II | 40.48 | 42.51 | 44.63 | 46.86 | 49.21 |
| 42 | Admin Services Spec / Mgmt Analyst I | 41.49 | 43.57 | 45.75 | 48.03 | 50.44 |
| 43 | Reg Compliance Tech / Leadworker | 42.53 | 44.66 | 46.89 | 49.24 | 51.70 |
| 44 | Engineering Tech II / Lead Inspector | 43.59 | 45.77 | 48.06 | 50.47 | 52.99 |
| 45 | GIS Analyst | 44.68 | 46.92 | 49.26 | 51.73 | 54.31 |
| 47 | Mgmt Analyst II | 46.95 | 49.29 | 51.76 | 54.35 | 57.06 |
| 49 | Reg Compliance Spec | 49.32 | 51.79 | 54.38 | 57.10 | 59.95 |
| 50 | Field Supervisor | 50.56 | 54.41 | 55.74 | 58.53 | 61.45 |
| 53 | Associate Engineer | 54.44 | 57.17 | 60.02 | 63.03 | 66.18 |
| 62 | Admin Services Mgr | 67.99 | 71.39 | 74.96 | 78.71 | 82.65 |
| 64 | Superintendent I | 71.43 | 75.01 | 78.76 | 82.69 | 86.83 |
| 65 | Superintendent II / District Engineer | 73.22 | 76.88 | 80.73 | 84.76 | 89.00 |
| | General Manager | Salary Range \$194,952 - \$236,965 | | | | |

TABLE 6B – FISCAL YEAR 2024/25 SALARY SCHEDULE JANUARY

| SALARY SCHEDULE - HOURLY RATES | | STEPS (\$/HR) | | | | |
|---------------------------------------|--|----------------------|----------|----------|----------|----------|
| RANGE | POSITION | A | B | C | D | E |
| 9 | Student Intern I | 18.55 | 19.48 | 20.45 | | |
| 15 | Student Intern II | 21.51 | 22.59 | 23.72 | | |
| 21 | Student Intern III | 24.95 | 26.20 | 27.51 | | |
| 17 | Temporary Laborer I | 22.60 | 23.73 | 24.92 | | |
| 23 | Temporary Laborer II | 26.21 | 27.52 | 28.90 | | |
| 29 | Temporary Laborer III | 30.40 | 31.92 | 33.51 | | |
| 22 | Admin Services Asst I | 25.57 | 26.85 | 28.19 | 29.60 | 31.08 |
| 29 | Maintenance Worker I | 30.40 | 31.92 | 33.51 | 35.19 | 36.95 |
| 33 | Admin Services Asst II | 33.55 | 35.23 | 36.99 | 38.84 | 40.79 |
| 34 | GIS Tech | 34.39 | 36.11 | 37.92 | 39.81 | 41.81 |
| 35 | Maintenance Worker II / Engineering Tech I | 35.25 | 37.02 | 38.87 | 40.81 | 42.85 |
| 36 | MW/Inspector | 36.13 | 37.94 | 39.84 | 41.83 | 43.92 |
| 37 | MW/Elec-Mech Tech | 37.04 | 38.89 | 40.83 | 42.88 | 45.02 |
| 38 | Inspector I | 37.96 | 39.86 | 41.86 | 43.95 | 46.15 |
| 41 | Inspector II | 40.88 | 42.93 | 45.07 | 47.33 | 49.69 |
| 42 | Admin Services Spec / Mgmt Analyst I | 41.90 | 44.00 | 46.20 | 48.51 | 50.94 |
| 43 | Reg Compliance Tech / Leadworker | 42.95 | 45.10 | 47.36 | 49.72 | 52.21 |
| 44 | Engineering Tech II / Lead Inspector | 44.03 | 46.23 | 48.54 | 50.97 | 53.51 |
| 45 | GIS Analyst | 45.13 | 47.38 | 49.75 | 52.24 | 54.85 |
| 47 | Mgmt Analyst II | 47.41 | 49.78 | 52.27 | 54.88 | 57.63 |
| 49 | Reg Compliance Spec | 49.81 | 52.30 | 54.92 | 57.66 | 60.55 |
| 50 | Field Supervisor | 51.06 | 54.95 | 56.29 | 59.11 | 62.06 |
| 53 | Associate Engineer | 54.98 | 57.73 | 60.62 | 63.65 | 66.83 |
| 62 | Admin Services Mgr | 68.67 | 72.10 | 75.70 | 79.49 | 83.46 |
| 64 | Superintendent I | 72.14 | 75.75 | 79.54 | 83.51 | 87.69 |
| 65 | Superintendent II / District Engineer | 73.95 | 77.64 | 81.53 | 85.60 | 89.88 |
| 75 | General Manager | 94.66 | 99.39 | 104.36 | 109.58 | 115.06 |

SERVICES AND SUPPLIES

Operating Fund Expenses for Services and Supplies are projected to be \$3,400,825. These expenses are anticipated to increase due to continued inflationary pressures as well as continued increases in construction and project activity by District staff. Expenses such as gas and utilities have been most notably impacted by inflationary pressures.

The service and supply budget includes spending for professional services for regional participation in the Placer County Water Agency Old State Highway Construction Project, the Taylor Road Crossing Project, updated modeling for the 2025 SECAP, a Fleet Conversion Master Plan, easement maintenance including tree removal, a Labor Negotiator, the General Manager recruitment, and on-call services for engineering, surveying, and plan review. The service and supply budget also includes spending for remote site repairs, property and liability insurance, board member elections, and employee engagement. Total Services and Supplies are programmed to increase by \$1.03 million (29%) over the prior year.

| | FISCAL YEAR |
|--|---------------------|
| | 2024/25 |
| ASPHALT PAVING | \$ 75,000 |
| BUILDING & GROUNDS MAINTENANCE | \$ 97,000 |
| COMPUTER EQUIPMENT & SMALL OFFICE | \$ 8,750 |
| EASEMENT MAINTENANCE | \$ 155,000 |
| ELECTION EXPENSE | \$ 80,000 |
| EMPLOYEE ENGAGEMENT | \$ 2,500 |
| GAS & OIL EXPENSE | \$ 75,000 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 225,700 |
| LATERAL CAMERA REPAIRS | \$ 29,000 |
| LEGAL SERVICES | \$ 125,000 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ 96,000 |
| OTHER OPERATING EXPENSE | \$ 2,500 |
| PROFESSIONAL DEVELOPMENT | \$ 65,125 |
| PROFESSIONAL SERVICES | \$ 1,069,000 |
| PROPERTY & LIABILITY INSURANCE | \$ 340,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 91,500 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 171,200 |
| ROOT CONTROL PROGRAM | \$ 79,000 |
| SAFETY GEAR/UNIFORMS | \$ 32,750 |
| TOOLS & EQUIPMENT | \$ 16,000 |
| UTILITIES | \$ 204,000 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 280,800 |
| VEHICLE REPAIR & MAINTENANCE | \$ 80,000 |
| SERVICES & SUPPLIES | \$ 3,400,825 |

OPERATIONS & MAINTENANCE INCLUDING REGIONAL WASTEWATER TREATMENT

South Placer Wastewater Authority (SPWA) expenses for Operations and Maintenance (O&M) costs and the annual Replacement and Rehabilitation (R&R) projects are projected to be \$9,176,648.

Wastewater treatment expenses are paid to the City of Roseville, which owns and operates the two Regional Wastewater Treatment Plants (Dry Creek and Pleasant Grove) providing sewage treatment for the three regional South Placer Wastewater Authority (SPWA) partners, the South Placer Municipal Utility District, Placer County, and the City of Roseville. The District pays for its share of the Regional Wastewater Treatment Plant Operation & Maintenance (O&M) and Replacement & Rehabilitation (R&R) costs based on the District's proportional share of total flows (currently around 26%). The Regional Wastewater Treatment Plants are discussed in more detail in the section titled *Regional Wastewater Treatment Plants Funding, Debt, and Rate Stabilization Reserve*.

For Fiscal Year 2024/25, the Regional Wastewater Treatment Plant costs are budgeted to be \$9.18 million. The \$9.18 million wastewater treatment expense is comprised of O&M costs of \$7.73 million and R&R costs of \$1.44 million, an increase of \$0.95 million or 10% from Fiscal Year 2023/24.

Fiscal Year 2024/25 O&M treatment costs are continuing to experience cost increases due to several factors including salary and benefit increases, equipment costs, information technology expenses, and an increase in the indirect costs from the City of Roseville's cost allocation plan. Fiscal Year 2024/25 R&R costs include carryover expenses on several projects that were budgeted for last fiscal year but have been delayed due to supply chain issues and changes to project management and consultant staffing. The Regional Wastewater Treatment Plants are discussed in more detail in the section titled *Regional Wastewater Treatment Plants Funding, Debt, and Rate Stabilization Reserve*.

| | FISCAL YEAR |
|------------------------------------|---------------------|
| | 2024/25 |
| RWWTP MAINTENANCE & OPERATIONS | \$ 7,734,919 |
| RWWTP REPLACEMENT & REHABILITATION | \$ 1,441,729 |
| SPWA O&M & R&R | \$ 9,176,648 |

TABLE 7 – REGIONAL WASTEWATER TREATMENT FLOWS & EXPENSES

| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 |
|------------------------|--------------|--------------|--------------|--------------|---------------|
| O&M ESTIMATED PAYMENT | \$ 5,152,756 | \$ 4,965,123 | \$ 4,942,000 | \$ 7,054,000 | \$ 8,181,000 |
| R&R ESTIMATED PAYMENT | \$ 790,725 | \$ 576,156 | \$ 1,659,750 | \$ 2,611,000 | \$ 2,246,000 |
| TOTAL ESTIMATED | \$ 5,943,481 | \$ 5,541,279 | \$ 6,601,750 | \$ 9,665,000 | \$ 10,427,000 |
| TOTAL PAYMENTS | \$ 5,943,481 | \$ 5,541,279 | \$ 6,751,750 | \$ 9,665,000 | \$ 7,820,250 |
| DISTRICT FLOWS | 1,635 | 1,632 | 1,705 | 1,878 | 1,760 |
| SPWA FLOWS | 6,262 | 6,226 | 6,473 | 7,129 | 6,813 |
| DISTRICT PERCENTAGE | 26.11% | 26.21% | 26.34% | 26.34% | 25.83% |
| O&M AUDITED PAYMENT | \$ 4,941,969 | \$ 5,517,195 | \$ 6,040,879 | \$ 7,009,559 | TBD |
| R&R AUDITED PAYMENT | 949,044 | 113,329 | \$ 226,637 | \$ 280,857 | TBD |
| TOTAL AUDITED | 5,891,013 | 5,630,525 | \$ 6,267,516 | \$ 7,290,416 | TBD |
| TRUE UP/CREDIT BALANCE | \$ (566,232) | (655,476) | (171,242) | 2,230,342 | TBD |

Estimated

The Fiscal Year 2024/25 Operating Fund Expense Budget of \$21.31 million is comprised of the following: \$6.05 million for salaries and benefits, \$3.40 million for services and supplies, \$9.18 million for Regional Wastewater Treatment Plant expenses, and \$2.68 million for depreciation expense. This represents an increase of \$2.59 million (12%) over the projected expenses for Fiscal Year 2023/24, primarily due to wastewater treatment expense true-up credits of \$2.23 million from Fiscal Year 2022/23 that were applied in Fiscal Year 2023/24 and professional services for capital projects that are being carried over from the prior year's budget.

TABLE 8 – FISCAL YEAR 2024/25 OPERATING EXPENSE BUDGET

| | AUDITED FINANCIALS | | PROJECTED | PROPOSED |
|--|----------------------|----------------------|----------------------|----------------------|
| | FISCAL YEAR | FISCAL YEAR | FISCAL YEAR | FISCAL YEAR |
| | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| SALARIES/WAGES | \$ 2,699,905 | \$ 2,884,440 | \$ 2,961,391 | \$ 3,356,000 |
| FICA - SOCIAL SECURITY | \$ 201,418 | \$ 214,556 | \$ 226,546 | \$ 256,734 |
| CALPERS RETIREMENT | \$ 236,219 | \$ 241,103 | \$ 271,164 | \$ 297,000 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ 410,507 | \$ 470,864 | \$ 412,354 | \$ 502,507 |
| 457 & 401A RETIREMENT | \$ 117,263 | \$ 105,787 | \$ 147,875 | \$ 142,300 |
| INSURANCE BENEFITS | \$ 656,252 | \$ 755,812 | \$ 857,640 | \$ 1,008,240 |
| RETIREE HEALTH/OPEB | \$ 446,369 | \$ 379,945 | \$ 394,378 | \$ 494,012 |
| SALARIES & BENEFITS | \$ 4,767,933 | \$ 5,520,246 | \$ 5,398,293 | \$ 6,056,793 |
| ASPHALT PAVING | \$ 12,500 | \$ 4,950 | \$ 25,000 | \$ 75,000 |
| ARCHIVING/DISASTER PLAN | \$ 5,140 | \$ 5,140 | \$ - | \$ - |
| BUILDING & GROUNDS MAINTENANCE | \$ 49,812 | \$ 38,090 | \$ 46,000 | \$ 97,000 |
| COMPUTER EQUIPMENT & SMALL OFFICE | \$ 5,205 | \$ 16,154 | \$ 21,000 | \$ 8,750 |
| EASEMENT/ACCESS ROAD UPGRADES | \$ 846 | \$ 14,849 | \$ - | \$ - |
| EASEMENT ACQUISITION | \$ 21,207 | \$ 36,967 | \$ - | \$ - |
| EASEMENT MAINTENANCE | \$ - | \$ - | \$ - | \$ 155,000 |
| ELECTION EXPENSE | \$ - | \$ 30,094 | \$ - | \$ 80,000 |
| EMPLOYEE ENGAGEMENT | \$ - | \$ - | \$ 2,500 | \$ 2,500 |
| GAS & OIL EXPENSE | \$ 60,225 | \$ 63,707 | \$ 66,000 | \$ 75,000 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 124,094 | \$ 168,252 | \$ 228,838 | \$ 225,700 |
| LATERAL CAMERA REPAIRS | \$ - | \$ - | \$ - | \$ 29,000 |
| LEGAL SERVICES | \$ 92,460 | \$ 293,830 | \$ 96,920 | \$ 125,000 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ 38,685 | \$ 56,578 | \$ 88,000 | \$ 96,000 |
| OTHER OPERATING EXPENSE | \$ 150 | \$ (936) | \$ - | \$ 2,500 |
| PARTICIPATION IN REGIONAL PROJECTS | \$ - | \$ 78,192 | \$ - | \$ - |
| PROFESSIONAL DEVELOPMENT | \$ 32,095 | \$ 32,431 | \$ 46,300 | \$ 65,125 |
| PROFESSIONAL SERVICES | \$ 168,149 | \$ 274,578 | \$ 620,000 | \$ 1,069,000 |
| PROPERTY & LIABILITY INSURANCE | \$ 255,095 | \$ 322,423 | \$ 410,375 | \$ 340,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 56,824 | \$ 68,645 | \$ 85,276 | \$ 91,500 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 113,144 | \$ 112,554 | \$ 184,000 | \$ 171,200 |
| ROOT CONTROL PROGRAM | \$ 55,310 | \$ 56,513 | \$ 77,000 | \$ 79,000 |
| SAFETY GEAR/UNIFORMS | \$ 21,468 | \$ 22,097 | \$ 27,300 | \$ 32,750 |
| SOFTWARE/DATA ACQUISITION | \$ 995 | \$ 25,113 | \$ - | \$ - |
| SYSTEM IMPROVEMENTS | \$ 3,700 | \$ - | \$ - | \$ - |
| TOOLS & EQUIPMENT | \$ - | \$ - | \$ - | \$ 16,000 |
| UTILITIES | \$ 167,970 | \$ 181,497 | \$ 186,000 | \$ 204,000 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 237,369 | \$ 269,358 | \$ 256,354 | \$ 280,800 |
| VEHICLE REPAIR & MAINTENANCE | \$ 69,169 | \$ 60,609 | \$ 75,000 | \$ 80,000 |
| SERVICES & SUPPLIES | \$ 1,591,612 | \$ 2,231,685 | \$ 2,541,863 | \$ 3,400,825 |
| RWWTP MAINTENANCE & OPERATIONS | \$ 5,007,939 | \$ 7,314,424 | \$ 6,544,571 | \$ 7,734,919 |
| RWWTP REPLACEMENT & REHABILITATION | \$ 1,659,750 | \$ 2,611,000 | \$ 1,684,500 | \$ 1,441,729 |
| SPWA O&M & R&R | \$ 6,667,689 | \$ 9,925,424 | \$ 8,229,071 | \$ 9,176,648 |
| OPERATING EXPENSE LESS DEPRECIATION | \$ 13,027,234 | \$ 17,677,355 | \$ 16,169,227 | \$ 18,634,266 |
| DEPRECIATION EXPENSE | \$ 2,218,607 | \$ 2,330,061 | \$ 2,551,400 | \$ 2,678,970 |
| OPERATING FUND EXPENSES | \$ 15,245,841 | \$ 20,007,416 | \$ 18,720,627 | \$ 21,313,236 |

DEPARTMENT SCHEDULES

ADMINISTRATIVE SERVICES DEPARTMENT

The Administrative Services Department provides clerical and administrative support to the Board of Directors, the General Manager, District staff, and customers. The department is responsible for utility billing and account services, finance, budget, purchasing, accounts payable and receivable, human resources and employee benefits, payroll, Board Clerk/Secretary, elections, and the District websites.

ADMINISTRATIVE SERVICES DEPARTMENT GOALS

The Administrative Service Department has the following goals for Fiscal Year 2024/25:

| Goal | Strategic Plan Priority |
|--|--|
| Provide efficient and friendly customer service. | Provide exceptional value for the cost of sewer service. |
| Provide increased administrative support to other departments. | Provide exceptional value for the cost of sewer service. |
| Control rising insurance premiums. | Provide exceptional value for the cost of sewer service. |
| Continue to digitize paper records. | Leverage existing and applicable technologies to improve efficiencies. |
| Begin the process of integrating asset and account data currently stored in multiple software systems. | Leverage existing and applicable technologies to improve efficiencies. |
| Move the two remaining school contracts to standardized billing. | Prepare for the future and foreseeable emergencies. |
| Review all commercial accounts to ensure appropriate billing and account information. | Prepare for the future and foreseeable emergencies. |
| Complete a successful recruitment for a new General Manager. | Make SPMUD a great place to work. |
| Complete labor negotiations and adopt new Amended and Restated Memorandums of Understanding. | Make SPMUD a great place to work. |
| Support District employees and communicate updates regularly. | Make SPMUD a great place to work. |

PROPOSED BUDGET AND POSITION CHANGES

| Fiscal Year 2023/24 | | Fiscal Year 2024/25 | |
|--|----------|--|----------|
| General Manager | 1 | General Manager | 1 |
| Administrative Services Manager | 1 | Administrative Services Manager | 1 |
| Administrative Services Assistant I/II/III | 3 | Management Analyst I/II | 1 |
| | | Administrative Services Specialist | 1 |
| | | Administrative Services Assistant I/II | 1 |
| Total Positions | 5 | Total Positions | 5 |

The Administrative Services Department budget includes position changes for Fiscal Year 2024/25. The Administrative Services Assistant I/II/III job description has been split into two separate and distinct job descriptions, an Administrative Services Assistant I/II and an Administrative Services Specialist. Additionally, a new job description for Management Analyst I/II has been created. The budget proposes moving from three Administrative Services Assistant I/II/III positions to a Management Analyst I/II, an Administrative Services Specialist, and an Administrative Services Assistant I/II. There is no proposed change to the number of positions.

