

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

Meeting	Location	Date	Time
Regular	SPMUD Boardroom Zoom Meeting	May 2, 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 President Durfee presiding at 4:29 p.m.

II. ROLL CALL OF DIRECTORS:

Present: Director Jerry Mitchell, Director Will Dickinson, Director Christy Jewell, Director James Durfee, 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: Director Mitchell 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 April 4, 2024, Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$771,477 through April 23, 2024.
3. QUARTERLY INVESTMENT REPORT in the total amount of \$77,153,581 through March 31, 2024.
4. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements for the DKM New Shop with an estimated value of \$41,117.
5. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements for the Whitney Ranch Chevron and Car Wash at 1217 Whitney Ranch Parkway with an estimated value of \$384,169.
6. RESOLUTION 24-09 A RESOLUTION OF THE SOUTH PLACER MUNICIPAL UTILITY DISTRICT DECLARING AN ELECTION BE HELD IN ITS JURISDICTION; REQUESTING THE BOARD OF SUPERVISORS TO CONSOLIDATE THIS ELECTION WITH ANY OTHER ELECTION CONDUCTED

ON SAID DATE; AND REQUESTING ELECTION SERVICES BY THE COUNTY CLERK.

7. RESOLUTION 24-10 AMENDING RESOLUTION 24-03 CONSTRUCTION COOPERATION AND REIMBURSEMENT AGREEMENTS FOR THE CITY OF ROCKLIN'S FIVE STAR BOULEVARD, DESTINY DRIVE, AND MISSION HILLS PHASE IV PAVEMENT RECONSTRUCTION PROJECT AND PARK DRIVE PAVEMENT REHABILITATION PROJECT.

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 5-0.

VI. BOARD BUSINESS

1. CONTINUATION OF THE APPEAL OF THE RISING ZONE, 5828 LONETREE BOULEVARD, PARTICIPATION CHARGE CALCULATION

GM Niederberger gave an update on the appeal for the Rising Zone sharing that the appellant would like to withdraw their appeal and enter into a deferred payment agreement based on the revised calculation of 1.98 additional EDUs.

President Durfee asked for confirmation that the appellant submitted a written request to withdraw their appeal. GM Niederberger confirmed that the District has received the request in writing and is in receipt of the application for the deferred payment agreement. President Durfee thanked staff for their work on this item, and Vice President Jewell thanked staff for visiting the site. No public comments were received.

Director Mitchell made a motion to approve the staff recommendation to revise the calculation of the impact of the tenant improvements from 2.30 EDU (\$33,964.10) to 1.98 EDU (\$29,238.66), finding that the calculations of the composite participation charges for TRZ are correct per the District's Sewer Code, deny the appeal, and require payment of the total Participation Charge due of \$29,238.66; a second was made by Vice President Jewell; a roll call vote was taken, and the motion carried 5-0

2. FLEET ELECTRIFICATION PLAN

DS Nielsen gave a presentation on the Advance Clean Fleets Rule and how the rule will impact the District's fleet. He shared the timeline, potential future infrastructure needs, and costs to transition to a zero-emissions fleet. He shared that staff is researching grant and loan options that may be available and is recommending that the District retain a consultant to help develop a compliant program, navigate grant and loan opportunities, establish baseline vehicle ranges, and assist with a master plan that includes a schedule for vehicle replacements, exemptions, and the infrastructure design.

President Durfee asked if any District vehicles currently need to be replaced. DS Nielsen shared that the District's fleet is relatively new and in good condition and pending unforeseen circumstances there is time to develop a replacement plan. Director Jewell asked for confirmation

that the rule only applies to new vehicle purchases. DS Nielsen commented that the rule allows the District to use the current vehicles until they need to be replaced. Director Mitchell asked about the impact on roads and other infrastructure from the added weight from the batteries in vehicles that are already heavy. DS Nielsen commented that the weight of the batteries can also impact the vehicle class. Director Williams shared that he worked on a hydrogen research facility project, and hydrogen infrastructure is extensive and would likely be cost-prohibitive for an agency the size of the District. Vice President Jewell asked about space for charging and other infrastructure additions. DS Nielsen commented that this is one of the areas where the District has identified that they would need additional assistance from a consultant. Director Mitchell asked if the District will be adding solar panels, and DS Nielsen shared that it is being considered to help offset the costs. 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:

Director Mitchell asked for more information on item E pertaining to the April SPWA meeting, item F about the Notice of Violation at Lucille's, and item K concerning the proposed job descriptions for the Administrative Services Department discussed in the GM report. GM Niederberger shared that the April SPWA meeting was canceled, and the next meeting will be on June 27, 2024. DE Huff shared that the District still has not received plans for any improvements at Lucille's and is working on next steps with General Counsel. GM Niederberger shared that the proposed Administrative Services job descriptions were reviewed by the Personnel Advisory Committee who recommended that they be forwarded to the full Board. Management forwarded the job descriptions to the Employee Association who have requested more time to review them.

Director Mitchell asked about the CalPERS Funding Risk Mitigation Policy in the ASM report. ASM Costan shared that CalPERS recently revised the policy so that in high investment yield years an automatic reduction to the Discount Rate is no longer triggered, but instead, the CalPERS Board must vote to reduce the rate which is a favorable change for public agencies. Director Mitchell congratulated DS Nielsen on becoming a Certified Special District Manager.

Director Dickinson asked about the funding for the Castle City Mobile Home Park. GM Niederberger shared that the original proposal presented to the District did not require any upfront funding from the District. Staff has become aware that the project would require the District to be the lead agency, submit the applications, provide the funding for the project, and request State reimbursements. The total project cost is anticipated to be upwards of \$20 million. GM Niederberger shared that staff will bring a presentation back to the Board once there is more information.

B. Information Items:

There were no informational items.

3. Director's Comments:

Director Mitchell shared that there is a new commercial complex that will be completed on Whitney Ranch Parkway. Director Williams commented that the canceled April SWPA agenda included a capacity fee study that lowers the regional fee by \$50 and an EDU Study. The EDU Study provides a comparison to other jurisdictions but is not yet complete. He discussed how changing the EDUs for certain uses would impact rates for monthly service charges and capacity fees. GM Niederberger shared that he had a lengthy conversation with the City of Roseville regarding how treatment plant expansion and gallons per EDU are calculated. He shared that he would schedule a meeting with the District SPWA representative and alternate to discuss these calculations and the EDU study in more detail. Director Dickinson commented that any change in EDU assignment will require a new rate study and Proposition 218 approval process. Director Williams added that Initiative 1935, discussed at the last board meeting, could impact the approval of a new rate model.

VIII. ADJOURNMENT

The President adjourned the meeting at 5:19 p.m. to the next regular meeting to be held on June 6, 2024, at 4:30 p.m.



Emilie Costan, Board Secretary