

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

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Regular	SPMUD Boardroom Zoom Meeting	July 6, 2023	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 President Williams presiding at 4:30 p.m.

**II. ROLL CALL OF DIRECTORS:**

Present: Director Jerry Mitchell, Director Christy Jewell, Director James Durfee, Director Will Dickinson, Director Jim Williams

Absent: None

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:** ASM Costan led the Pledge of Allegiance.

**IV. CLOSED SESSION READOUT**

General Counsel Brown provided the following closed session readout: the Board met in Closed Session at 3:33 p.m. with the District Labor Negotiator who provided a report to the Board. The Board provided direction to the District's Labor Negotiator. No action was taken.

**V. PUBLIC COMMENTS:**

Public comment was made by Merrill Buck, Loomis Town Engineer, who expressed gratitude for DE Huff's assistance with the Town of Loomis' emergency storm drain replacement project on Magnolia Street in Loomis. Hearing no other comments, the public comments session was closed.

**VI. CONSENT ITEMS:**

1. MINUTES from the May 24, 2023, Special Meeting.
2. MINUTES from the June 1, 2023, Special Meeting.
3. MINUTES from the June 1, 2023, Regular Meeting.
4. ACCOUNTS PAYABLE in the amount of \$3,392,515 through June 26, 2023.
5. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements within Stanford Terrace with an estimated value of \$1,676,273.
6. RESOLUTION 23-19 AWARD FLEET MAINTENANCE AND REPAIR SERVICES CONTRACT TO WYJO SERVICE CORPORATION

7. RESOLUTION 23-20 ESTABLISHING A FEE SCHEDULE FOR FISCAL YEAR 2023/24 AND RESOLUTION 23-21 ESTABLISHING A SCHEDULE OF VALUES FOR FISCAL YEAR 2023/24

Vice President Durfee 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 5-0.

**VII. BOARD BUSINESS**

**1. RESOLUTION 23-22 ADOPTING THE FISCAL YEAR 2023/24 BUDGET AND PROPOSED SPENDING PLAN**

ASM Costan reviewed the Fiscal Year 2023/24 Budget Book, commenting that the budget does not contain any substantial changes from the information presented at last month's budget workshop. She shared that the format and content included in this year's budget book have been modified for submission to the Government Finance Officer's Distinguished Budget Award Program. She then shared the organization chart, revenue budget, and operating fund and capital expense budgets and reviewed the District's fund balances and investment portfolio.

ASM Costan shared that the District is anticipating a wastewater treatment true-up credit from Fiscal Year 2022/23. Director Dickinson asked if that credit was included in the budget. GM Niederberger shared that the credit is spread out over the long-range operating budget but is not included in the Fiscal Year 2023/24 budget.

Director Mitchell commented that he was grateful for the glossary that was included in the budget book. Director Jewell asked about the variance between the Fiscal Year 2023/24 total expected revenues and the total expenditures. GM Niederberger shared that the budget includes reserve spending in all three of the District's funds. Director Dickinson commented that these reserve funds are used to complete large and expensive construction projects within the District. ASM Costan shared that this budget includes project-related spending in the capital funds but also in the operating fund under professional services for consulting services related to large construction projects. GM Niederberger added that the rate case includes potential bond issuance to fund future construction projects.

Director Dickinson commented that there are a lot of large projects included in the budget and the District has limited technical staff. GM Niederberger shared that the operating budget includes consulting services for these projects with technical services performing the project management component. Director Dickinson also asked about other options for property and liability insurance. ASM Costan shared that she did reach out to another Joint Powers Authority (JPA), the California Sanitation Risk Management Authority (CSRMA), as they are a pool of sanitation districts only and would have similar risk exposure to the District. However, they have much higher limits than the District's current JPA. She shared that the JPAs offer better pricing than the private insurance market. Vice President Durfee commented that he appreciated that the budget book was easy to follow.

Director Mitchell made a motion to adopt Resolution 23-22 adopting the Budget and proposed spending plan for Fiscal Year 2023/24; a second was made by Director Jewell; a roll call vote was taken, and the motion carried 5-0.

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

President Williams reviewed the items from the June 29, 2023, SPWA Board Meeting which included approval of the following: 1). Capital Improvement Project Budget for FY2023-24; 2). Annual Operating Budget for FY2023-2024; 3). Investment Policy for FY2023-2024; 4). Delegation of Authority to Invest in Local Banks. In addition, the SPWA Board discussed: 1). Capital Improvement Project Overview; 2). Capacity Fee Analysis Update; 3). Regional Connection Fees Report; 4). Allocated and Direct Charges to Member Agencies; 5) Letter of Intent for SPMUD annexation of the Castle City Mobile Home Park; 6). SPWA Organization Chart; 7). Investment Review; 8). Rate Stabilization Fund Balances as of March 30, 2023; and 9) SPWA Annual Financial Statements FY2022-23.

President Williams shared that the SPWA will be starting a new project to evaluate equivalent dwelling units and determine the strength and flow of discharges from various residential uses. Director Jewell asked who will be completing this study, and GM Niederberger shared that the work will be completed by Woodward & Curran.

## **VIII. 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 provided an update on the attendees at the SPWA Board Meeting and Rocklin State of the City.

Director Mitchell asked about item 2A in the GM report regarding Project 8 Winery in Penryn and any system implications. DE Huff shared that the project is outside of the District's serviceable area and will not connect to the collection system.

#### **B. Information Items:** No additional items.

### **C. Director's Comments:**

Vice President Durfee congratulated the District on 2,465 days without a loss time accident.

Director Mitchell asked if the Town of Loomis has a process for completing year-end work like the District's process. ASM Costan commented that Placer County does complete accounts payable and year-end work for smaller agencies; however, based on the size of the Town of

Loomis, it is likely that they have a process that is similar to that of the District. Director Mitchell also asked about the CalTRUST investment transfer from the Medium-Term Fund to the Short-Term Fund. ASM Costan shared that the current investment strategy is to divest from CalTRUST. The remaining balance in the Medium-Term Fund was transferred to the Short-Term Fund, which is earning a better interest rate, as the first step toward fully divesting from the investment pool.

Director Mitchell asked about the switch gear delay in the Corporation Yard Addition and Tenant Improvement Project. DS Nielsen shared that the switch gear was ordered last October and the contractor is still waiting for an additional part that has not arrived. The ship date continues to be pushed back. The project will move forward with a Temporary Certificate of Occupancy despite the missing part.

Director Mitchell asked about compliance issues in the Fats, Oils, and Greases (FOG) Program. DE Huff shared that it will always be part of the program and is a sign that the program is successful in discovering issues, educating constituents, and improving conditions. President Williams asked for an exhibit that contains pictures of the corroded pipe from the emergency repair at Blue Oaks Town Center and other FOG images to communicate why District standards exist and the costs of failures.

President Williams commented that he had a meeting with the new Loomis Town Manager. He asked for a Loomis 2x2 to be scheduled in the Fall at the District offices.

#### **IX. ADJOURNMENT**

The President adjourned the meeting at 5:16 p.m. to the next regular meeting to be held on August 3, 2023, at 4:30 p.m.



Emilie Costan, Board Secretary