ADMINISTRATIVE SERVICES DEPARTMENT EXPENSE SUMMARY

| | <u>PROJECTED</u> | <u>PROPOSED</u> |
|---|---------------------|---------------------|
| | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> |
| | <u>2023/24</u> | <u>2024/25</u> |
| SALARIES/WAGES | \$ 666,145 | \$ 775,000 |
| FICA - SOCIAL SECURITY | \$ 50,960 | \$ 59,288 |
| CALPERS RETIREMENT | \$ 68,500 | \$ 73,000 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ - | \$ 3,500 |
| 457 & 401A RETIREMENT | \$ 75,000 | \$ 59,100 |
| INSURANCE BENEFITS/WORKERS COMP INSURANCE | \$ 255,890 | \$ 383,400 |
| RETIREE HEALTH/OPEB | \$ 394,378 | \$ 494,012 |
| SALARIES & BENEFITS | \$ 1,510,873 | \$ 1,847,300 |

The Administrative Services Department is budgeting for general increases to Salary and Benefits from cost-of-living, step increases, and increased insurance premiums as well as the final payout for the current General Manager in Fiscal Year 2024/25. A large increase in Worker's Compensation Insurance Premiums from \$75 thousand to \$120 thousand due to three claims in Fiscal Year 2023/24 and the limited California insurance market is also increasing costs for Fiscal Year 2024/25. The District is budgeting for the payment of Other Post-Employment Benefits (OPEB) for twenty-five District retirees. The Actuarially Determined Contribution to the District's CalPERS CERB Section 115 OPEB Trust of \$64,012 is included along with the Retiree Health/OPEB budget in the Administrative Services Department Salary and Benefit expenses. Total Salary and

Benefit Expenses for the Administrative Services Department are expected to increase by \$336 thousand from Fiscal Year 2023/24 or 22 percent.

| | PROJECTED | PROPOSED |
|--|--------------------|---------------------|
| | FISCAL YEAR | FISCAL YEAR |
| | 2023/24 | 2024/25 |
| ELECTION EXPENSE | \$ - | \$ 80,000 |
| EMPLOYEE ENGAGEMENT | \$ 2,500 | \$ 2,500 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 15,838 | \$ 25,000 |
| LEGAL SERVICES | \$ 96,920 | \$ 125,000 |
| PROFESSIONAL DEVELOPMENT | \$ 15,000 | \$ 20,000 |
| PROFESSIONAL SERVICES | \$ 112,000 | \$ 145,000 |
| PROPERTY & LIABILITY INSURANCE | \$ 410,375 | \$ 340,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 30,776 | \$ 36,000 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 62,000 | \$ 65,000 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 253,354 | \$ 277,750 |
| SERVICES & SUPPLIES | \$ 998,763 | \$ 1,116,250 |

The Administrative Services Department is budgeting for additional costs to recruit and hire a new General Manager and three potential board member seats to be placed on the November 2024 ballot. Funding for labor negotiations beginning in 2025, the Property and Liability Insurance Premium, and the impact of inflationary pressures on reoccurring services and supplies are included in the Administrative Services Department Service and Supply expenses. Total Service and Supply Expenses for the Administrative Services Department are expected to increase by \$117 thousand from Fiscal Year 2023/24 or 12 percent.

ADMINISTRATIVE SERVICE DEPARTMENT PERFORMANCE MEASURES

| Key Measure | FY2020/21 Actuals | FY2021/22 Actuals | FY2022/23 Actuals | FY2023/24 Estimate | FY2024/25 Target |
|---|----------------------|----------------------|----------------------|-----------------------|---------------------|
| Error-Driven Billing Adjustment Rate | Not Tracked | .002% | .002% | 0% | 0% |
| Customer Newsletters | 2 | 2 | 2 | 2 | 2 |
| Transparency Certification | N/A | N/A | Yes | N/A | N/A |
| Obtain GFOA Award | Yes | Yes | Unknown | Yes | Yes |
| Comparative Sewer Service Rate Ranking | 53% | 54% | 54% | 56% | 58% |
| Debt Ratio | 4.5% | 4.5% | 5.6% | 7% | 7% |
| Financial Procedure Integrity | 100% | 100% | 100% | 100% | 100% |
| Revenue-to-Expenditure Ratio | 119% | 131% | 84% | 100% | 95% |
| Sewer Service Charges Compared to Inflation | 11.4% | 6.2% | -3.1% | -1.7% | -1.4% |
| Customer Accounts per Employee | 872 | 896 | 904 | 896 | 907 |
| Personnel Cost as a % of Revenue | 31% | 26% | 33% | 31% | 34% |
| Personnel Cost per EDU | \$136 | \$117 | \$144 | \$141 | \$155 |
| Voluntary Turnover Rate | 15% | 15% | 4% | 7% | 6% |

| | | | | | |
|--|-------|-------|-------|-------|-------|
| Experience Turnover Rate | 23% | 33% | 1% | 5% | 5% |
| Payment Options | 5 | 5 | 6 | 6 | 6 |
| Number of Web Payments | 20% | 30% | 36% | 37% | 38% |
| Number of Customers on e-bills | 12% | 14% | 14% | 18% | 20% |
| Converting Paper Archive Records | 1.5% | 1.9% | 0.71% | 0.89% | 1.0% |
| Bill Affordability | 0.48% | 0.45% | 0.41% | 0.37% | 0.35% |
| Low-Income Billing Assistance Accounts | 131 | 137 | 141 | 145 | 150 |

For additional information including definitions, descriptions, analyses, charts, and graphs on any of the performance measures please view the District's Strategic Plan Annual Performance Report located on the District's website at <https://spmud.ca.gov/strategic-plan>.

FIELD SERVICES DEPARTMENT

The Field Services Department is the largest department in the District. The department is responsible for the maintenance and construction of the District's infrastructure and oversees the collection of wastewaters within the jurisdiction. The department is responsible for regulatory compliance and prevention of sanitary sewer overflows.

FIELD SERVICES DEPARTMENT GOALS

The Field Service Department has the following goals for Fiscal Year 2024/25:

| Goal | Strategic Plan Priority |
|--|--|
| Prevent Sanitary Sewer Overflows. | Maintain an excellent regulatory compliance record. |
| Develop a Fleet Conversion Master Plan. | Maintain an excellent regulatory compliance record. |
| Complete the Sewer System Management Plan Internal Audit. | Maintain an excellent regulatory compliance record. |
| Use preventative practices wherever possible to extend the life of District assets. | Provide exceptional value for the cost of sewer service. |
| Provide quality maintenance of the District's sewer infrastructure in an efficient manner. | Provide exceptional value for the cost of sewer service. |
| Develop a Draft Tactical Asset Management Plan. | Leverage existing and applicable technologies to improve efficiencies. |
| Complete the SCADA Replacement Project. | Leverage existing and applicable technologies to improve efficiencies. |
| Perform maintenance on District easements. | Prepare for the future and foreseeable emergencies. |

| | |
|--|---|
| Develop two written contingency plans. | Prepare for the future and foreseeable emergencies. |
| Promote and provide support for the District Master's Program. | Make SPMUD a great place to work. |

PROPOSED BUDGET AND POSITION CHANGES

| Fiscal Year 2023/24 | | Fiscal Year 2024/25 | |
|--|-----------|--|-----------|
| Superintendent | 1 | Superintendent | 1 |
| Regulatory Compliance Tech/Spec | 1 | Regulatory Compliance Tech/Spec | 1 |
| Field Supervisor | 1 | Field Supervisor | 1 |
| Lead Worker | 2 | Lead Worker | 2 |
| Maintenance Worker/Inspector | 1 | Maintenance Worker/Inspector | 1 |
| Maintenance Worker/Electro-Mechanical Tech | 2 | Maintenance Worker/Electro-Mechanical Tech | 2 |
| Maintenance Worker I/II | 10 | Maintenance Worker I/II | 10 |
| Temporary Laborer I/II/III | 0 | Temporary Laborer I/II/III | 1 |
| Total Positions | 18 | Total Positions | 19 |

The Field Services Department budget does not include any position changes for Fiscal Year 2024/25. The budget includes one Temporary Laborer for a limited-term duration of six months.

FIELD SERVICES DEPARTMENT EXPENSE SUMMARY

| | <u>PROJECTED</u> | <u>PROPOSED</u> |
|------------------------------------|---------------------|---------------------|
| | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> |
| | <u>2023/24</u> | <u>2024/25</u> |
| SALARIES/WAGES | \$ 1,581,098 | \$ 1,795,000 |
| FICA - SOCIAL SECURITY | \$ 120,954 | \$ 137,318 |
| CALPERS RETIREMENT | \$ 128,014 | \$ 145,000 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ 316,273 | \$ 332,222 |
| 457 & 401A RETIREMENT | \$ 50,425 | \$ 59,800 |
| INSURANCE BENEFITS | \$ 477,900 | \$ 492,000 |
| SALARIES & BENEFITS | \$ 2,674,664 | \$ 2,961,340 |

The Field Services Department is budgeting for general increases to Salary and Benefits from cost-of-living, step increases, and increased insurance premiums in Fiscal Year 2024/25. The budget is also higher than Fiscal Year 2023/24 due to two Maintenance Workers positions that were vacant for the first half of Fiscal Year 2023/24. Total Salary and Benefit Expenses for the Field Services Department are expected to increase by \$286 thousand from Fiscal Year 2023/24 or 11 percent.

| | <u>PROJECTED</u> | <u>PROPOSED</u> |
|--|--------------------|---------------------|
| | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> |
| | <u>2023/24</u> | <u>2024/25</u> |
| ASPHALT PAVING | \$ 25,000 | \$ 75,000 |
| BUILDING & GROUNDS MAINTENANCE | \$ 46,000 | \$ 97,000 |
| EASEMENT MAINTENANCE | \$ - | \$ 155,000 |
| GAS & OIL EXPENSE | \$ 66,000 | \$ 75,000 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 196,000 | \$ 189,000 |
| LATERAL CAMERA REPAIRS | \$ - | \$ 29,000 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ 88,000 | \$ 96,000 |
| OTHER OPERATING EXPENSE | \$ - | \$ 2,500 |
| PROFESSIONAL DEVELOPMENT | \$ 29,000 | \$ 28,000 |
| PROFESSIONAL SERVICES | \$ 8,000 | \$ 147,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 40,000 | \$ 41,000 |
| ROOT CONTROL PROGRAM | \$ 77,000 | \$ 79,000 |
| SAFETY GEAR/UNIFORMS | \$ 25,000 | \$ 29,000 |
| TOOLS & EQUIPMENT | \$ - | \$ 16,000 |
| UTILITIES | \$ 186,000 | \$ 204,000 |
| VEHICLE REPAIR & MAINTENANCE | \$ 75,000 | \$ 80,000 |
| SERVICES & SUPPLIES | \$ 861,000 | \$ 1,342,500 |

The Field Services Department is budgeting for remote site repairs, easement maintenance including tree removal services, and a consultant to complete a Fleet Conversion Master Plan to comply with the Advanced Clean Fleets Rule. Many of the Field Services Department's Services and Supplies such as gas and utilities have been notably impacted by inflationary pressures that are anticipated to continue into Fiscal Year 2024/25. Total Service and Supply Expenses for the Field Services Department are expected to increase by \$481 thousand from Fiscal Year 2023/24 or 56 percent.

FIELD SERVICE DEPARTMENT PERFORMANCE MEASURES

| Key Measure | FY2020/21 Actuals | FY2021/22 Actuals | FY2022/23 Actuals | FY2023/24 Estimate | FY2024/25 Target |
|--|----------------------|----------------------|----------------------|-----------------------|---------------------|
| Number of Sewer Spills | 20 | 23 | 32 | 20 | 22 |
| Number of Spills per 100 miles of Sewer Main | 4 | 3 | 5 | 1.4 | 2.0 |
| Volume of Sewer Spills to Waters | 8,305 | 113 | 39 | 9,767 | 0 |
| Sewer Successfully Conveyed | 99.99% | 99.99% | 99.99% | 99.99% | 99.99% |
| Number of Blockages | 17 | 13 | 13 | 7 | 10 |
| Service Call Response Time | 96% | 98% | 97.4% | 97.0% | 95% |
| Customer Satisfaction Surveys | 97% | 100% | 100% | 100% | 100% |
| Miles of Sewer per Employee | 24 | 23 | 23 | 23 | 23 |
| O&M Cost per Mile of Sewer | \$28,958 | \$30,293 | \$42,591 | \$39,000 | \$40,000 |
| Energy Use per Volume Conveyed | Not Tracked | 171 | 175 | 170 | 175 |

| | | | | | |
|--|-------------|-------------|----------|-----------|------|
| Total Training Hours per Employee | 19.8 | 27.5 | 25.7 | 22.5 | 20.0 |
| Certification Coverage | 95% | 95% | 89% | 89% | 100% |
| Lost Time Hours | 0 | 0 | 0 | 0 | 0 |
| Total Recordable Incident Rate | 0 | 0 | 3.9 | 4.0 | 4.0 |
| Critical Staff Resiliency | 93% | 87% | 100% | 81% | 100% |
| Emergency Response Plan in Place | Yes | Yes | Yes | Yes | Yes |
| Contingency Plans in Place | Not Tracked | Not Tracked | 6% | 19% | 31% |
| Fuel Supply Adequacy | No | No | Yes | Yes | Yes |
| Sewer Main Condition Assessment | 6.3% | 5.9% | 5.2% | 5.5% | 5.0% |
| Lower Lateral Condition Assessment | 79% | 109% | 130% | 142% | 100% |
| Collection System Failure Rate (O&M) | 20 | 22 | 30 | 20 | 22 |
| Repeat Customer Service Calls | 2 | 3 | 1 | 0 | 0 |
| Property Line Cleanouts | 80% | 81% | 81% | 82% | 98% |
| Number of Insurance Claims per Employee Hours Worked | 0 | 8.1 | 3.9 | 8.1 | 0 |
| Severity of Insurance Claims per Employee Hours Worked | 0 | \$51,204 | \$78,021 | \$343,251 | \$0 |

For additional information including definitions, descriptions, analyses, charts, and graphs on any of the performance measures please view the District's Strategic Plan Annual Performance Report located on the District's website at <https://spmud.ca.gov/strategic-plan>.

TECHNICAL SERVICES DEPARTMENT

The Technical Services Department provides the review and approval of capital projects and development activity within the District, including permitting, plan review, inspections, and geographic information systems.

TECHNICAL SERVICES DEPARTMENT GOALS

The Technical Service Department has the following goals for Fiscal Year 2024/25:

| Goal | Strategic Plan Priority |
|---|--|
| Update the District's Pump Station Standards. | Maintain an excellent regulatory compliance record. |
| Complete plan reviews and inspections by their targeted completion dates. | Provide exceptional value for the cost of sewer service. |
| Complete an as-built study of the infrastructure located in Newcastle. | Leverage existing and applicable technologies to improve efficiencies. |
| Prevent Fats, Oils, and Greases from entering the collection system through inspection, education, and other methods of prevention. | Prepare for the future and foreseeable emergencies. |

| | |
|--|---|
| Complete the Del Rio Court and Delmar Sewer Extension Project. | Prepare for the future and foreseeable emergencies. |
| Complete the Jack-in-the-Box Sewer Replacement Project. | Prepare for the future and foreseeable emergencies. |
| Complete the Taylor Road Crossing Project. | Prepare for the future and foreseeable emergencies. |
| Begin work on the Placer County Water Agency Old State Highway Construction Project. | Prepare for the future and foreseeable emergencies. |
| Assist with the State funding application for the Newcastle Mobile Home Park. | Prepare for the future and foreseeable emergencies. |
| Promote and support leadership development and opportunities at the District. | Make SPMUD a great place to work. |

PROPOSED BUDGET AND POSITION CHANGES

| Fiscal Year 2023/24 | | Fiscal Year 2024/25 | |
|-------------------------|----------|-------------------------|----------|
| District Engineer | 1 | District Engineer | 1 |
| Associate Engineer | 0 | Associate Engineer | 0 |
| GIS Tech/Analyst | 1 | GIS Tech/Analyst | 1 |
| Engineering Technician | 1 | Engineering Technician | 1 |
| Lead Inspector | 1 | Lead Inspector | 1 |
| Inspector I/II | 2 | Inspector I/II | 2 |
| Student Intern I/II/III | 0 | Student Intern I/II/III | 1 |
| Total Positions | 6 | Total Positions | 7 |

The Technical Services Department budget does not include any position changes for Fiscal Year 2024/25. The budget includes one part-time Student Intern.

TECHNICAL SERVICES EXPENSE SUMMARY

| | <u>PROJECTED</u> | <u>PROPOSED</u> |
|------------------------------------|---------------------|---------------------|
| | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> |
| | <u>2023/24</u> | <u>2024/25</u> |
| SALARIES/WAGES | \$ 714,148 | \$ 786,000 |
| FICA - SOCIAL SECURITY | \$ 54,632 | \$ 60,129 |
| CALPERS RETIREMENT | \$ 74,650 | \$ 79,000 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ 158,137 | \$ 166,785 |
| 457 & 401A RETIREMENT | \$ 22,450 | \$ 23,400 |
| INSURANCE BENEFITS | \$ 123,850 | \$ 132,840 |
| SALARIES & BENEFITS | \$ 1,147,867 | \$ 1,248,154 |

The Technical Services Department is budgeting for general increases to Salary and Benefits from cost-of-living, step increases, and increased insurance premiums in Fiscal Year 2024/25. Total Salary and Benefit Expenses for the Technical Services Department are expected to increase by \$100 thousand from Fiscal Year 2023/24 or 9 percent.

| | <u>PROJECTED</u> | <u>PROPOSED</u> |
|--|--------------------|--------------------|
| | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> |
| | <u>2023/24</u> | <u>2024/25</u> |
| COMPUTER EQUIPMENT & SMALL OFFICE | \$ 21,000 | \$ 8,750 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 17,000 | \$ 11,700 |
| PROFESSIONAL DEVELOPMENT | \$ 2,300 | \$ 17,125 |
| PROFESSIONAL SERVICES | \$ 500,000 | \$ 777,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 14,500 | \$ 14,500 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 122,000 | \$ 106,200 |
| SAFETY GEAR/UNIFORMS | \$ 2,300 | \$ 3,750 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 3,000 | \$ 3,050 |
| SERVICES & SUPPLIES | \$ 682,100 | \$ 942,075 |

The Technical Services Department is budgeting for professional services for two large Newcastle projects, the Placer County Water Agency Old State Highway Construction Project and the Taylor Road Crossing Project. The Technical Services Department Services and Supplies budget also includes spending on updated modeling for the 2025 SECAP and on-call services for engineering, surveying, and plan review. Total Service and Supply Expenses for the Technical Services Department are expected to increase by \$260 thousand from Fiscal Year 2023/24 or 38 percent.

TECHNICAL SERVICE DEPARTMENT PERFORMANCE MEASURES

| Key Measure | FY2020/21 Actuals | FY2021/22 Actuals | FY2022/23 Actuals | FY2023/24 Estimate | FY2024/25 Target |
|---|----------------------|----------------------|----------------------|-----------------------|---------------------|
| Development Review Response Time | 95% | 95% | 100% | 100% | 100% |
| Tenant Improvement Review Response Time | Not Tracked | Not Tracked | 90% | 98.4% | 100% |
| Stakeholder Consultation Meetings | 5 | 5 | 10 | 11 | 11 |
| Partnering in the Community Events | 1 | 5 | 6 | 7 | 7 |
| Cybersecurity Resiliency | Yes | Yes | Yes | Yes | Yes |
| Watershed Protection | No | No | Yes | Yes | Yes |
| Asset Inventory Data | 69% | 69% | 90% | 91% | 92% |
| Asset Renewal | 20.7% | 19.3% | 20.2% | Pending Audit | 20% |
| Collection System Failure Rate (Structural) | 0 | 1 | 1 | 2 | 1 |
| Capacity Assurance | Yes | Yes | Yes | Yes | Yes |
| Watershed-based Infrastructure Planning | Yes | Yes | Yes | Yes | Yes |

For additional information including definitions, descriptions, analyses, charts, and graphs on any of the performance measures please view the District's Strategic Plan Annual Performance Report located on the District's website at <https://spmud.ca.gov/strategic-plan>.

TABLE 9 - FISCAL YEAR 2024/25 LOCAL OPERATING EXPENSES BY DEPARTMENT

| | ASD | FSD | TSD | COMBINED |
|---|---------------------|---------------------|---------------------|---------------------|
| SALARIES/WAGES | \$ 775,000 | \$ 1,795,000 | \$ 786,000 | \$ 3,356,000 |
| FICA - SOCIAL SECURITY | \$ 59,288 | \$ 137,318 | \$ 60,129 | \$ 256,735 |
| CALPERS RETIREMENT | \$ 73,000 | \$ 145,000 | \$ 79,000 | \$ 297,000 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ 3,500 | \$ 332,222 | \$ 166,785 | \$ 502,507 |
| 457 & 401A RETIREMENT | \$ 59,100 | \$ 59,800 | \$ 23,400 | \$ 142,300 |
| INSURANCE BENEFITS/WORKERS COMP INSURANCE | \$ 383,400 | \$ 492,000 | \$ 132,840 | \$ 1,008,240 |
| RETIREE HEALTH/OPEB | \$ 494,012 | \$ - | \$ - | \$ 494,012 |
| SALARIES & BENEFITS | \$ 1,847,300 | \$ 2,961,340 | \$ 1,248,154 | \$ 6,056,794 |
| ASPHALT PAVING | \$ - | \$ 75,000 | \$ - | \$ 75,000 |
| BUILDING & GROUNDS MAINTENANCE | \$ - | \$ 97,000 | \$ - | \$ 97,000 |
| COMPUTER EQUIPMENT & SMALL OFFICE | \$ - | \$ - | \$ 8,750 | \$ 8,750 |
| EASEMENT MAINTENANCE | \$ - | \$ 155,000 | \$ - | \$ 155,000 |
| ELECTION EXPENSE | \$ 80,000 | \$ - | \$ - | \$ 80,000 |
| EMPLOYEE ENGAGEMENT | \$ 2,500 | \$ - | \$ - | \$ 2,500 |
| GAS & OIL EXPENSE | \$ - | \$ 75,000 | \$ - | \$ 75,000 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 25,000 | \$ 189,000 | \$ 11,700 | \$ 225,700 |
| LATERAL CAMERA REPAIRS | \$ - | \$ 29,000 | \$ - | \$ 29,000 |
| LEGAL SERVICES | \$ 125,000 | \$ - | \$ - | \$ 125,000 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ - | \$ 96,000 | \$ - | \$ 96,000 |
| OTHER OPERATING EXPENSE | \$ - | \$ 2,500 | \$ - | \$ 2,500 |
| PROFESSIONAL DEVELOPMENT | \$ 20,000 | \$ 28,000 | \$ 17,125 | \$ 65,125 |
| PROFESSIONAL SERVICES | \$ 145,000 | \$ 147,000 | \$ 777,000 | \$ 1,069,000 |
| PROPERTY & LIABILITY INSURANCE | \$ 340,000 | \$ - | \$ - | \$ 340,000 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 36,000 | \$ 41,000 | \$ 14,500 | \$ 91,500 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 65,000 | \$ - | \$ 106,200 | \$ 171,200 |
| ROOT CONTROL PROGRAM | \$ - | \$ 79,000 | \$ - | \$ 79,000 |
| SAFETY GEAR/UNIFORMS | \$ - | \$ 29,000 | \$ 3,750 | \$ 32,750 |
| TOOLS & EQUIPMENT | \$ - | \$ 16,000 | \$ - | \$ 16,000 |
| UTILITIES | \$ - | \$ 204,000 | \$ - | \$ 204,000 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 277,750 | \$ - | \$ 3,050 | \$ 280,800 |
| VEHICLE REPAIR & MAINTENANCE | \$ - | \$ 80,000 | \$ - | \$ 80,000 |
| SERVICES & SUPPLIES | \$ 1,116,250 | \$ 1,342,500 | \$ 942,075 | \$ 3,400,825 |

CAPITAL OUTLAY BUDGET

Fiscal Year 2024/25 Capital Projects are projected to be approximately \$19.75 million. Capital Projects are necessary to maintain and replace existing infrastructure and assets and complete necessary expansions to support the collection of sewage within the District boundaries. Annual capital projects are ongoing costs that do not substantially impact future operating budgets. Capital Expansion Projects are identified in the District's System Evaluation and Capacity Plan (SECAP). The timing of these projects depends largely on development proposals and staff budgets for these expenses based on the anticipated project timelines in coordination with the City of Rocklin, Town of Loomis, and County of Placer. Capital Replacement and Rehabilitation Projects are identified through asset data such as age, material, and use, routine maintenance and inspection, and coordination with other development and municipal projects. Staff meet regularly to determine the timing of projects that have or will be budgeted over the next five years. Potential projects are brought to the Infrastructure Advisory Committee who provide recommendations on when projects receive funding. Completion of the capital projects and purchases identified in the Fiscal Year 2024/25 Capital Outlay Budget support the District's Strategic Plan Priorities:

- Maintain an Excellent Regulatory Compliance Record.
- Prepare for the Future & Foreseeable Emergencies.
- Leverage Existing and Applicable Technologies to Improve Efficiencies.
- Provide Exceptional Value for the Cost of Service.
- Make the District a Great Place to Work.

OPERATING FUND CAPITAL OUTLAY SUMMARY

\$1,661,000

Fund 100 capital projects are funded through rates and charges and pay for new capital assets or the replacement of capital assets that were not previously included in the District's fixed asset schedule. Projects include the Taylor Road Crossing Project in Newcastle, design and a portion of the construction of the Old State Highway and Buena Vista Sewer Replacement project in coordination with Placer County Water Agency in Newcastle, new IT equipment, and upgrades to District easements.

CAPITAL IMPROVEMENT & EXPANSION OUTLAY SUMMARY

\$10,484,000

Fund 300 capital projects are funded through the capacity charge and pay for expansion and enlargement projects. Projects include preliminary engineering for the Sierra College Trunk and Lift Station Abandonment, preliminary engineering and environmental for the abandonment of the Cameo Court Lift Station, preliminary engineering for the Antelope Creek A Project, and construction of the Del Rio and Delmar Sewer Trunk Extension, and developer reimbursements for trunk extensions at Boyington and College Park South.

CAPITAL REPLACEMENT & REHABILITATION OUTLAY SUMMARY

\$7,606,000

Fund 400 capital projects are funded through an annual accumulated depreciation transfer from the operating fund based on the assets in the District’s fixed asset schedule and pay for the repair or replacement of current assets. Projects include the design and construction of the Jack in the Box Line, preliminary engineering for the abandonment of the Cameo Court Lift Station Abandonment, preliminary engineering for the Antelope Creek A project, the King Road Replacement Project, the Farron Street Project, the SCADA Master Plan Implementation, Cured in Place Pipe, easement repair work, new vehicle purchases, and participation in several regional projects.

TABLE 10 – FISCAL YEAR 2024/25 PROGRAMMED CAPITAL OUTLAY SUMMARY

| | AUDITED FINANCIALS | | PROJECTED | PROPOSED |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
| | FISCAL YEAR 2021/22 | FISCAL YEAR 2022/23 | FISCAL YEAR 2023/24 | FISCAL YEAR 2024/25 |
| OPERATING FUND | \$ 405,380 | \$ 3,473,440 | \$ 385,000 | \$ 1,661,000 |
| CIP & EXPANSION | \$ 124,732 | \$ 61,424 | \$ 200,000 | \$ 10,484,000 |
| REPLACEMENT & REHABILITATION | \$ 958,034 | \$ 1,518,698 | \$ 2,066,000 | \$ 7,606,000 |
| TOTAL CAPITAL INVESTMENT | \$ 1,488,146 | \$ 5,053,562 | \$ 2,651,000 | \$ 19,751,000 |

TABLE 11 – FISCAL YEAR 2024/25 PROGRAMMED CAPITAL OUTLAY DETAIL

| CAPITAL IMPROVEMENTS | | | PROGRAMMED CAPITAL OUTLAY | | |
|-------------------------------------|----------------------|---------------------|---------------------------|---------------------|------------------------------|
| | | | OPERATING | CIP & EXPANSION | REPLACEMENT & REHABILITATION |
| COMPUTERS/OFFICE FURNITURE | \$ 60,000 | \$ 60,000 | \$ - | \$ - | |
| CY MASTER PLAN CAPITAL IMPROVEMENTS | \$ 95,000 | \$ 75,000 | \$ - | \$ 20,000 | |
| EASEMENT/ACCESS ROADS | \$ 321,000 | \$ 160,000 | \$ - | \$ 161,000 | |
| EASEMENT ACQUISITION | \$ 150,000 | \$ 150,000 | \$ - | \$ - | |
| EASEMENT INSPECTION PROGRAM | \$ 25,000 | \$ 25,000 | \$ - | \$ - | |
| PARTICIPATION IN REGIONAL PROJECTS | \$ 830,000 | \$ 50,000 | \$ - | \$ 780,000 | |
| SYSTEM IMPROVEMENTS | \$ 1,125,000 | \$ 1,125,000 | \$ - | \$ - | |
| TOOLS & EQUIPMENT | \$ 16,000 | \$ 16,000 | \$ - | \$ - | |
| EXPANSION PROJECTS | \$ 5,034,000 | \$ - | \$ 5,034,000 | \$ - | |
| TRUNK EXTENSION REIMBURSEMENT | \$ 5,450,000 | \$ - | \$ 5,450,000 | \$ - | |
| CURED IN PLACE PIPE | \$ 750,000 | \$ - | \$ - | \$ 750,000 | |
| HIGH-RISK FACILITY CREEK CROSSINGS | \$ 500,000 | \$ - | \$ - | \$ 500,000 | |
| LATERAL CAMERA REPLACEMENTS | \$ 13,000 | \$ - | \$ - | \$ 13,000 | |
| SCADA | \$ 3,800,000 | \$ - | \$ - | \$ 3,800,000 | |
| SYSTEM REHABILITATION | \$ 1,366,000 | \$ - | \$ - | \$ 1,366,000 | |
| VEHICLE PURCHASES | \$ 216,000 | \$ - | \$ - | \$ 216,000 | |
| TOTAL CAPITAL IMPROVEMENTS | \$ 19,751,000 | \$ 1,661,000 | \$10,484,000 | \$ 7,606,000 | |

OPERATING FUND CAPITAL OUTLAY DETAILS**\$1,661,000****COMPUTERS/OFFICE FURNITURE** **\$60,000**

For the purchase of various computers and office furniture components.

CORPORATION YARD MASTER PLAN CAPITAL IMPROVEMENTS **\$75,000**

The District completed construction on the 2022 Corporation Yard Addition and Tenant Improvement Project during the last fiscal year. The project includes the reconfiguration of the customer lobby area, the addition of a large training/multipurpose room, and the reconfiguration of the locker rooms and Field Service Department offices. The budgeted amount is to hire an architectural consultant to create plans for now underutilized spaces like the old breakroom in the headquarters building.

EASEMENT/ACCESS ROADS NEW & UPGRADES **\$160,000**

The District makes ongoing efforts to improve security and access to sewer facilities in easements. The budgeted amount is planned to pave new access roads with asphalt through contracted services.

EASEMENT/PROPERTY ACQUISITION **\$150,000**

The District plans to acquire property where the Taylor Road Lift Station is located as well as easements within the Blue Goose Parking Lot and two other private properties in Loomis.

EASEMENT INSPECTION PROGRAM **\$25,000**

The District will pursue a professional services agreement with a drone service to collect and process data collected through inspections of the District's easements. The data from these inspections will document the condition of easements, demonstrate the change in condition of easements over time, and be used to evaluate the potential encroachment of other improvements in easements.

PARTICIPATION IN REGIONAL PROJECTS **\$50,000**

The District coordinates with regional agencies to protect District assets during the construction of other agency improvements. The cost of CCTV inspection before and after the agency's project to ensure damage caused by construction is repaired and debris does not enter the sewer system and the cost to adjust District assets to conform to newly finished grades is borne by the District.

SYSTEM IMPROVEMENTS

\$1,125,000

The District plans to design and reconstruct a substandard sewer crossing on Taylor Road in Newcastle to improve access and to meet State minimum separation standards as well as design improvements to the Taylor Road Lift Station. The District also budgeted a portion of the Old State Highway and Buena Vista Sewer Replacement project construction in anticipation that PCWA initiates construction in early 2025. In addition, improvements to Keller Court remain in the budget and will be completed once the homeowner provides easements and a Bill of Sale for the existing improvements.

TOOLS & EQUIPMENT

\$16,000

The District uses many different tools and equipment to improve efficiency and increase the safety of the work performed by its forces. This budgeted amount is to purchase larger tools and equipment to support the construction crew.

CAPITAL IMPROVEMENT & EXPANSION CAPITAL DETAILS

\$10,484,000

EXPANSION PROJECTS

\$5,034,000

The District plans to complete the design, environmental, and construction of the Del Rio Court and Delmar Sewer Trunk Extension, the preliminary engineering and environmental of the Cameo Court Lift Station Abandonment, the preliminary engineering for the Sierra College Trunk, and the preliminary engineering for Antelope Creek A.

TRUNK EXTENSION REIMBURSEMENT

\$5,450,000

The District is currently aware of two projects that would be eligible for reimbursement agreements and may be approved and constructed in the upcoming year: the Boyington Road Extension (Hidden Grove), and College Park South. This line item will be used only if reimbursement agreements are approved by the Board.

REPLACEMENT & REHABILITATION CAPITAL OUTLAY DETAILS

\$7,606,000

CORPORATION YARD MASTER PLAN CAPITAL IMPROVEMENTS

\$20,000

The District completed the construction of the 2022 Corporation Yard Addition and Tenant Improvement Project during the last fiscal year. The project included accommodations for improved redundancy in the housing of the District's IT network. The cooling system

in the server room has reached the end of its useful life and needs to be replaced to protect the value of the IT equipment. This budgeted amount is for the costs to purchase and install a new mini split air conditioner.

CURED IN PLACE PIPE \$750,000

This budgeted amount is for the rehabilitation of pipes by installing Cured-In-Place-Pipe (CIPP) liners into sewer mainlines, lateral pipes, and installing lateral seals.

DISTRICT PARTICIPATION IN REGIONAL PROJECTS \$780,000

The District continues to coordinate with its stakeholders and other regional agencies. These municipalities and agencies plan projects in areas where existing District facilities are located. The District enters into construction cooperation agreements with these partners in the region to participate in the adjustment of manholes to grade and, in some cases, rehabilitate or replace some or all of the existing sewer facilities as part of the project. This line item pays for this work. This is advantageous to the stakeholders because it decreases the likelihood that the District will need to do work soon after they finish their projects. It is advantageous to the District because the rehabilitation or replacement of the sewer facilities is less impactful to customers when combined with other improvements. The anticipated projects include multiple City of Rocklin pavement rehabilitation projects, (Park Drive, Five Star Boulevard, Destiny Drive, Mission Hills, Bluffs – Phase 1 and 2, Sunset Widening, Rocklin Road Widening, and Aguilar Road).

EASEMENT/ACCESS ROAD REPLACEMENTS \$161,000

The District has an ongoing easement road upgrade program. The District is committed to paving select access roads with asphalt through contracted services to improve the accessibility to sewer facilities in all weather conditions. This budgeted amount is to replace existing easement access roads with paved access roads.

HIGH-RISK FACILITY CREEK CROSSINGS \$500,000

The District is planning to replace a creek crossing identified in the High-Risk Facilities Master Plan. The project includes preliminary engineering, layout and design, and preparation of the necessary environmental and cultural resource documents.

LATERAL CAMERA REPLACEMENTS \$13,000

The District owns and operates the lower lateral (i.e., the portion of the sewer service that is located within the public right of way. Lateral cameras are a vital tool for assessing the condition of lower laterals and diagnosing issues when responding to callouts. The frequent use of lateral cameras to perform these functions means they receive a lot of

wear over time. The budgeted amount is for the planned replacement of lateral cameras over time.

SCADA IMPLEMENTATION

\$3,800,000

The District's Supervisory Control and Data Acquisition (SCADA) system's hardware and software are proprietary and are supported by only one service provider on the West Coast. Staff have concerns about the service provider's ability to support the system into the future. The District retained a consultant to prepare a Master Plan to outline phased improvements to the SCADA system to increase reliability and harden security. The design of the improvements commenced last year. The budgeted amount is for the final design, preparation of bid packages, services during construction, and construction of the improvements.

SYSTEM REHABILITATION

\$1,366,000

System rehabilitation projects programmed for Fiscal Year 2024/25 include the Jack in the Box sewer main line replacement adjacent to Rocklin Road, preliminary engineering and environmental for the Cameo Court Lift Station Abandonment, preliminary engineering and environmental for the Antelope Creek A Project, the King Road Replacement Project, and the Farron Street Replacement Project.

VEHICLE PURCHASES

\$216,000

This budgeted amount is for the purchase of one replacement vehicle, one replacement trailer-mounted generator, one medium-duty service truck, and one compact tractor.

FUND BALANCES, DEBT, AND RESERVES

DEBT

Since formation in 1956, the District has never issued debt and does not have any outstanding debt obligations. The District has not obtained a bond or credit rating since there has never been a need to consider the issuance of debt. The District does not anticipate potential issuance of debt until 2033 when a large portion of the District’s infrastructure will require replacement.

CASH AND INVESTMENT BALANCES

Cash balances are invested in accordance with the District’s Investment Policy 3120 in the Local Agency Investment Fund (LAIF); the Placer County Treasury; CalTRUST, California CLASS, and Five Star Bank Money Market. The breakdown of these investments is shown in Table 12 – Investment Account Balances as of March 31, 2024. In April 2024, the District moved \$15 million from the Placer County Treasury to a new account with Wells Fargo Securities. The District purchased four US Agency fixed-income-securities with maturity dates in 2026, 2027, 2028, and 2029. The purchase of these securities is intended to provide a long-term stable return on reserve balances while minimizing future interest rate risk.

As of March 31, 2024, District investment balances were \$16.07 million in Fund 100, \$32.96 million in Fund 300, and \$24.71 million in Fund 400. Additionally, the balance of the CalPERS CEPP Trust which is restricted for pension expenses was \$3.40 million. The District’s investment portfolio balance as of March 31, 2024, increased \$3.86 million or 5.3% from the Fiscal Year 2022/23 audited numbers. The Fund 100 balance will be adjusted at year-end to account for fund balance transfers with Funds 300 and 400 that occurred throughout Fiscal Year 2023/24.

TABLE 12 – FUND BALANCE BREAKDOWN

| FUND | AUDITED FISCAL YEAR 2021/22 | AUDITED FISCAL YEAR 2022/23 | FUNDS AS OF 03/31/2024 |
|----------------------------|-----------------------------------|-----------------------------------|---------------------------|
| FUND 100 OPERATING | \$ 25,250,688 | \$ 14,808,953 | \$ 16,074,947 |
| FUND 300 CIP & EXPANSION | \$ 27,140,321 | \$ 31,500,531 | \$ 32,963,576 |
| FUND 400 CAPITAL R&R | \$ 21,959,738 | \$ 23,829,176 | \$ 24,709,518 |
| CALPERS CEPPT - RESTRICTED | \$ 3,006,901 | \$ 3,156,947 | \$ 3,405,541 |
| TOTALS | \$ 77,357,648 | \$ 73,295,607 | \$ 77,153,582 |

FIGURE 9 – ALLOCATION BY FUND AS OF MARCH 31, 2024

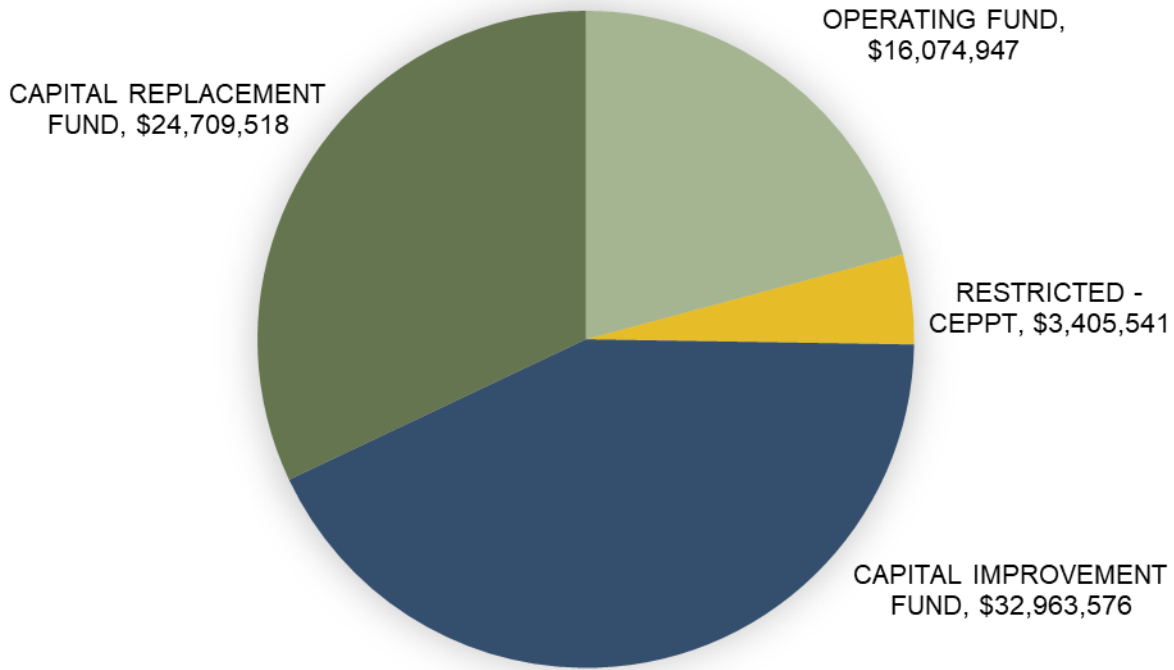


TABLE 13 INVESTMENT ACCOUNT BALANCES AS OF MARCH 31, 2024

| INVESTMENT | PRIOR YEAR Jan 23 - Mar 23 | PRIOR QUARTER Oct 23 - Dec 23 | MARKET VALUE Jan 24 - Mar 24 | QUARTERLY RETURN | % OF PORTFOLIO |
|------------------------|-------------------------------|----------------------------------|---------------------------------|---------------------|-------------------|
| LAIF | \$ 25,364,678 | \$ 26,053,485 | \$ 26,331,860 | 1.03% | 34% |
| PLACER COUNTY TREASURY | \$ 25,290,891 | \$ 20,336,691 | \$ 20,509,592 | 0.76% | 27% |
| CA CLASS | \$ - | \$ 10,221,511 | \$ 10,360,722 | 1.36% | 13% |
| CALTRUST | \$ 6,365,411 | \$ 6,615,467 | \$ 6,683,877 | 1.25% | 9% |
| FIVE STAR MONEY MARKET | \$ 6,054,558 | \$ 5,399,545 | \$ 5,453,683 | 1.03% | 7% |
| CASH | \$ 9,247,405 | \$ 3,315,863 | \$ 4,408,307 | 0.13% | 6% |
| RESTRICTED - CEPPT | \$ 3,102,584 | \$ 3,328,455 | \$ 3,405,541 | 2.41% | 4% |
| TOTAL/AVERAGE | \$ 75,425,527 | \$ 75,271,016 | \$ 77,153,582 | 1.03% | 100% |

TABLE 14 – FUND BALANCE SOURCES AND USES

Fund 100 Operating Fund

| | |
|--|------------------------|
| PROJECTED BALANCE AS OF JULY 1, 2024 | \$ 14,315,047 |
| Proposed Revenues | |
| <i>Fund 100 Revenues</i> | \$ 19,381,800 |
| <i>Interest</i> | \$ 346,000 |
| <i>Total Fund 100 Revenues</i> | \$ 19,727,800 |
| Proposed Expenditures | |
| <i>Local Operations & Maintenance Expenses</i> | \$ (9,457,618) |
| <i>Regional Operations & Maintenance Expenses</i> | \$ (9,176,648) |
| <i>Depreciation</i> | \$ (2,678,970) |
| <i>SubTotal Fund 100 Expenses</i> | \$ (21,313,236) |
| <i>Capital Projects</i> | \$ (1,661,000) |
| <i>Total Fund 100 Expenditures</i> | \$ (22,974,236) |
| 100 ENDING FUND BALANCE | \$ 11,068,611 |
| <i>Minimum Operating Fund Reserve Requirement per Policy #3130</i> | \$ 5,658,567 |
| 100 FUND BALANCE (LESS RESERVE REQUIREMENT) AVAILABLE FOR USE | \$ 5,410,044 |

Fund 300 CIP & Expansion

| | |
|--------------------------------------|------------------------|
| PROJECTED BALANCE AS OF JULY 1, 2024 | \$ 34,147,251 |
| Proposed Revenues | |
| <i>Sewer Participation Charges</i> | \$ 1,477,800 |
| <i>Interest</i> | \$ 979,000 |
| <i>Total Fund 300 Revenues</i> | \$ 2,456,800 |
| Proposed Expenditures | |
| <i>Capital Projects</i> | \$ (10,484,000) |
| <i>Total Fund 300 Expenditures</i> | \$ (10,484,000) |
| 300 ENDING FUND BALANCE | \$ 26,120,051 |

Fund 400 Replacement & Rehab

PROJECTED BALANCE AS OF JULY 1, 2024 \$ 25,527,483

Proposed Revenues

| | |
|--------------------------------|---------------------|
| Depreciation | \$ 2,678,970 |
| Interest | \$ 733,000 |
| Total Fund 400 Revenues | \$ 3,411,970 |

Proposed Expenditures

| | |
|------------------------------------|-----------------------|
| Capital Projects | \$ (7,606,000) |
| Total Fund 400 Expenditures | \$ (7,606,000) |

400 ENDING FUND BALANCE

\$ 21,333,453

COMPLIANCE WITH DISTRICT RESERVE POLICY 3130

As indicated in *Table 14 Fund Balance Sources and Uses*, the District is projecting an Operating Fund Reserve balance of \$11.07 million by year-end which exceeds the minimum requirement of \$5.66 million. This budget allows the District to demonstrate continued compliance with Reserve Policy #3130.

TABLE 15 – OPERATING FUND RESERVE REQUIREMENTS

| RESERVE FUND | REQUIREMENT | CALCULATION | AMOUNT |
|---|---|---------------------|----------------------------|
| EMERGENCY RESERVE | \$1 million | \$1 million | \$ 1,000,000 |
| OPERATIONS & MAINTENANCE RESERVE | 3 months of operating expense (before depreciation) | 25% of \$18,634,266 | \$ 4,658,567 |
| | | TOTAL | <u>\$ 5,658,567</u> |

REGIONAL WASTEWATER TREATMENT PLANT

FUNDING, DEBT, & RATE STABILIZATION RESERVE FUND

The District, the City of Roseville, and Placer County are participants in the South Placer Wastewater Authority (SPWA). The District collects and transports about 1.8 billion gallons of raw sewage annually to the Dry Creek and Pleasant Grove Regional Wastewater Treatment Plants in Roseville. The two Regional Wastewater Treatment Plants and infrastructure used by all three partners make up the regional facilities. The District pays its share of annual Operations and Maintenance and Rehabilitation and Replacement costs for the Regional Wastewater Treatment Plants based on its proportional flows which are approximately 26% of total flows into the plants. The City of Roseville provides the District with the annual estimated treatment expenses. A true-up of actual flows and expenses is completed after the close of the fiscal year and the District receives an invoice for additional charges or a credit towards future payments. The District received a true-up credit from Fiscal Year 2022/23 of \$2.20 million due to delayed spending on Rehabilitation and Replacement projects. The credit was applied towards the Fiscal Year 2023/24 Regional Wastewater Treatment Plant expenses. The District is budgeting to pay the SPWA for Fiscal Year 2024/25 based on the numbers in the District's Cost of Service and Rate Study approved by the District Board of Directors on March 2, 2023, for a total expense of \$9.18 million. These treatment expenses are the largest operational expense of the District and comprise over 43% of the District's operating revenues.

Per the SPWA Debt Review Board Report dated January 3, 2024, the SPWA has outstanding debt of \$189 million. An SPWA Funding Agreement establishes a Rate Stabilization Account to be used for the payment of debt service on the Bonds and other costs of the Authority. Monthly contributions of regional capacity charges are deposited into the Authority's Rate Stabilization Account and SPWA pays the debt service and other costs from the account, based on each member's proportionate share. The District maintains a balance of \$65.46 million in the SPWA Rate Stabilization Account. The annual SPWA Debt assigned to the District for Fiscal Year 2023/24 was \$3.18 million. At the current debt service, the District has approximately 20 years' worth of debt service on account with SPWA. The adoption of this budget allows the District to demonstrate compliance with the required Debt Coverage Ratio required by the SPWA Bond Indenture. The District's Proportionate Share of Debt Service is to be paid from the Participant Net Revenues in the SPWA Rate Stabilization Fund. To the extent that the District's Proportionate Share of Debt Service is not paid in full from the Rate Stabilization Fund, the District pledges payment directly to the SPWA from the District's Operating Fund.

LONG RANGE PLANNING & PROJECTIONS

In Fiscal Year 2022/23, the District hired a consultant to perform a Wastewater Cost of Service Rate Study. IB Consulting reviewed the financial health of the District and determined that the District was in a strong financial position with a healthy reserve balance. However, without a rate increase the annual net operating income would diminish over the years and the District's Capital Improvement Plan (CIP) would draw down reserves below the District's minimum reserve requirements over the next five years. Much of the District's collection system was installed prior to 1970 and the assets are approaching the end of their useful life. A significant number of replacements will occur over the next decade, with a peak in the fiscal year 2033. The rehabilitation and replacement capital spending in the fiscal year 2033 is expected to be funded through debt issuance.

The financial plan developed by the consultant utilized a fifteen-year project model to establish rates for the next five years. The plan modified the reserve requirement by eliminating the local rate stabilization reserve and reducing the emergency reserve from \$3 million to \$1 million. The financial plan provides for modest rate increases and a long-term strategy to implement cost-containing strategies and issue debt to fund necessary capital replacements in the fiscal year 2033.

Monthly Service Charges were adopted by Ordinance 23-01 at the June 2023 District Board Meeting.

Implementation Schedule of Monthly Service Charges

| Implementation Date | July 1, 2023 | July 1, 2024 | July 1, 2025 | July 1, 2026 | July 1, 2027 |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| Monthly Service Charge (\$/EDU) | \$ 37.44 | \$ 38.94 | \$ 40.50 | \$ 42.53 | \$ 44.66 |

The consultant also completed a Capacity Fee Study based on the reasonable cost to accommodate additional demand from new development or the expansion of existing development. The incremental cost approach was used to determine the appropriate fee. The capacity or participation fee was adopted by Ordinance 23-02 at the June 2023 District Board Meeting. The fee for Fiscal Year 2023/24 was set at \$4,915 and will adjust on July 1st of each successive year by the change in the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA) as reported in the Engineering News Records for the preceding 12-month period ending the prior May. The fee for Fiscal Year 2024/25 is \$4,926.

The long-term financial plan aligns the District with its mission to, “Protect, Provide, and Prepare,” its vision, “To be a Reliable, Innovative, Sustainable, Efficient, and Cost-effective sewer service provider,” and its core values of, “Integrity, Stewardship, Service, and Quality.”

The long-term financial plan supports the strategic plan priority “Maintain an Excellent Regulatory Compliance Record” by ensuring that funding is available for appropriate staffing, root control, pipe lining, and other items that prevent sanitary sewer overflows and ensure compliance. The long-term financial plan supports the strategic plan priority “Prepare for the Future and Foreseeable Emergencies” by identifying long-term financing of capital improvements and strategies to mitigate future financial liabilities. The long-term financial plan supports the strategic plan priority “Leverage Existing and Applicable Technologies to Improve Efficiencies” by focusing on methods to create efficiency and improve the utilization of resources. The long-term financial plan supports the strategic plan priority “Provide Exceptional Value for the Cost of Service” by ensuring that the District maintains one of the lowest monthly service rates in the area. The long-term financial plan supports the strategic plan priority “Make the District a Great Place to Work” by ensuring the long-term financial stability of the District and programs that support the District’s greatest asset, its dedicated workforce.

The long-range budget includes projections for annual growth that are based on anticipated projects within the District’s service area. Revenues and expenditures are projected using trend analysis and the following assumptions from the Cost of Service and Rate Study:

| | |
|--------------------------------|---|
| SEWER SERVICE CHARGES | Adopted rates plus additional EDU growth |
| GENERAL COSTS | 2.48% escalation |
| INTEREST | 2.48% escalation based on projected ending fund balances |
| CAPITAL CONSTRUCTION | 3.30% based on 20-year average engineering news index record (ENIR) |
| SALARY & BENEFIT COSTS | 5% escalation |
| ENERGY COSTS | 5% escalation |
| PROPERTY & LIABILITY INSURANCE | 5% escalation |

The District maintains its minimum reserve balances through Fiscal Year 2027/28 with the potential use of the CERBT and CEPPT accounts to assist with CalPERS minimum unfunded accrued liability payments and Other Post-Employment Benefit payments if needed. The District is scheduled to undergo a new five-year cost of service and rate study beginning in Fiscal Year 2027/28 and covering the fiscal years 2028/29 through 2032/33.

TABLE 16 – FIVE YEAR REVENUE PROJECTIONS

| | <u>PROPOSED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | <u>FISCAL YEAR</u> <u>2024/25</u> | <u>FISCAL YEAR</u> <u>2025/26</u> | <u>FISCAL YEAR</u> <u>2026/27</u> | <u>FISCAL YEAR</u> <u>2027/28</u> | <u>FISCAL YEAR</u> <u>2028/29</u> | <u>FISCAL YEAR</u> <u>2029/30</u> |
| OPERATING FUND | | | | | | |
| MONTHLY SEWER SERVICE CHARGE PER EDU | \$ 38.94 | \$ 40.50 | \$ 42.53 | \$ 44.66 | \$ 44.66 | \$ 44.66 |
| SEWER SERVICE CHARGES REVENUES | \$ 17,602,000 | \$ 18,006,300 | \$ 19,010,910 | \$ 20,070,204 | \$ 20,177,388 | \$ 20,284,572 |
| PERMITS, PLAN CHECK FEES & INSPECTIONS | \$ 269,800 | 205,416 | 205,416 | 164,333 | 164,333 | \$ 164,333 |
| PROPERTY TAXES | \$ 1,320,000 | 1,352,736 | 1,386,284 | 1,420,664 | 1,455,896 | \$ 1,492,002 |
| LATE FEES SEWER SERVICE CHARGES | \$ 140,000 | 143,472 | 147,030 | 150,676 | 154,413 | \$ 158,243 |
| INTEREST | \$ 346,000 | 250,000 | 256,200 | 262,554 | 269,065 | \$ 275,738 |
| MISCELLANEOUS INCOME | \$ 50,000 | 51,240 | 52,511 | 53,813 | 55,148 | \$ 56,515 |
| OPERATING FUND less CEPPT Interest Earnings | \$ 19,727,800 | \$ 20,009,164 | \$ 21,058,351 | \$ 22,122,244 | \$ 22,276,243 | \$ 22,431,403 |
| Interest Income from CEPPT (Restricted) | \$ 75,000 | \$ 76,860 | \$ 78,766 | \$ 80,720 | \$ 82,721 | \$ 84,773 |
| TOTAL OPERATING FUND | \$ 19,802,800 | \$ 20,086,024 | \$ 21,137,117 | \$ 22,202,963 | \$ 22,358,964 | \$ 22,516,176 |
| CAPITAL IMPROVEMENT FUND | | | | | | |
| EDU GROWTH | 300 | 250 | 250 | 200 | 200 | 200 |
| SEWER PARTICIPATION FEES | \$ 1,477,800 | \$ 1,272,140 | \$ 1,311,394 | \$ 1,083,824 | \$ 1,119,565 | \$ 1,156,547 |
| INTEREST | 979,000 | \$ 800,000 | \$ 819,840 | \$ 859,192 | \$ 880,500 | \$ 902,337 |
| TOTAL CAPITAL IMPROVEMENT FUND | \$ 2,456,800 | \$ 2,072,140 | \$ 2,131,234 | \$ 1,943,016 | \$ 2,000,066 | \$ 2,058,883 |
| CAPITAL REPLACEMENT FUND | | | | | | |
| INTEREST | \$ 733,000 | \$ 600,000 | \$ 614,880 | \$ 630,129 | \$ 645,756 | \$ 645,755 |
| TOTAL CAPITAL REPLACEMENT FUND | \$ 733,000 | \$ 600,000 | \$ 614,880 | \$ 630,129 | \$ 645,756 | \$ 645,755 |
| TOTAL SPMUD REVENUE | \$ 22,992,600 | \$ 22,681,304 | \$ 23,804,464 | \$ 24,695,389 | \$ 24,922,065 | \$ 25,136,042 |

TABLE 17 – FIVE YEAR OPERATING FUND PROJECTIONS

| | <u>PROPOSED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | <u>FISCAL YR</u> | <u>FISCAL YR</u> | <u>FISCAL YR</u> | <u>FISCAL YR</u> | <u>FISCAL YR</u> | <u>FISCAL YR</u> |
| | <u>2024/25</u> | <u>2025/26</u> | <u>2026/27</u> | <u>2027/28</u> | <u>2028/29</u> | <u>2029/30</u> |
| SALARIES/WAGES | \$ 3,356,000 | \$ 3,476,550 | \$ 3,650,378 | \$ 3,832,896 | \$ 4,024,541 | \$ 4,225,768 |
| FICA - SOCIAL SECURITY | \$ 256,734 | \$ 265,956 | \$ 279,254 | \$ 293,217 | \$ 307,877 | \$ 323,271 |
| CALPERS RETIREMENT | \$ 297,000 | \$ 311,850 | \$ 327,443 | \$ 343,815 | \$ 361,005 | \$ 379,056 |
| CALPERS UNFUNDED ACCRUED LIABILITY | \$ 502,507 | \$ 547,210 | \$ 584,567 | \$ 613,540 | \$ 686,330 | \$ 700,673 |
| 457 & 401A RETIREMENT | \$ 142,300 | \$ 145,146 | \$ 148,049 | \$ 151,010 | \$ 154,030 | \$ 157,111 |
| INSURANCE BENEFITS | \$ 1,008,240 | \$ 1,058,652 | \$ 1,111,585 | \$ 1,167,164 | \$ 1,225,522 | \$ 1,286,798 |
| RETIREE HEALTH/ OPEB | \$ 494,012 | \$ 518,713 | \$ 544,648 | \$ 571,881 | \$ 600,475 | \$ 630,498 |
| SALARIES & BENEFITS | \$ 6,056,793 | \$ 6,324,077 | \$ 6,645,923 | \$ 6,973,522 | \$ 7,359,781 | \$ 7,703,175 |
| ASPHALT PAVING | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 | \$ 75,000 |
| BUILDING & GROUNDS MAINTENANCE | \$ 97,000 | \$ 99,406 | \$ 101,871 | \$ 104,397 | \$ 106,986 | \$ 109,640 |
| COMPUTER EQUIPMENT & SMALL OFFICE | \$ 8,750 | \$ 8,967 | \$ 9,189 | \$ 9,417 | \$ 9,651 | \$ 9,890 |
| EASEMENT MAINTENANCE | \$ 155,000 | \$ 158,844 | \$ 162,783 | \$ 166,820 | \$ 170,958 | \$ 175,197 |
| ELECTION EXPENSE | \$ 80,000 | \$ - | \$ 80,000 | \$ - | \$ 80,000 | \$ - |
| EMPLOYEE ENGAGEMENT | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 | \$ 2,500 |
| GAS & OIL EXPENSE | \$ 75,000 | \$ 76,860 | \$ 78,766 | \$ 80,720 | \$ 82,721 | \$ 84,773 |
| GENERAL OPERATING SUPPLIES & MAINTENANCE | \$ 228,200 | \$ 233,859 | \$ 239,659 | \$ 245,603 | \$ 251,694 | \$ 257,936 |
| LATERAL CAMERA REPAIRS | \$ 29,000 | \$ 29,719 | \$ 30,456 | \$ 31,212 | \$ 31,986 | \$ 32,779 |
| LEGAL SERVICES | \$ 125,000 | \$ 128,100 | \$ 131,277 | \$ 134,533 | \$ 137,869 | \$ 141,288 |
| LIFT STATION & FLOW RECORDER PROGRAMS | \$ 96,000 | \$ 98,381 | \$ 100,821 | \$ 103,321 | \$ 105,883 | \$ 108,509 |
| PROFESSIONAL DEVELOPMENT | \$ 65,125 | \$ 66,740 | \$ 68,395 | \$ 70,091 | \$ 71,830 | \$ 73,611 |
| PROFESSIONAL SERVICES | \$ 1,069,000 | \$ 350,175 | \$ 358,859 | \$ 367,759 | \$ 376,879 | \$ 386,226 |
| PROPERTY & LIABILITY INSURANCE | \$ 340,000 | \$ 357,000 | \$ 374,850 | \$ 393,593 | \$ 413,272 | \$ 433,936 |
| REGULATORY COMPLIANCE/GOVERNMENT FEES | \$ 91,500 | \$ 93,769 | \$ 96,095 | \$ 98,478 | \$ 100,920 | \$ 103,423 |
| REPAIR/MAINTENANCE AGREEMENTS | \$ 171,200 | \$ 175,446 | \$ 179,797 | \$ 184,256 | \$ 188,825 | \$ 193,508 |
| ROOT CONTROL PROGRAM | \$ 79,000 | \$ 80,959 | \$ 82,967 | \$ 85,025 | \$ 87,133 | \$ 89,294 |
| SAFETY GEAR/UNIFORMS | \$ 32,750 | \$ 33,562 | \$ 34,395 | \$ 35,248 | \$ 36,122 | \$ 37,017 |
| TOOLS & EQUIPMENT | \$ 16,000 | \$ 16,397 | \$ 16,803 | \$ 17,220 | \$ 17,647 | \$ 18,085 |
| UTILITIES | \$ 204,000 | \$ 209,059 | \$ 214,244 | \$ 219,557 | \$ 225,002 | \$ 230,582 |
| UTILITY BILLING/BANKING EXPENSE/PRINTING | \$ 280,800 | \$ 287,764 | \$ 294,900 | \$ 302,214 | \$ 309,709 | \$ 317,390 |
| VEHICLE REPAIR & MAINTENANCE | \$ 80,000 | \$ 81,984 | \$ 84,017 | \$ 86,101 | \$ 88,236 | \$ 90,424 |
| SERVICES & SUPPLIES | \$ 3,400,825 | \$ 2,664,491 | \$ 2,817,645 | \$ 2,813,063 | \$ 2,970,823 | \$ 2,971,008 |
| RWWTP MAINTENANCE & OPERATIONS | \$ 7,734,919 | \$ 7,926,745 | \$ 8,123,328 | \$ 8,324,787 | \$ 8,531,242 | \$ 8,742,816 |
| RWWTP REPLACEMENT & REHABILITATION | \$ 1,441,729 | \$ 1,489,306 | \$ 1,538,453 | \$ 1,589,222 | \$ 1,641,666 | \$ 1,695,841 |
| SPWA O&M & R&R | \$ 9,176,648 | \$ 9,416,051 | \$ 9,661,781 | \$ 9,914,009 | \$ 10,172,908 | \$ 10,438,658 |
| OPERATIONS EXPENSE LESS DEPRECIATION | \$ 18,634,266 | \$ 18,404,619 | \$ 19,125,349 | \$ 19,700,594 | \$ 20,503,512 | \$ 21,112,841 |
| DEPRECIATION EXPENSE | \$ 2,678,970 | \$ 2,767,376 | \$ 2,858,699 | \$ 2,953,036 | \$ 3,050,487 | \$ 3,151,153 |
| OPERATING FUND EXPENSES | \$ 21,313,236 | \$ 21,171,995 | \$ 21,984,049 | \$ 22,653,630 | \$ 23,553,999 | \$ 24,263,994 |

TABLE 18 – FIVE YEAR CAPITAL EXPENSE PROJECTIONS

| | <u>PROPOSED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> |
|--|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | <u>FISCAL YR 2024/25</u> | <u>FISCAL YR 2025/26</u> | <u>FISCAL YR 2026/27</u> | <u>FISCAL YR 2027/28</u> | <u>FISCAL YR 2028/29</u> | <u>FISCAL YR 2029/30</u> |
| OPERATING FUND | | | | | | |
| COMPUTERS/OFFICE FURNITURE | \$ 60,000 | \$ 61,488 | \$ 63,013 | \$ 64,576 | \$ 66,177 | \$ 67,818 |
| CY MASTER PLAN CAPITAL IMPROVEMENTS | \$ 75,000 | \$ 100,000 | \$ 100,000 | \$ - | \$ - | \$ - |
| EASEMENTS/ACCESS ROADS | \$ 160,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 | \$ 175,000 |
| EASEMENT ACQUISITION | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 |
| EASEMENT INSPECTION PROGRAM | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| PARTICIPATION IN REGIONAL PROJECTS | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| SYSTEM IMPROVEMENTS | \$ 1,125,000 | \$ 800,000 | \$ 800,000 | \$ 150,000 | \$ 150,000 | \$ 150,000 |
| TOOLS & EQUIPMENT | \$ 16,000 | \$ 16,397 | \$ 16,803 | \$ 17,220 | \$ 17,647 | \$ 18,085 |
| TOTAL FUND 100 CAPITAL IMPROVEMENTS | \$ 1,661,000 | \$ 1,361,488 | \$ 1,363,013 | \$ 614,576 | \$ 616,177 | \$ 617,818 |
| CIP & EXPANSION FUND | | | | | | |
| EXPANSION PROJECTS | \$ 5,034,000 | \$ 2,000,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| TRUNK EXTENSION REIMBURSEMENT | \$ 5,450,000 | \$ - | \$ - | \$ - | \$ - | \$ - |
| TOTAL FUND 300 CAPITAL IMPROVEMENTS | \$ 10,484,000 | \$ 2,000,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| REPLACEMENT & REHAB FUND | | | | | | |
| CY MASTER PLAN CAPITAL IMPROVEMENTS | \$ 20,000 | \$ 100,000 | \$ 100,000 | \$ - | \$ - | \$ - |
| CURED IN PLACE PIPE | \$ 750,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 | \$ 350,000 |
| EASEMENTS/ACCESS ROADS | \$ 161,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 | \$ 200,000 |
| HIGH-RISK FACILITY CREEK CROSSINGS | \$ 500,000 | \$ 500,000 | \$ - | \$ - | \$ - | \$ - |
| LATERAL CAMERA REPLACEMENTS | \$ 13,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 |
| PARTICIPATION IN REGIONAL PROJECTS | \$ 780,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| SCADA | \$ 3,800,000 | \$ 2,500,000 | \$ - | \$ - | \$ - | \$ - |
| SYSTEM REHABILITATION | \$ 1,366,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| VEHICLE PURCHASES | \$ 216,000 | \$ 555,000 | \$ 525,000 | \$ 411,000 | \$ 328,000 | \$ 525,000 |
| TOTAL FUND 400 CAPITAL IMPROVEMENTS | \$ 7,606,000 | \$ 5,230,000 | \$ 2,200,000 | \$ 1,986,000 | \$ 1,903,000 | \$ 2,100,000 |
| TOTAL CAPITAL IMPROVEMENTS | \$ 19,751,000 | \$ 8,591,488 | \$ 4,063,013 | \$ 3,100,576 | \$ 3,019,177 | \$ 3,217,818 |

TABLE 19 – FIVE YEAR NET POSITION PROJECTIONS

| | <u>PROPOSED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> | <u>PROJECTED</u> |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> | <u>FISCAL YEAR</u> |
| | <u>2024/25</u> | <u>2025/26</u> | <u>2026/27</u> | <u>2027/28</u> | <u>2028/29</u> | <u>2029/30</u> |
| OPERATING FUND | | | | | | |
| MONTHLY SEWER SERVICE CHARGE PER EDU | \$ 38.94 | \$ 40.50 | \$ 42.53 | \$ 44.66 | \$ 44.66 | \$ 44.66 |
| TOTAL REVENUES | \$ 19,802,800 | \$ 20,086,024 | \$ 21,137,117 | \$ 22,202,963 | \$ 22,358,964 | \$ 22,516,176 |
| TOTAL O&M EXPENSES | \$ 21,313,236 | \$ 21,171,995 | \$ 21,984,049 | \$ 22,653,630 | \$ 23,553,999 | \$ 24,263,994 |
| TOTAL CAPITAL EXPENSES | \$ 1,661,000 | \$ 1,361,488 | \$ 1,363,013 | \$ 614,576 | \$ 616,177 | \$ 617,818 |
| ENDING FUND BALANCE | \$ 11,068,611 | \$ 8,621,152 | \$ 6,411,207 | \$ 5,345,964 | \$ 3,534,752 | \$ 1,169,116 |
| CAPITAL IMPROVEMENT FUND | | | | | | |
| EDU GROWTH | 300 | 250 | 250 | 200 | 200 | 200 |
| TOTAL REVENUES | \$ 2,456,800 | \$ 2,072,140 | \$ 2,131,234 | \$ 1,943,016 | \$ 2,000,066 | \$ 2,058,883 |
| TOTAL EXPENSES | \$ 10,484,000 | \$ 2,000,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 | \$ 500,000 |
| ENDING FUND BALANCE | \$ 26,120,051 | \$ 26,192,191 | \$ 27,823,425 | \$ 29,266,440 | \$ 30,766,506 | \$ 32,325,390 |
| CAPITAL REPLACEMENT FUND | | | | | | |
| TOTAL REVENUES | \$ 733,000 | \$ 600,000 | \$ 614,880 | \$ 630,129 | \$ 645,756 | \$ 645,755 |
| TOTAL EXPENSES | \$ 7,606,000 | \$ 5,230,000 | \$ 2,200,000 | \$ 1,986,000 | \$ 1,903,000 | \$ 2,100,000 |
| ENDING FUND BALANCE | \$ 21,333,453 | \$ 19,516,372 | \$ 20,884,816 | \$ 22,630,188 | \$ 24,629,249 | \$ 26,594,124 |

STATISTICAL AND SUPPLEMENTAL INFORMATION

Statistical and Supplemental Information is based on audited numbers from Fiscal Year 2022/23 and does not include projected numbers for Fiscal Year 2023/24. This section presents detailed information as a context for understanding the District’s economic condition and overall health.

TABLE S1 – EQUIVALENT DWELLING UNITS

| For the Fiscal Year Ending | Total EDU'S | Increase | % Increase |
|-----------------------------------|--------------------|-----------------|-------------------|
| June 30, | | | |
| 2023 | 36,840 | 829 | 2.25% |
| 2022 | 36,011 | 689 | 1.91% |
| 2021 | 35,322 | 463 | 1.31% |
| 2020 | 34,859 | 685 | 1.97% |
| 2019 | 34,174 | 729 | 2.13% |
| 2018 | 33,445 | 620 | 1.85% |
| 2017 | 32,825 | 991 | 3.02% |
| 2016 | 31,834 | 593 | 1.86% |
| 2015 | 31,241 | 341 | 1.09% |
| 2014 | 30,900 | 230 | 0.74% |

FIGURE S1 – HISTORICAL GROWTH

Figure S1 - Historical Growth shows how growth in the District has varied year over year. The District is forecasting growth of 300 EDUs in Fiscal Year 2024/25, 250 EDUS in Fiscal Years 2025/26 and 2026/27, and then a drop to 200 EDUs in Fiscal Years 2027/28, 2028/29, and 2029/30. This drop is due to a decrease in greenfield development projects as the City of Rocklin continues to have less land available for traditional subdivision development.

SPMUD Annual EDUs Added FY81/82 through FY22/23

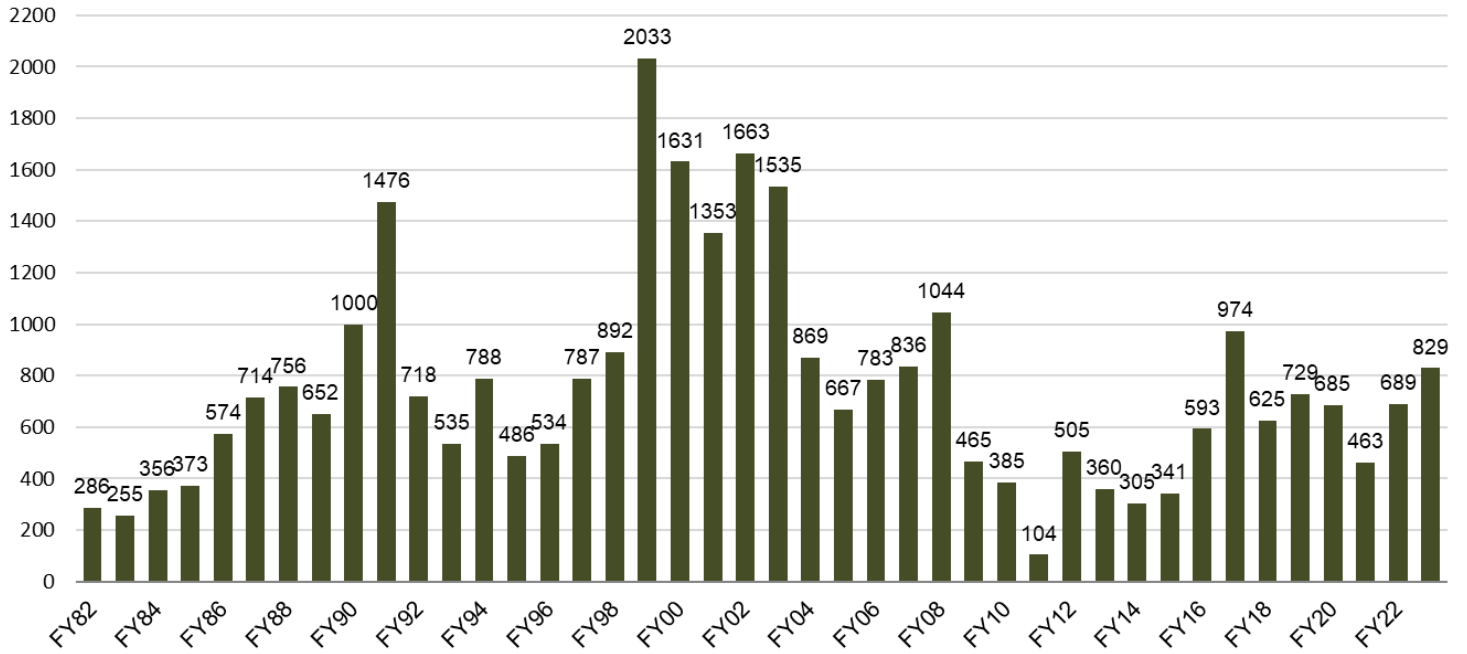


TABLE S2 – RATES & PARTICIPATION FEES

| For the Fiscal Year Ending June 30, | Sewer Service Rates per Month | Local Sewer Participation Fees |
|-------------------------------------|-------------------------------|--------------------------------|
| 2024 | \$ 37.44 | \$ 4,915 |
| 2023 | \$ 36.00 | \$ 4,827 |
| 2022 | \$ 36.00 | \$ 4,330 |
| 2021 | \$ 36.00 | \$ 4,129 |
| 2020 | \$ 36.00 | \$ 4,014 |
| 2019 | \$ 34.00 | \$ 3,923 |
| 2018 | \$ 31.00 | \$ 3,750 |
| 2017 | \$ 28.00 | \$ 3,750 |
| 2016 | \$ 28.00 | \$ 3,000 |
| 2015 | \$ 28.00 | \$ 3,000 |
| 2014 | \$ 28.00 | \$ 2,100 |

FIGURE S2 - MONTHLY SEWER RATE COMPARISON FOR PLACER COUNTY (COLLECTION & TREATMENT)

Figure S2 -Monthly Sewer Rate Comparison for Placer County shows a comparison of other local agencies' service fees; the District is the lowest-cost sewer service provider in Placer County (as well as the major Sacramento Metropolitan area).

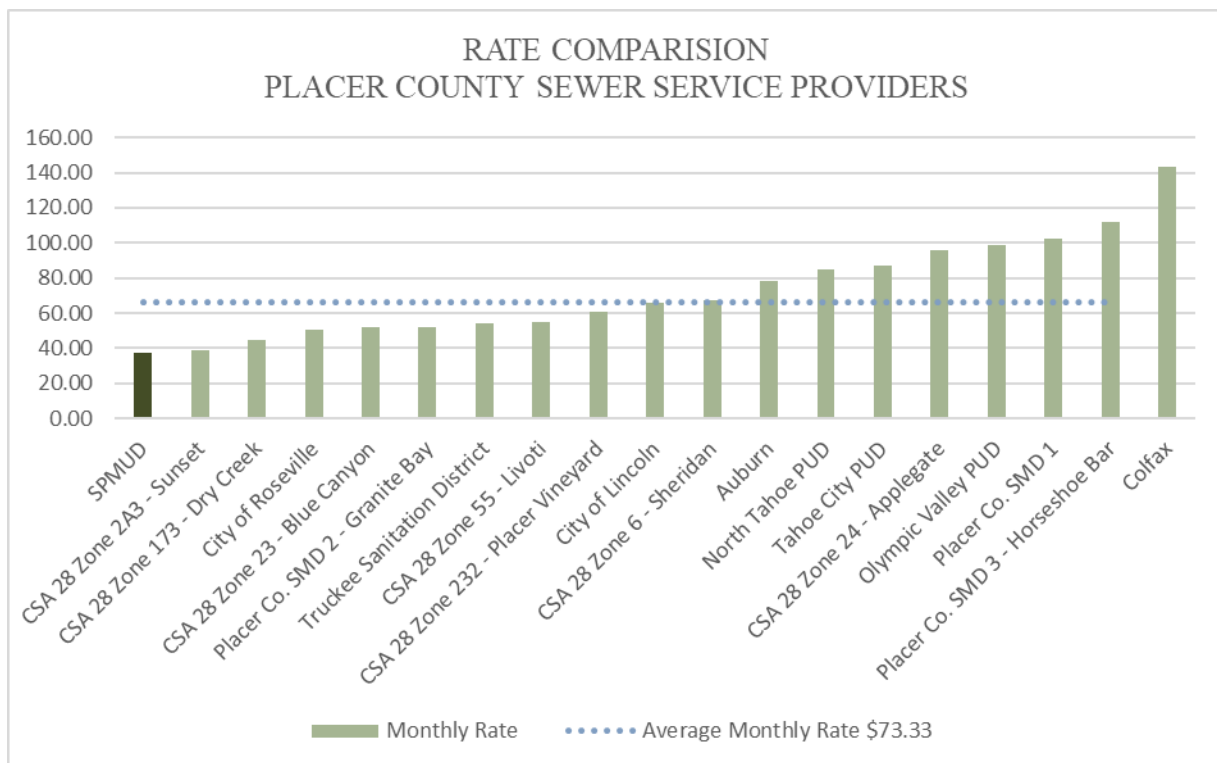


TABLE S3 – DISTRICT HISTORICAL BENCHMARKS

| | 2018/19 | 2019/20 | 2020/21 | 2021/2022 | 2022/2023 |
|--|------------------|------------------|------------------|------------------|------------------|
| Personnel Costs | \$ 4,306,176 | \$ 4,870,744 | \$ 4,789,242 | \$ 4,221,548 | \$ 5,390,497 |
| Sewer Service Revenue | \$ 14,336,548 | \$ 15,383,211 | \$ 15,605,794 | \$ 15,955,824 | \$ 16,273,142 |
| Personnel Cost/ Sewer Service | 30% | 32% | 31% | 26% | 33% |
| Equivalent Dwelling Units | 34,174 | 34,859 | 35,322 | 36,011 | 36,840 |
| Personnel Costs/ Per EDU | \$ 126.01 | \$ 139.73 | \$ 135.59 | \$ 117.23 | \$ 146.32 |
| FSD Employees | 16 | 17 | 17 | 18 | 18 |
| Miles of Pipe | 388 | 396 | 404 | 412 | 415 |
| Miles of Pipe/ FSD Employees | 24.25 | 23.29 | 23.76 | 22.89 | 23.06 |

TABLE S4 – DISTRICT HISTORICAL STATISTICS

| Item | Unit | 2023 | 2022 | 2021 | 2020 | 2019 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| District Employees | Each | 28 | 26 | 27 | 28 | 27 |
| Service Charges | Dollars (M) | \$16.27 | \$15.95 | \$15.58 | \$15.38 | \$14.33 |
| Customer Accounts | Each | 25298 | 25,091 | 24,402 | 23,888 | 23,430 |
| Equal Dwelling Units | EDU | 36840 | 36,011 | 35,322 | 34,859 | 34,174 |
| Service Fee per EDU | Monthly | \$37.44 | \$36.00 | \$36.00 | \$36.00 | \$34.00 |
| Annual Flow to WWTP | Gallons (M) | 1878 | 1,705 | 1,632 | 1,642 | 1,533 |
| Sewer Mains | Miles | 292 | 290 | 287 | 285 | 280.32 |
| Lower Service Laterals | Miles | 123 | 122 | 117 | 111 | 108.5 |
| Manhole/Flushing Branch | Each | 6879 | 6,843 | 6,791 | 6706 | 6619 |
| Lift Stations | Each | 17 | 13 | 15 | 13 | 13 |
| Force Mains | Miles | 7 | 7 | 7 | 7 | 6.8 |

| Item | Unit | 2018 | 2017 | 2016 | 2015 | 2014 |
|-------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| District Employees | Each | 26 | 25 | 24 | 24 | 23 |
| Service Charges | Dollars (M) | \$12.34 | \$10.98 | \$10.91 | \$10.75 | \$10.20 |
| Customer Accounts | Each | 22,775 | 22,175 | 21,658 | 21,108 | 20,930 |
| Equal Dwelling Units | EDU | 33,445 | 32,825 | 31,676 | 31,241 | 30,900 |
| Service Fee per EDU | Monthly | \$34.00 | \$28.00 | \$28.00 | \$28.00 | \$28.00 |
| Annual Flow to WWTP | Gallons (M) | 1,570 | 1,675 | 1,411 | 1,500 | 1,495 |
| Sewer Mains | Miles | 276.9 | 273.5 | 266.9 | 257.3 | 256 |
| Lower Service Laterals | Miles | 133 | 127 | 123 | 139 | 135 |
| Manhole/Flushing Branch | Each | 6,399 | 6,365 | 6,083 | 6,050 | 5,900 |
| Lift Stations | Each | 13 | 13 | 13 | 13 | 13 |
| Force Mains | Miles | 6.8 | 6.8 | 6.8 | 6.8 | 6.7 |

TABLE S5 – CONNECTION FEE REPORT

Per Government Code Section 66013 (d) and (e)

Fiscal Year Ended June 30, 2023

| | | |
|--|-----------|-------------------|
| Beginning Balance July 1, 2022 | \$ | 27,140,321 |
| Revenue & Expense True-up Transfer | \$ | 3,761,618 |
| Cash flow from investing activities | | 625,791 |
| Unrealized Investment Gain/Loss | | -27,199 |
| | \$ | 4,360,210 |
| Ending Balance June 30, 2023 | \$ | 31,500,531 |
| FY 2022/23 Revenue | | |
| Local Participation Fees Collected | \$ | 1,443,652 |
| Total Revenue | \$ | 2,092,113 |
| FY 2022/23 Expenditures | | |
| Lower Clover Valley Trunk Design | | 61,424 |
| Total Expenditures | \$ | 61,424 |
| 2023 Revenue & Expense True-up Transfer | \$ | 972,228 |

TABLE S6 – TEN LARGEST CUSTOMERS

| 2023 | 2022 | 2021 | 2020 |
|-----------------------|-----------------------|-----------------------|-----------------------|
| Meridian Apts | Meridian Apts | Meridian Apts | Meridian Apts |
| Rocklin Ranch Apts | Rocklin Ranch Apts | Rocklin Ranch Apts | Rocklin Ranch Apts |
| Sunset Summit Apts | Sunset Summit Apts | Sunset Summit Apts | Sunset Summit Apts |
| Rocklin Elem.Schools | Garnet Creek Apts | Garnet Creek Apts | Garnet Creek Apts |
| Garnet Creek Apts | Rocklin Elem.Schools | Rocklin High Schools | Rocklin High Schools |
| Rocklin High Schools | Rocklin High Schools | Villa Serena Apts | Villa Serena Apts |
| Villa Serena Apts | Villa Serena Apts | Sierra Lakes MH Park | Rocklin Elem.Schools |
| Sierra Lakes MH Park | Sierra Lakes MH Park | Rocklin Elem.Schools | Sierra Lakes MH Park |
| Winstead Apts | Winstead Apts | Broadstone Apts | Broadstone Apts |
| Sierra Gateway Apts | Sierra Gateway Apts | Ansel Park Sr Living | Sagora Senior Living |
| 2019 | 2018 | 2017 | 2016 |
| Meridian Apts | MW Investment | Sunset West Apts | Sunset West Apts |
| Rocklin Ranch Apts | Sunset West Apts | William Jessup Univ | William Jessup Univ |
| Sunset Summit Apts | William Jessup Univ | Rocklin High Schools | Rocklin High Schools |
| Garnet Creek Apts | Rocklin High Schools | Rocklin Elem.Schools | Rocklin Elem.Schools |
| Rocklin High Schools | Rocklin Elem.Schools | Del Oro High School | Del Oro High School |
| Senior Living | Del Oro High School | Sierra College | Sierra College |
| Sierra Lakes MH Park | Sierra College | Walmart Rocklin | Walmart Rocklin |
| Broadstone Apts | Walmart (Rocklin) | Loomis RV Park | Loomis RV Park |
| Sagora Senior Living | Loomis RV Park | Howard Johnson | Howard Johnson |
| William Jessup | Studio Movie Grill | Blue Oaks Marketplace | Blue Oaks Marketplace |
| 2015 | 2014 | 2013 | 2012 |
| Sunset West Apts | William Jessup Univ | William Jessup Univ | Sierra College |
| William Jessup Univ | Rocklin High Schools | Rocklin High Schools | Whitney High School |
| Rocklin High Schools | Rocklin Elem.Schools | Rocklin Elem.Schools | Rocklin High School |
| Rocklin Elem.Schools | Del Oro High School | Del Oro High School | Del Oro High School |
| Del Oro High School | Sierra College | Sierra College | William Jessup Univ |
| Sierra College | Walmart Rocklin | Walmart Rocklin | Loomis RV Park |
| Walmart Rocklin | Loomis RV Park | Loomis RV Park | Howard Johnson |
| Loomis RV Park | Howard Johnson | Howard Johnson | RC Willey |
| Howard Johnson | Blue Oaks Marketplace | Blue Oaks Marketplace | Rocklin Lodging Grp |
| Blue Oaks Marketplace | RC Willey | RC Willey | Five Star Plaza |

TABLE S7 – PLACER COUNTY DEMOGRAPHIC & ECONOMICAL STATISTICS

| Fiscal Year Ending June 30, | Placer County Workforce | Number of Employed | Number of Unemployed | Unemployment Rate % | District Population | Median Household Income |
|--|--|-------------------------------|---------------------------------|--------------------------------|--------------------------------|--|
| 2023 | 194,300 | 186,900 | 7,400 | 3.8% | 85,775 | 109,895 |
| 2022 | 191,800 | 185,500 | 6,300 | 3.3% | 84,591 | 104,226 |
| 2021 | 186,900 | 176,900 | 10,000 | 5.3% | 76,672 | 95,371 |
| 2020 | 181,000 | 167,000 | 14,000 | 7.7% | 76,136 | 89,691 |
| 2019 | 186,600 | 180,400 | 6,200 | 3.3% | 68,415 | 84,357 |
| 2018 | 183,900 | 177,800 | 6,100 | 3.3% | 68,325 | 80,728 |
| 2017 | 179,800 | 171,800 | 8,000 | 4.5% | 66,525 | 76,600 |
| 2016 | 176,800 | 167,900 | 8,900 | 5.0% | 64,974 | 71,435 |
| 2015 | 175,800 | 164,800 | 11,000 | 6.3% | 63,324 | 70,490 |
| 2014 | 175,800 | 162,300 | 13,500 | 7.7% | 62,790 | 70,100 |
| 2013 | 174,900 | 158,500 | 16,400 | 9.4% | 61,800 | 69,800 |
| 2012 | 173,700 | 154,900 | 18,800 | 10.8% | 61,200 | 68,800 |

TABLE S8 – TEN LARGEST EMPLOYERS IN PLACER COUNTY

| 2023 | | 2013 | |
|--------------------------------|------------------|--------------------------------|------------------|
| Business or Organization | No. of Employees | Business or Organization | No. of Employees |
| Sutter Health | 6,223 | Kaiser Permanente | 3,860 |
| Kaiser Permanente | 5,865 | Hewlett-Packard | 3,200 |
| Placer County | 2,585 | Sutter Health | 2,299 |
| Thunder Valley Casino Resort | 2,300 | Placer County | 2,240 |
| Sierra Joint Community College | 1,900 | Union Pacific Railroad | 2,000 |
| Palisades Tahoe | 1,321 | Thunder Valley Casino Resort | 2,000 |
| City of Roseville | 1,320 | Northstar CA | 1,950 |
| Roseville City School District | 1,286 | Roseville City School District | 1,140 |
| Safeway | 1,217 | PRIDE Industries | 1,021 |
| Pacific Gas & Electric | 1,120 | City of Roseville | 982 |

Source: *Sacramento Business Journal*, May 2023 & June 2013

TABLE S9 – TEN LARGEST TAXPAYERS IN PLACER COUNTY

| <u>Taxpayer Name</u> | <u>Total Tax</u> | <u>Net Taxable Value</u> |
|---|-------------------------|---------------------------------|
| Pacific Gas and Electric Company | \$ 19,016,323 | \$ 1,017,055,004 |
| Roseville Shoppingtown LLC | \$ 5,556,753 | \$ 533,694,999 |
| Cellco Partnership | \$ 3,916,041 | \$ 209,413,947 |
| John Mourier Construction INC | \$ 3,168,123 | \$ 130,944,837 |
| Liberty Utilities (Calpeco Electric), LLC | \$ 2,526,250 | \$ 135,093,603 |
| Briet Wave MF SC Owner LLC | \$ 1,693,991 | \$ 164,001,133 |
| Roseville Fountains LP | \$ 1,610,625 | \$ 77,984,814 |
| Harvest-USIV LLC & Harvest-USIII LLC | \$ 1,601,087 | \$ 115,816,058 |
| Taylor Morrison Of California LLC | \$ 1,565,358 | \$ 60,328,071 |
| Bickford Improvement Company LLC | \$ 1,530,375 | \$ 14,201,454 |

Source: *Placer County*

SUMMARY

The total Fiscal Year 2024/25 revenues from all sources are projected to be \$22.99 million with Operating Fund revenues projected to be \$19.80 million (86% of the total), and Capital Fund Revenues projected to be \$3.19 million (14% of the total). Fiscal Year 2024/25 Operating Fund expenses are projected to be \$21.31 million (\$18.63 million before depreciation). Capital Projects are projected to be approximately \$19.75 million. This can be broken down into the following categories: Operating Fund Capital Projects (Fund 100) - \$1.66 million; Capital Improvement & Enlargement Projects (Fund 300) – \$10.48 million; and Capital Replacement & Rehabilitation Projects (Fund 400) - \$7.61 million.

The total adopted budget for Fiscal Year 2024/25 is \$41.06 million.

The proposed budget represents an expenditure plan designed to accomplish the District’s Strategic Plan Goals and Objectives and aligns with the District’s Vision, Mission, and Values. The budget provides for the service needs of both present and future customers in the South Placer Municipal Utility District service area.

ACRONYMS & ABBREVIATIONS

Actuarial Determined Contribution (ADC): the annual contribution calculated by the District Actuary to fully fund expected benefit payments.

Closed Caption Television (CCTV): video surveillance technology.

Cost of Living Adjustment (COLA): an increase in pay or benefits that often depends on the rising cost of goods and services.

Consumer Price Index (CPI): a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

Capital Improvement Program (CIP): a plan that helps organizations budget for large projects and improvements based on goals and resources.

California Employers Pension Prefunding Trust (CEPPT): a Section 115 trust fund dedicated to prefunding employer contributions to defined benefit pension systems for eligible California public agencies.

California Employers Benefit Trust (CERBT): a Section 115 Trust fund dedicated to prefunding Other Postemployment Benefits for all California public agencies.

California Public Employees Retirement System (CALPERS): a public employee pension and health system.

California Special Districts Association (CSDA): a not-for-profit association that was formed in 1969 to promote good governance and improve core local services through professional development, advocacy, and other services for all types of independent special districts.

Cured in Place Pipe (CIPP): a trenchless rehabilitation method used to repair and extend the life of existing pipelines.

Equivalent Dwelling Unit (EDU): the typical volume and strength of wastewater generated by a single-family residence or 190 gallons per day of wastewater flow.

Fats, Oils, & Grease (FOG): Fats, Oils, and Grease that are deposited into the sanitary sewer system.

Geographical Information Systems (GIS): a system that creates, manages, analyzes, and maps data.

Generally Accepted Account Principles (GAAP): a set of accounting rules, standards, and procedures issued and frequently revised by the Financial Accounting Standards Board (FASB). Public companies in the U.S. must follow GAAP when their accountants compile their financial statements. GAAP is also widely used in governmental accounting.

Governmental Accounting Standards Board (GASB): National advisory board of accounting standards for public agencies that is responsible for the procedures, methods, and standards used to present financial information about public agencies.

Government Finance Officer Association (GFOA): a professional organization for finance.

Grease Control Device (GCD): a grease interceptor or a grease trap that attaches to wastewater plumbing fixtures and lines for the purpose of trapping or collecting Fats, Oils, and Grease prior to discharge into the private lateral and/or the public sewer system.

Ground Penetrating Radar (GPR): a geophysical locating method that uses radio waves to capture images below the surface of the ground in a minimally invasive way.

Joint Powers Authority (JPA): a separate public agency formed pursuant to a joint exercise of powers agreement.

Local Agency Formation Commission (LAFCO): state-mandated quasi-judicial countywide commissions whose purview is to oversee boundary changes of cities and special districts, the formation of new agencies, including the incorporation of new cities and districts, and the consolidation or reorganization of special districts and or cities.

Local Agency Investment Fund (LAIF): a voluntary program created by statute, began in 1977 as an investment alternative for California's local governments and special districts.

Memorandum of Understanding (MOU): an agreement between the employee and/or manager group and the District.

Other Post-Employment Benefits (OPEB): benefits, other than pension distributions, that employees may begin to receive from their employer once they retire. They may include life insurance, health insurance, or deferred compensation.

Operations & Maintenance (O&M): the performance of day-to-day activities required to maintain facilities (buildings, grounds, equipment, systems) to the maximum extent possible for the benefit of the facility users.

Placer County Water Agency (PCWA): the water agency serving the District's jurisdictional area.

Private Lateral Sewer Discharge (PLSD): sewage discharges that are caused by blockages or other problems within privately owned laterals.

Property Line Clean Out (PLCO): an access point for a sewer line located near the property line that is used for cleaning and unclogging the sewer line.

Replacement & Rehabilitation (R&R): any project to repair, rehabilitate, remodel, renovate, reconstruct, or finish existing facilities or buildings; to improve, replace, or add utilities or fixed equipment.

Regional Wastewater Treatment Plants (RWWTP): the Dry Creek Wastewater Treatment Plant and Pleasant Grove Wastewater Treatment Plant.

Sanitary Sewer Overflow (SSO): any overflow, spill, release, discharge, or diversion of untreated or partially treated wastewater from a sanitary sewer system.

Society for Human Resource Management (SHRM): a professional membership organization for human resources professionals that supports members and their workplaces.

South Placer Wastewater Authority (SPWA): a joint powers authority formed to finance wastewater treatment.

South Placer Municipal Utility District (SPMUD): the District, created in 1956, formerly the Rocklin Loomis Municipal Utility District.

Supervisory Control and Data Acquisition (SCADA): a category of software applications for controlling industrial processes, which gather data in real-time from remote locations in order to control equipment and conditions.

System Evaluation and Capacity Assurance Plan (SECAP): a document that ensures compliance with the California State Water Resources Control Board by outlining the District's efforts to ensure capacity for existing customers and prepare and plan for future development.

Unfunded Accrued Liability (UAL): in a defined benefit pension plan, the difference between the estimated cost of future benefits and the assets that have been set aside to pay for those benefits.

Wastewater Treatment Plant (WWTP): the facilities used for the treatment of wastewater from public sewer systems.

GLOSSARY

811: a phone number that serves as the communication link between anyone who wants to dig and the utility companies that have buried lines.

Accrual Basis: The recognition of revenues or expenditures in a fiscal year though the actual cash may not be received or paid until the following fiscal year.

CA CLASS: a Joint Powers Authority investment pool that provides public agencies the opportunity to invest funds on a cooperative basis in rated pools that are managed in accordance with state law with the primary objectives of offering Participants maximum safety, daily and next-day liquidity, and optimized returns.

CalTRUST: a Joint Powers Authority created by public agencies in 2003 to provide a convenient method for public agencies to pool their assets for investment purposes.

Capital Asset: Assets owned by the District that cost over \$5,000. Capital assets include land, buildings, vehicles, equipment, and infrastructure.

Capital Outlay: (also called capital expenditures) expenditures for the acquisition cost of capital assets, such as equipment, or expenditures to make improvements to capital assets that materially increase their value or useful life.

Capacity Fee: (also called a participation or connection fee) a charge for public facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that are of benefit to the person or property being charged.

Collection System: any system of pipes or sewer lines used to convey wastewater to a treatment facility.

Collection System (Local): the District’s system of pipes or sewer lines used to convey wastewater to the regional treatment facility.

Effective Utility Management: a framework and primer developed by the Environmental Protection Agency and a ten-partner coalition to help water, wastewater, and stormwater systems meet the challenges of aging infrastructure, rapidly evolving technology, enhanced customer expectations, rising costs and affordability, and ongoing regulatory requirements.

Enterprise Fund: a self-supporting government fund that sells goods and services to the public for a fee.

Force Main: pipelines that convey wastewater under pressure from the discharge side of a pump or pneumatic ejector to a discharge point.

Flow Recorder Stations: a station used for monitoring, measuring, or recording the rate of flow, pressure, or discharge of sewage.

Flushing Branch: a line built specifically to allow the introduction of large quantities of water to the collection system so the lines can be flushed out with water.

Fixed Income Securities: an investment that provides a return through fixed periodic interest payments and the eventual return of principal at maturity. Examples include treasury bonds and bills, municipal bonds, corporate bonds, and certificates of deposit.

Fund Balance: the net position of governmental funds calculated in accordance with generally accepted accounting principles (GAAP).

Lift Station: a pumping station that moves wastewater from a lower elevation to a higher elevation.

Industrial Source Control: stopping industrial pollutants at their source before they enter a system or the environment.

Infrastructure: basic physical and organizational structures and facilities such as buildings, roads, and sewer systems.

Monthly Service Charge: the primary source of revenue for the District used solely to fund operations and maintenance costs for wastewater collection and treatment, rehabilitation and replacement of infrastructure, labor, materials, and regulatory compliance.

Ordinance: a piece of legislation enacted by a municipal authority.

Proprietary Fund: used in governmental accounting to account for activities that involve business-like interactions. These funds are considered self-supporting in that the services rendered by them are generally financed through use charges or on a cost reimbursement basis.

Proposition 218: a California proposition, which amended the state constitution relating to the passage of property-related fees. It requires that the District inform property owners and ratepayers that: 1) proposed rate increases are being proposed; 2) the proposed rate increases are calculated based on the cost to provide the service; and 3) a public hearing on the proposed rate increases be held at least 45 days after the public notification.

Rate Stabilization Reserve Account: cash reserves that can mitigate the effects of occasional shortfalls in revenue thereby allowing for stable rates and charges.

Resolution: a formal expression of opinion or intention agreed on by a legislative body, committee, or other formal meeting, typically after taking a vote.

Sewer Lateral: the segment of pipe that connects a home or building to a sewer main, which is usually located beneath a street or easement.

Sewer Lateral (Lower): the portion of a lateral from the property line to the sewer main that the District is responsible for maintaining.

Sewer Lateral (Upper): (also called a private lateral) the portion of a lateral from the building foundation to the property line that the private property owner is responsible for maintaining.

Sewer Trunk: one of the main sewer lines in the wastewater collection system.

Special District: A form of local government created by the people of a community to deliver specialized services essential to their health, safety, economy, and well-being.

Unincorporated: communities that are not officially considered to be municipal areas of their own accord.

Ward: a division or district of a municipality that is typically represented by an elected official.

GENERAL MANAGER REPORT

To: Board of Directors
From: Herb Niederberger, GM
Date: June 27, 2024
Subject: General Manager Monthly Staff Report – June 2024

1) DEPARTMENT REPORTS

Attached are the monthly status reports for the Board’s information:

- A. Administrative Services Department,
- B. Field Services Department, and
- C. Technical Services Department.

The Department Managers are prepared to answer any questions from the Board.

2) INFORMATION ITEMS

- A. On June 4, 2024, the General Manager attended the Loomis Basin Chamber of Commerce Joint Government and Economic Development Committee meeting to hear updates from various representatives of local and state government officials as well as business activities in the town of Loomis
- B. On June 6, 2024, the General Manager, District Engineer, Carie Huff, and Superintendent, Eric Nielsen, met via Microsoft Teams with the representatives from the County of Placer to discuss steps necessary for the transfer of sewer assets in the Rogersdale service area to the County.
- C. The General Manager joined Director Mitchell in attending the Joint Area Chamber of Commerce Government Relations Committee on June 13, 2024, to hear a presentation from the Placer County Association of Realtors on the status of the real estate market in South Placer County as well as Guest Speakers: Rob Haswell – Visit Placer, Matt Click – PCTPA, Erin Frye – City of Lincoln, and Josh Armstrong – Lincoln Chamber
- D. On June 20, 2024, the General Manager participated in the District All-hands meeting during which employees were briefed on the outcome of the Employee Engagement Committee teambuilding event, provided an overview of the FY 24/25 Budget Overview, and a follow-up on the Workplace Violence Prevention Plan.
- E. The General Manager met via Zoom Meeting on June 26, 2024, with District General Counsel to discuss the following: 1) Taylor vs. SPMUD interrogatories; 2) PCWA information sharing agreement; and 3); Sierra College and Del Oro Participation and Monthly Service Charge Agreements.

F. The General Manager was out of the office on June 24 and 25, 2024 attending the CSDA GM Leadership Summit.

G. Advisory Committee Meetings:

- i. The Policy & Ordinance Advisory Committee met on June 13, 2024, to discuss new Policy 5016- Public Comment via Remote Participation at Board Meetings and Revised Policies 2037 – Workplace Violence Prevention Plan, 3006 – Emergency Response Plan, Policy 3370 – Sewer System Management Plan, 3105 – Budget Preparation, and 3165 – Delinquent Past Due Bills

There were no other advisory committee meetings in June.

3) **PURCHASE ORDERS/CONTRACTS INITIATED UNDER GENERAL MANAGER AUTHORITY**

| PO Req# | Date | Vendor | Description | Amount |
|----------------|-------------|--------------------|---|---------------|
| 402 | 6/05/2024 | MacLeod Watts, Inc | OPEB & Pension Actuarial Services, GSBE 68 & 75 reporting | \$10,210 |

4) **LONG RANGE AGENDA**

August 2024

- Quarterly Investment Report
- OPEB Funding Update
- Award CIPP Liner Contract
- Award Paving Contract
- Del Oro HS Payment Agreement
- Sierra College Payment Agreement

September 2024 (Regular)

- Strategic Plan 2023-27, Annual Report

September 2024 (Special)

- GM Interviews

October 2024

- TBD

November 2024

- Annual / Quarterly Investment Report

December 2024

- GM Employee Evaluation and 401a) award
- Final Audit and Consolidated Annual Financial Report

- Participation Charge Report for FY2023/24

January 2025

- Swearing in of new Directors
- Selection of Officers
- Presidential Appointments to Advisory Committees
- Approve GM 2025 Goals

ITEM VIII. ASD REPORT

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

cc: Herb Niederberger, General Manager

Subject: Administrative Services Department Monthly Report

Board Date: June 27, 2024

Policy & Ordinance Advisory Committee

On June 13th, the Administrative Services Manager and General Manager met with the Policy & Ordinance Advisory Committee to review the proposed additions and revisions to five existing policies and the creation of one new policy on remote public comments received at board meetings. The policies will be presented to the Board at this evening's Board meeting.

FY2024/25 Budget

The Administrative Services Manager has been working to finalize the Fiscal Year 2024/25 Budget Book. The budget book is being prepared to incorporate comments from the review of the Fiscal Year 2023/24 Budget by the Government Finance Officers Association in order to be considered for the Distinguished Budget Presentation Award. An overview of the Fiscal Year 2024/25 Budget Book was presented to employees at the June 18th All Hands meeting.

Phone Upgrade

The Administrative Services Manager has been working with the District's telephone provider, Consolidated Communications, to replace the currently leased Yealink phones which have been used by the District since 2018 and are no longer being supported with newly purchased Cisco phones. The new phones are scheduled to be installed on June 26th during the lunch hour to minimize disruption to District customers.

Rodgersdale Reconciliation

The Administrative Services Manager completed the annual Rodgersdale reconciliation which resulted in the discovery of an illegal connection. The property owner was provided with written notice of the illegal connection, compliance requirements, and the outstanding fees and charges due.

Recruitments

The Administrative Services Manager posted the recruitment for a Temporary Laborer on June 7th. The application period closes on June 24th. The Administrative Services Manager also posted the recruitment for the new Management Analyst position on June 21st. The application period closes on July 15th. These recruitments will only move forward if the FY2024/25 Budget Book is adopted.

Demystifying Yield: Defining Various Yield Terminology

On June 18, 2024, the Administrative Service Manager attended a webinar called Demystifying Yield: Defining Various Yield Terminology presented by CalTRUST. The webinar discussed common types of yields seen on investment reports and clarified how each is defined and how they each differ from one another.

June Monthly Investment Transactions per GC §53607

DEPOSITS, TRANSFERS, OR WITHDRAWALS

| | |
|----------------|--------------------------------------|
| CalTRUST: | None |
| CA CLASS: | Deposit of \$2 million from Checking |
| LAIF: | None |
| Placer County: | None |
| Wells Fargo: | None |
| Five Star MM: | None |

ITEM VII. FSD REPORT

To: Board of Directors
From: Eric Nielsen, Superintendent
Cc: Herb Niederberger, General Manager
Subject: Field Services Department Monthly Report
Meeting Date: June 27, 2024

Department Overview

This section provides the Board an update on the news and major tasks from the Field Services Department (FSD).

1. Supervisory Control and Data Acquisition (SCADA) Replacement

- a. The consultant delivered the 90% design submittal for the SCADA System Improvements.
- b. Staff will meet with the consultant on July 9, 2024, to review comments on the 90% submittal in preparation for finalizing the project bid documents.

2. Janitorial Services

- a. Staff met with Universal Building Services on June 19, 2024, to initiate preparations for janitorial services for the District's facilities at 5807 Springview Drive.

3. Workplace Violence Prevention Plan and Related Policies

- a. Staff finished the development of the Workplace Violence Prevention Plan, which is required to be in effect by July 1, 2024. Information about the plan was shared with District employees on May 16, 2024, when the draft plan was distributed for comment. The plan and policies related to the plan are being presented to the Board at the June 27, 2024, meeting for approval.

4. Temporary Laborer Recruitment

- a. The SPMUD Superintendent worked with the Administrative Services Manager to schedule the recruitment process for a temporary laborer. Interviews will be conducted with potential candidates, pending Board approval of the fiscal year 2024/25 budget.

5. Spill Emergency Response Plan

- a. Staff completed the annual review of the District Spill Emergency Response Plan as required by Order WQ 2022-0103-DWQ. Updates to the Spill Emergency Response Plan are in the process of being completed.

Reporting

This section provides the Board an overview of the Field Services Department operations and maintenance activities through 5/31/2024. The work listed is not all inclusive.

1. Lost Time Accidents/Injuries (OSHA 300)

- a. Zero (0)
 - i. 2831 days (7.8 years) without a Lost Time Accident/Injury
- b. Workers Compensation Claims over last 12 months
 - i. Two

2. Safety/Training/Professional Development

- a. Field Services employees participated in training for the following:
 - i. Use of District Sewer Maps
 - ii. Defensive Driving
 - iii. Electrical Safety
 - iv. Poisonous Plants

3. Customer Service Calls

- a. Response Time Goals over the Last 12 Months

| | Goal | Average | Success Rate |
|---------------------------|--------------|---------|--------------|
| During Business Hours | < 30 minutes | 21 min | 97% |
| During Non-Business Hours | < 60 minutes | 43 min | |

Service Calls - May

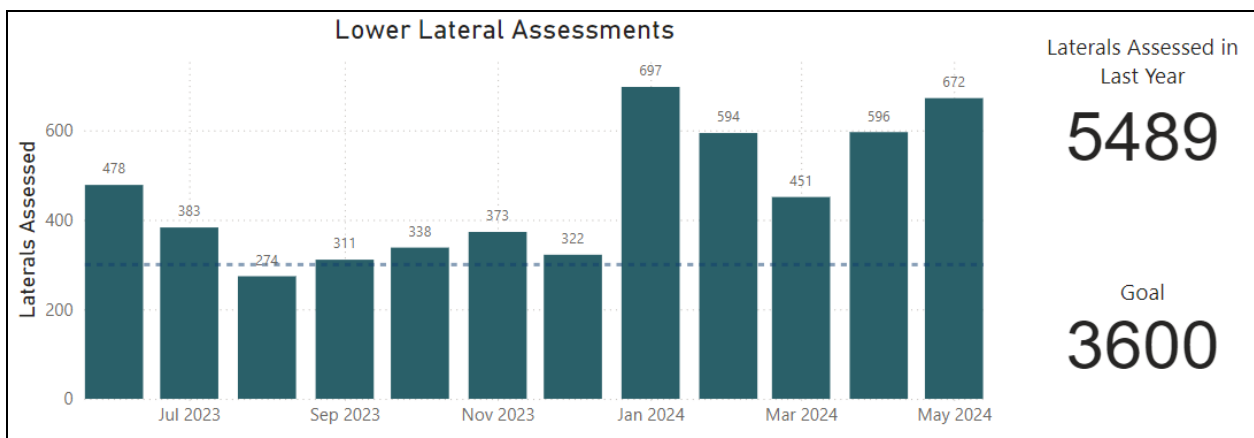
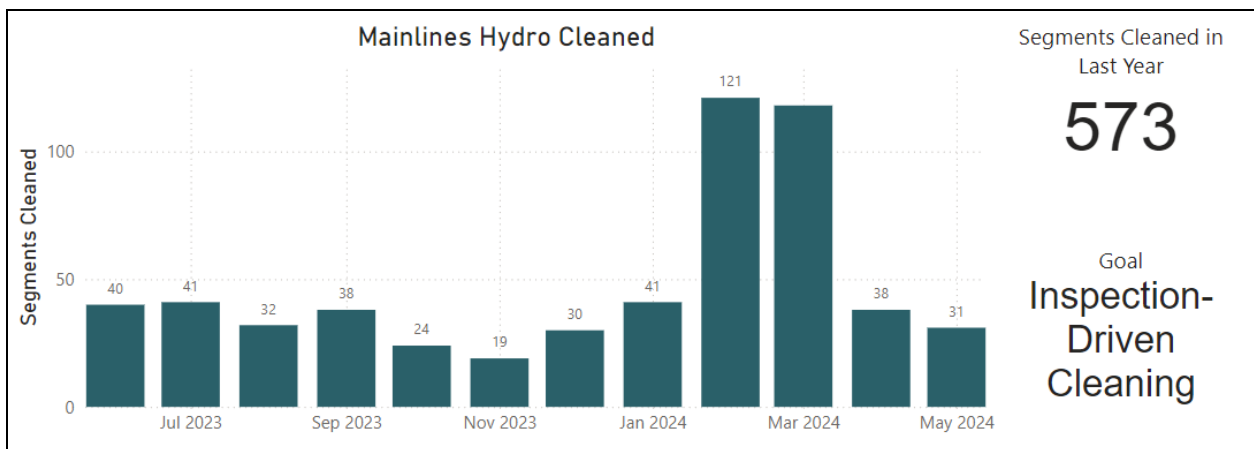
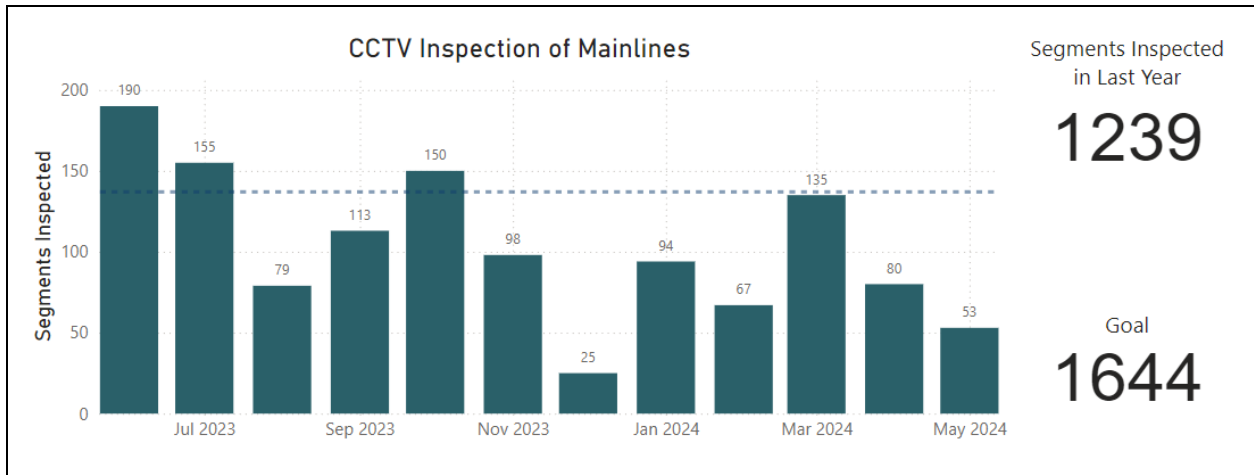
| Responsibility | Spill | Stoppage | Odor | Alarm | PLSD | Misc |
|----------------------|----------|----------|----------|-------|----------|----------|
| SPMUD Responsibility | 1 | | | | | 1 |
| Owner Responsibility | | 4 | 1 | | 4 | 2 |
| Total | 1 | 4 | 1 | | 4 | 3 |

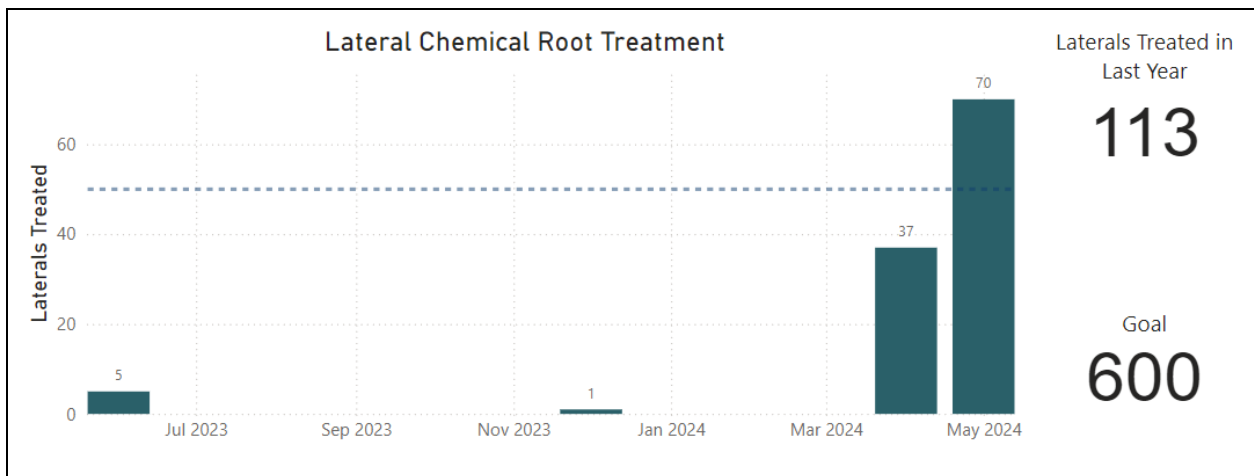
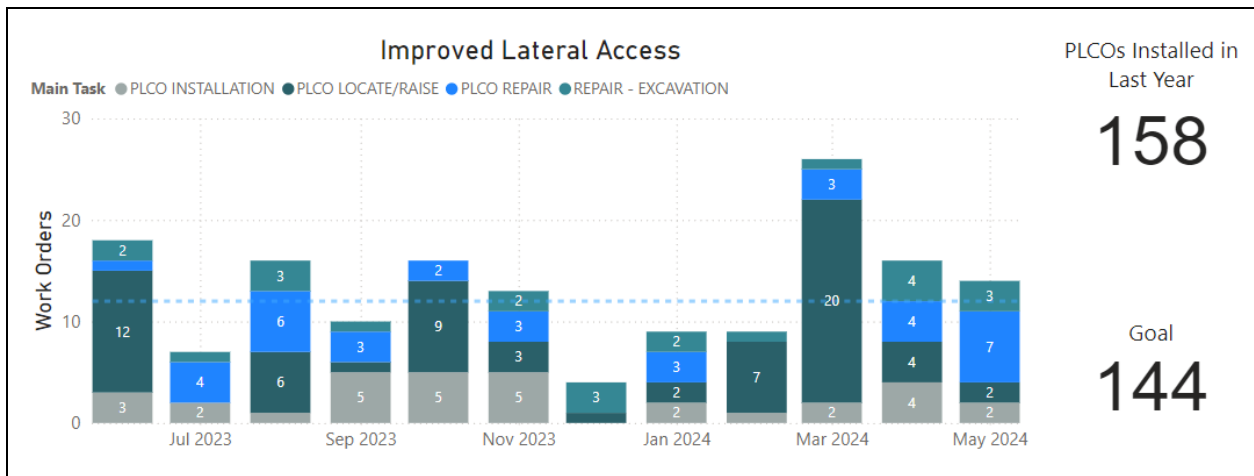
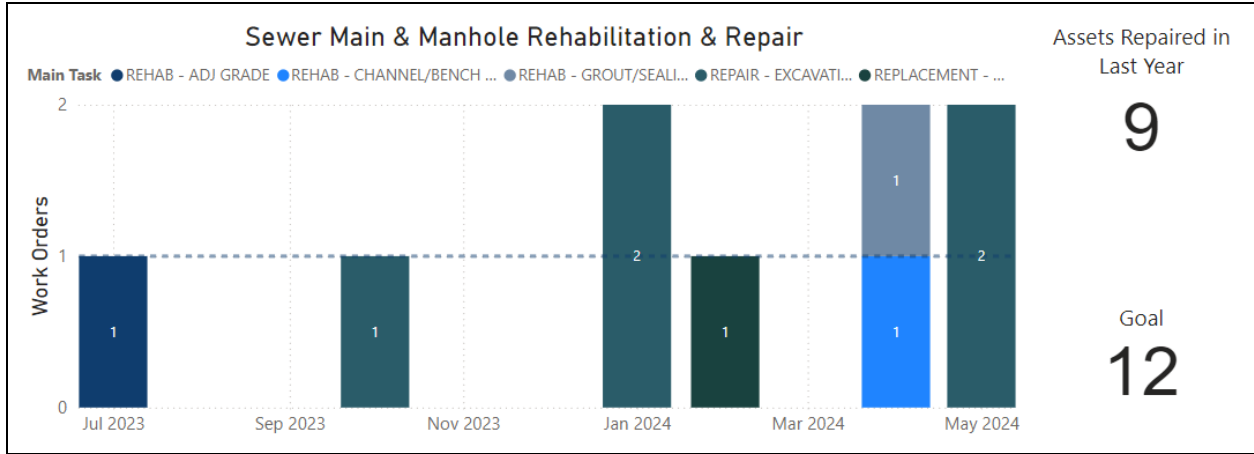
Total Service Calls

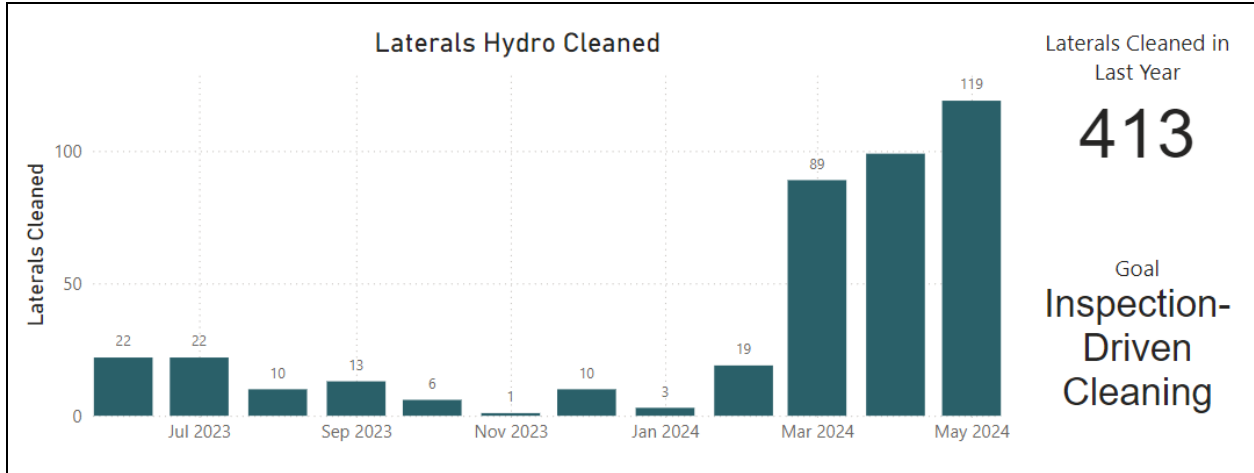
13

4. Production

- a. The information provided below shows the work performed in key areas of focus. It does not represent all the work completed in the department.







Item 7.2.3

ITEM VII. TSD REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Herb Niederberger, General Manager
Subject: Technical Services Department Monthly Report
Board Date: June 27, 2024

TSD Updates:

- ❖ TSD staff is working with 10 Ton Press on outreach materials, including a comic book and postcard, based on an example from Castro Valley Sanitary District shared by Director Mitchell. So far, 10 Ton Press completed the messaging and artwork updates to the comic book to reflect the District's operations. Staff will provide copies at the board meeting.
- ❖ The District Engineer is working with the City of Lincoln, LAFCO, and the Sierra College Partners Development Team to implement the out-of-area service agreement for the Sierra College Partners development. The out-of-area service agreement, approved by the District in 2017, is required because the parcel resides within the District's sphere of influence but cannot realistically sewer to District facilities. The agreement specifies that four properties will connect to a new District manhole which will then connect to the City of Lincoln's sewer system. Since the agreement was executed in 2017, the City of Lincoln's fee structure has changed, which complicates the funding portion of the agreement. The District and the City of Lincoln will be meeting on June 26th to discuss fees and next steps.
- ❖ TSD participated in the District's Family Picnic on June 1st organized by the EEC. About half of the District's staff and their families participated in the potluck, which included a BBQ, whiffle ball, and volleyball.
- ❖ On June 5th, TSD staff met with the new City of Rocklin Building Official and a City building inspector to discuss coordination efforts. The discussion included tenant improvements, grease control devices, and building inspections and how to ensure compliance with each entity.
- ❖ TSD staff participated in the Employee Engagement Committee (EEC) meeting on June 6th.
- ❖ TSD staff hosted the Utility Coordination Meeting on June 19th with regional stakeholders, including the City of Rocklin, the City of Roseville, Placer County, PCWA, and PG&E among others.
- ❖ Staff is working on the fourth quarter FY2023/24 commercial field audit.
- ❖ TSD staff is working on updates to the District's Standard Specifications and Improvement Standards for Sanitary Sewer to align with the Sewer Code updates and to Chapter 4 –

Wastewater Pump Stations. WaterWorks Engineers is working towards the next submittal based on District comments.

Northwest Rocklin Sewer Annexation Construction Project (formerly known as Atherton Trunk)

The City notified the District on March 12th that the property owner accepted their offer to purchase the easement. The City is preparing the appropriate documents to finalize the purchase and will reach out once again to update the District on the schedule. There has been no update since March 12th.

There are multiple development applications for projects upstream of the Northwest Rocklin Sewer Annexation Construction Project that propose to connect to the District's sewer system. The District has noted in responses to the City of Rocklin that connections will be approved on a case-by-case basis pending acceptance of the Northwest Rocklin Sewer Annexation Project.

Sierra College Trunk and Lift Station Abandonment, Rocklin

Efforts to coordinate access with property owners to complete a preliminary survey have stalled. The site walk is intended to identify elevation information and indication of surface obstacles (large rock outcropping, etc.). Test pits and/or ground-disturbing activities are not proposed with the site walk. Staff anticipates meeting with the design team and the District's legal counsel in the coming weeks to determine next steps.

Cameo Court Trunk and Lift Station Abandonment, Rocklin

WaterWorks Engineers is working with the City of Roseville to analyze their hydraulic model to determine downstream improvements required to accommodate the District's connection. This analysis is anticipated to be completed in the coming months.

PCWA / Newcastle Construction Cooperation Project

Staff is in the process of reviewing the final plans and specifications submitted by GHD. The initial engineer's estimate indicates that the District's portion of the project is \$1,600,000 with half budgeted in FY24/25 and the other half in FY25/26. This includes cost sharing with PCWA on shared aspects of the project including mobilization/demobilization, traffic control, potholing, survey, and paving. The District and PCWA will be working with property owners on right-of-entry agreements as the design is finalized.

Jack in the Box Sewer Replacement Project

The District provided comments on the design to Uhora, the engineer. District staff is coordinating pothole efforts to confirm utility locations and if rock is present in locations where the new sewer alignment will be deeper than the existing pipe. The design will be refined once this information is available.

Del Rio Court and Delmar Sewer Extension Project

Staff is working on the specifications and anticipates that the project will go to bid this summer with an award in September of 2024.

Johnson Springview Park Creek Crossing, Rocklin

As indicated in previous TSD reports, WaterWorks Engineers and their subconsultant, Helix Environmental Planning, completed preliminary biological and cultural resource field surveys and records searches for the project. The preliminary results indicate close proximity to sensitive tribal resources and that this segment of Antelope Creek is identified as essential fish habitat for listed salmonids. In addition, the preliminary cost estimate for the project is significantly higher than anticipated due to the complexity of the design. Staff presented these findings in detail at the

Infrastructure Advisory Committee in February and will present them to the full board once the City of Rocklin indicates whether they will pursue the project.

Taylor Road Crossing, Newcastle

The final design is complete, and staff is working on the specifications to go to bid in July.

Main Street, Newcastle

Potholing is scheduled for the week of June 17th to confirm utility locations and depths. Results from the potholing efforts will be used to refine the design.

Farron Street Sewer Trunk Replacement

TSD staff is currently working on the contract documents to release for bidding.

Proposed Annexation of the Castle City Mobile Home Park in Newcastle

As previously reported, Staff met with representatives from the State of California and Caritas, the owner of Castle City Mobile Home Park, to review the District's role in the funding application and consolidation process on May 16th. The District is required to submit the funding application and manage all aspects of the project, including funding until reimbursed by the State of California. Staff met again on May 22nd with Caritas and Coleman Engineering, the design engineer working on the Plan of Study, to determine the status of the application. Once Coleman completes the application, it will be submitted to the State. Staff will present additional information about the project in the coming months with a request for direction from the board.

Local Agency Formation Commission (LAFCO)

LAFCO approved the contract with RSG to complete the District's Municipal Services Review and Sphere of Influence Update on June 12th. District staff will be working with RSG to provide information for the Municipal Services Review in the coming months.

FOG Program

The District's FOG Inspector conducted ten core sample inspections of grease control devices (GCDs) in May at the following locations:

- Buckhorn BBQ, 5430 Crossings Drive
- Walmart, 5454 Crossings Drive
- In-N-Out, 5490 Crossings Drive
- Cracker Barrel, 4630 Sierra College Boulevard
- The Habit Burger, 4640 Sierra College Boulevard
- Chick-fil-A, 4600 Sierra College Boulevard
- Mario's Early Toast, 4460 Rocklin Road
- Arby's, 4400 Rocklin Road
- Taco Bell, 4340 Rocklin Road
- Jack In The Box, 4410 Rocklin Road

The core sample readings at Cracker Barrel and Chick-fil-A were at or above 25% of the total designed hydraulic depth of the grease interceptor. This was primarily due to high amounts of food debris, which usually indicates a lack of best management practices (BMPs) in the kitchen. Given the high employee turnover in the restaurant industry, these issues are likely to arise periodically without continued training. Instead of issuing a Warning of Non-Compliance, the District's FOG Inspector used these findings to educate staff to encourage improvement. Contact was established with the management teams at both establishments to review the findings and discuss the implementation of BMPs. Both locations agreed to retrain their staff and one location also decided to increase its pump-out service frequency.

The Loomis Costco opened for business on May 23rd. Costco installed two hydromechanical grease control devices during construction. The District's FOG Inspector is in contact with their environmental compliance team, and they are enrolled in SwiftComply.

The FOG Inspector also inspected Venita Rhea's, which was previously on the "no device" list in SwiftComply. During the inspection, it was determined that Venita Rheas does have a GCD and has since been removed from the "no device" list. The District's FOG Inspector educated the owners on proper pump-out frequencies while also reviewing the SwiftComply enrollment process. The "no device" list has been reduced from fifty-eight establishments at the beginning of the year to thirty-five.

Industrial Pretreatment

In the month of May, District staff along with the City of Roseville's Industrial Waste Analyst conducted six total inspections of facilities in the District that meet the categorical definitions for enforcement through an industrial pretreatment program:

- IOS Optics – Loomis
- Parallax, Inc. – Rocklin
- Pacific Coast Optics – Rocklin
- Powder Craft – Rocklin
- High-Hand Brewing – Loomis

IOS Optics is a new glass manufacturing business that is planning to open in Loomis. District staff and the City of Roseville have been coordinating with the owner to install equipment and implement procedures for controlling process waste. Two inspections occurred at this establishment, and another will be scheduled after occupancy is granted. Parallax, Inc. is a microchip manufacturer in Rocklin and one inspection/sampling event occurred. The sampling event proved the necessity to implement additional measures to control pH prior to discharging to the public sewer system. At Pacific Coast Optics, which is also a glass manufacturer, staff followed up on an enforcement for additional pre-treatment measures for controlling process waste. Powder Craft, which specializes in powder coating and metal polishing, received an annual inspection which highlighted their thorough practices for process waste.

In response to the results of the Wastewater Brewery Study, District staff issued four Warning of Non-Compliance Letters to the following breweries:

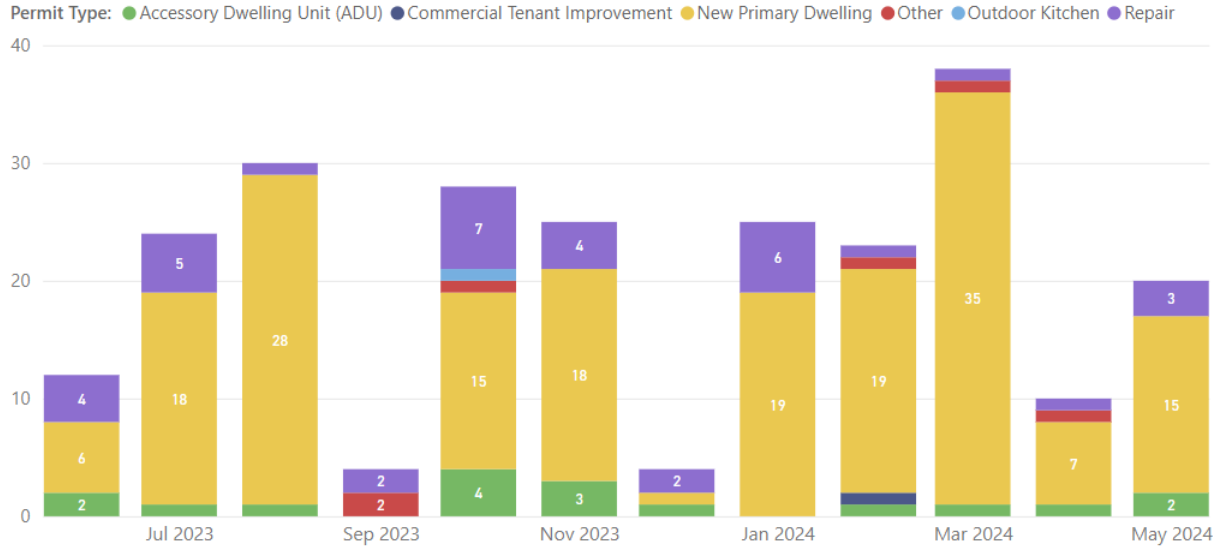
- High-Hand Brewing Company – Loomis
- Loomis Basin Brewing Company – Loomis
- Moksa Brewing Company – Rocklin
- Shred Beer Company – Rocklin

Each Warning of Non-Compliance outlined orders specific to the results and findings through the collection of data, inspections, and sampling events that occurred at each of the breweries listed above. Although there are similarities between all the breweries, their production, equipment, and processes are unique to their operation. Each letter was prepared with orders tailored to the operation. High-Hand Brewing Company was the first brewery to respond with an action plan. The Town of Loomis and the District reviewed the action plan and then scheduled an inspection to review the plan with the brewery staff. Meetings are scheduled in June with each of the breweries listed above.

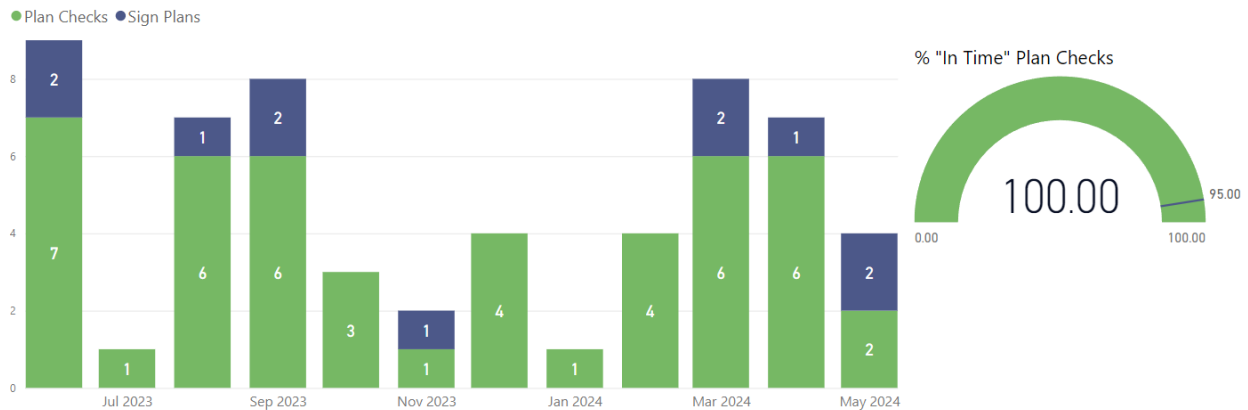
Department Performance Indicators

The following charts depict the efforts and performance of the department in the following areas of work as of May 31, 2024. The charts are being created in a new reporting tool that directly connects to the District's data, improving the timeliness of reporting efforts and leveraging the District's investment in technology. Additional charts may be added in the future for other areas of work in the department.

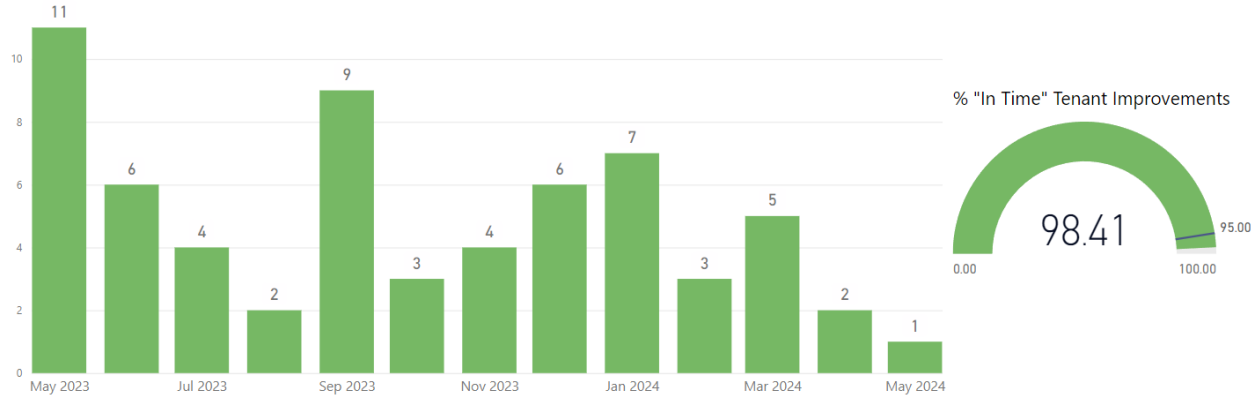
Sewer Permits - Completed - Monthly Totals



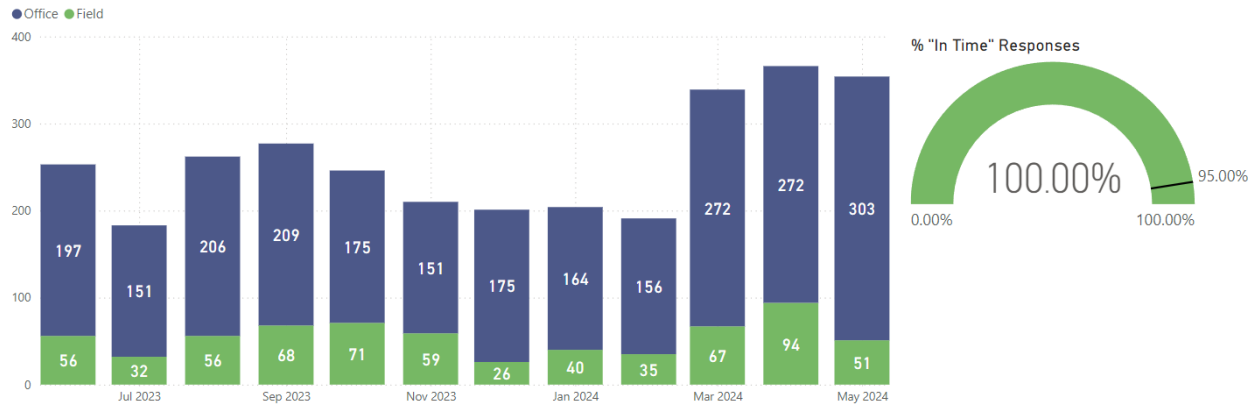
Plan Checks Completed - Monthly Totals



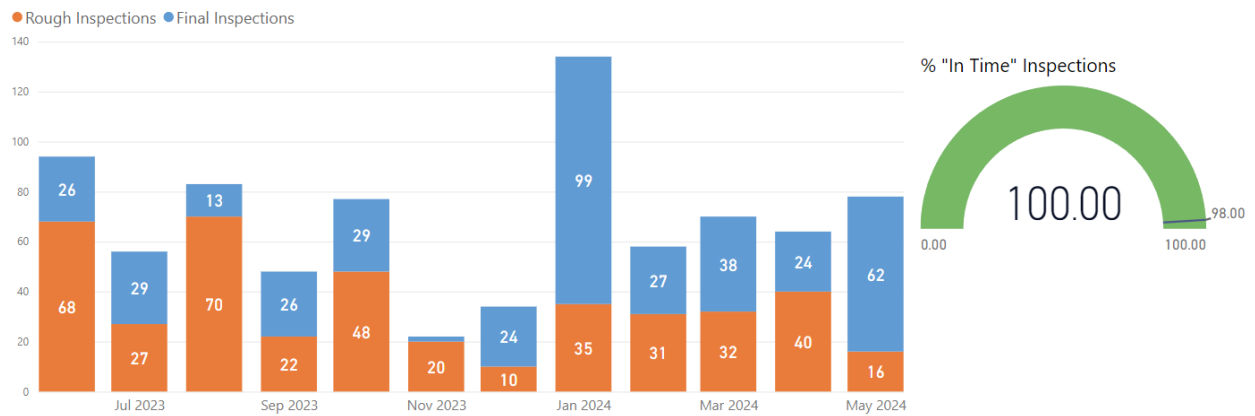
Tenant Improvement Reviews Completed - Monthly Totals



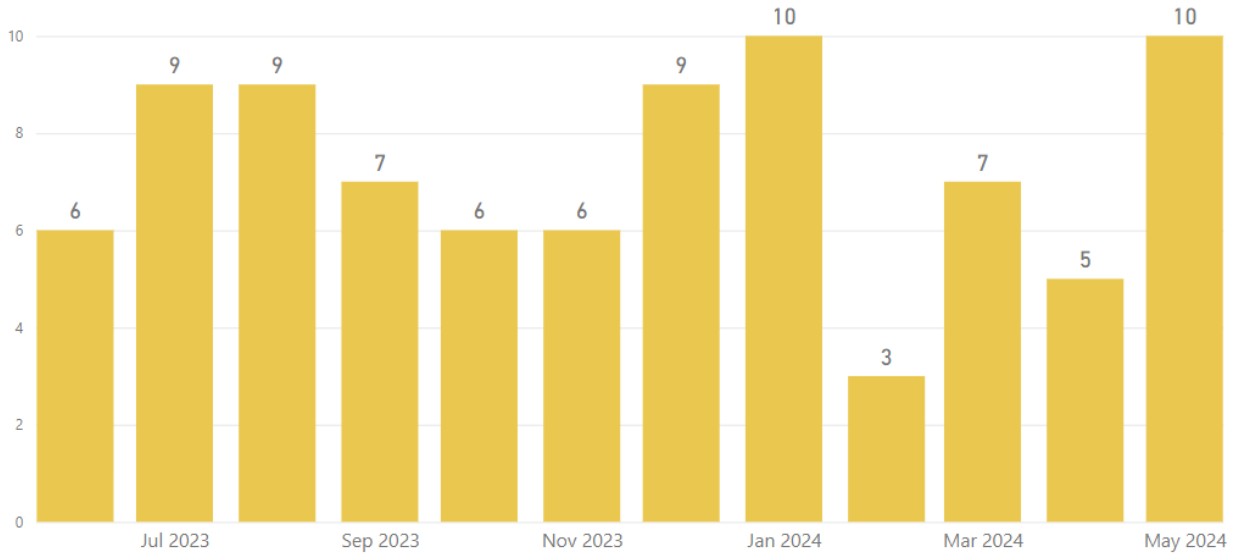
811 Responses



Building Sewer Inspections - Monthly Totals

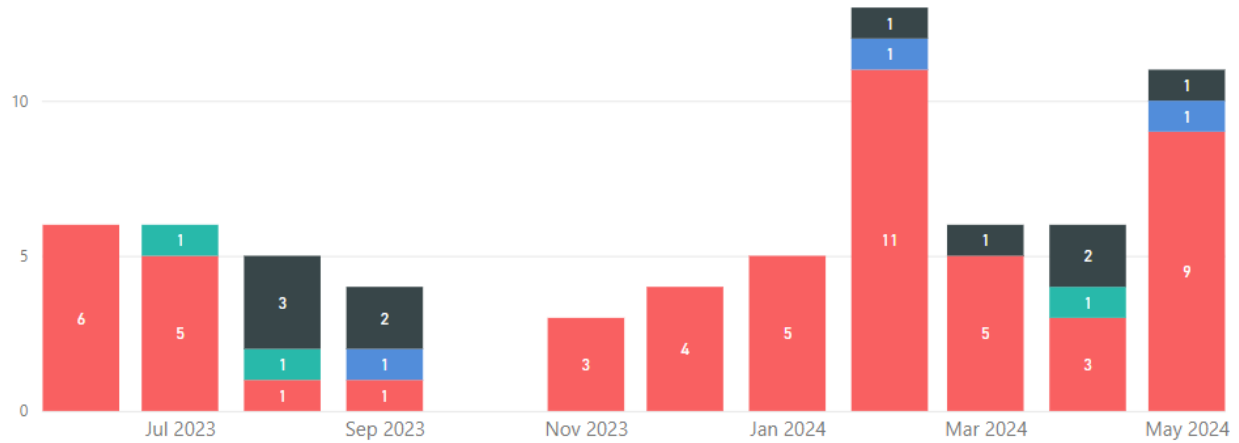


FOG Pickups - Monthly Totals



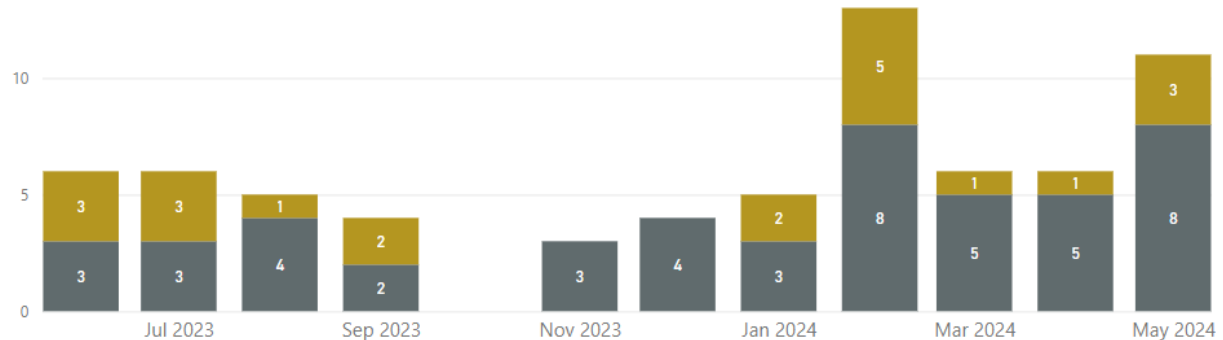
Grease Interceptor Inspections

Template ● GGI Core Sample Inspection - Outside ● GGI Pump Out/Cleaning Inspection ● HGI Core Sample Inspection - Inside ● HGI Core Sample Inspection - Outside

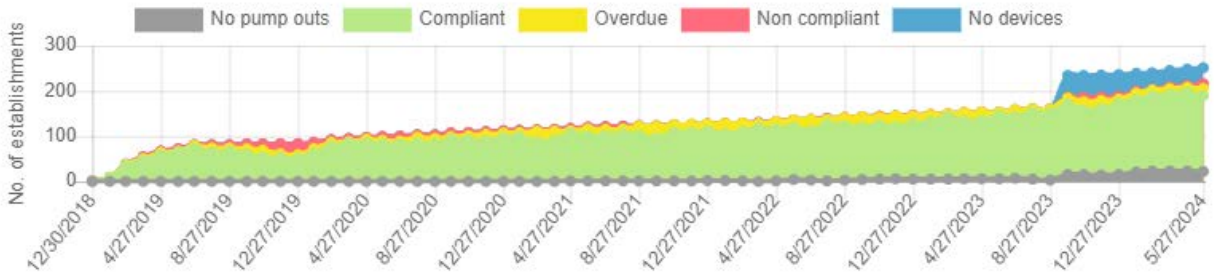


Interceptor Inspection Results

Compliance ● Compliant ● Non-compliant



FOG Compliance History



SwiftComply updated the program to include facilities that do not have a grease control device. This blue area indicates food service establishments that either have no devices or have not been investigated or inspected yet.