

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

Meeting	Location	Date	Time
Regular	Zoom Meeting	November 4, 2021	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 Dickinson presiding at 4:30 p.m.

II. ROLL CALL OF DIRECTORS:

Present: President Will Dickinson, Vice President Jerry Mitchell, Director John Murdock, 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: Vice President Mitchell led the Pledge of Allegiance.

V. PUBLIC COMMENTS:

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

VI. CONSENT ITEMS:

1. MINUTES from the September 30, 2021 Special Meeting.
2. MINUTES from the October 7, 2021 Regular Meeting.
3. ACCOUNTS PAYABLE in the amount of \$2,219,041 through October 26, 2021.
4. QUARTERLY INVESTMENT REPORT in the total amount of #70,467,762 through September 30, 2021.
5. ANNUAL INVESTMENT REPORT for the fiscal year ended June 30, 2021.
6. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements within Whitney Ranch Units 63 and 69, with an estimated value of \$1,297,660.
7. RESOLUTION 21-40 ADDENDUM TO THE UTILITY AGREEMENT WITH THE CITY OF ROCKLIN FOR THE ROCKLIN ROAD AND PACIFIC STREET ROUNDABOUT PROJECT.
8. RESOLUTION 21-41 DISBURSEMENT OF SECURITY IN CONNECTION WITH THE GRANITE TERRACE SUBDIVISION IMPROVEMENT AGREEMENT WITH THE CITY OF ROCKLIN.

9. RESOLUTION 21-42 DECLARING AND RE-RATIFYING THE STATE OF EMERGENCY AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS DUE TO THE COVID-19 EMERGENCY.

10. SUMMARY OF THE OCTOBER 24, 2021 RAIN EVENT.

President Dickinson asked for Item #7, the Addendum to the Utility Agreement with the City of Rocklin for the Rocklin Road and Pacific Street Roundabout Project, to be pulled from the consent calendar for discussion. President Dickinson asked staff about the large increase in the amount originally bid for the project. He inquired as to whether the City of Rocklin's bid was similarly underestimated. DE Huff shared that the City did see an increase from the original bid, but it was not as high as the increases for the District's portion of the project. President Dickinson asked if the low bidder was also the lowest bidder for the sewer portion of the work. DE Huff responded that two other bidders were lower for the District's portion of the work. She shared that an increase in expenses in the construction industry since the estimate was completed and ambiguity in the plans provided during the bidding process are both reasons for the increase. These factors would have also impacted the estimates of the other project bids. Staff continues to reach out to the City to be actively involved in the early stages of these projects.

President Dickinson made a motion to approve consent item 7; a second was made by Director Murdock; a roll call vote was taken, and the motion carried 5-0.

Director Murdock asked for Item #8, Disbursement of Security in Connection with the Granite Terrace Subdivision Improvement Agreement with the City of Rocklin, to be pulled from the consent calendar for discussion. Director Murdock asked staff for more information on the item. DE Huff shared that construction was approved for the project in 2018. There has since been a series of owners and contractors working on the project. The developer sought approval from the City on the final map to create additional cash flow to complete the project. The District had concerns about issuing the final map because the sewer improvements have not been completed per the approved plans. The District worked with the City to ensure that the City's Security Agreement would also cover the District's portion of the outstanding improvements. Director Murdock expressed concern over the project expenses being covered if the developer defaults on the agreement. DE Huff shared that the City of Rocklin will hold a bond until the work is completed per the District's standards and specifications. The District's portion of the bond is \$1 million. This amount is based on the District's cost estimate to complete the work on the improvements that have not been completed at this time.

Director Murdock made a motion to approve consent item 8; a second was made by Director Durfee; a roll call vote was taken, and the motion carried 5-0.

Director Durfee made a motion to approve consent items 1 through 6, 9, and 10; a second was made by Director Williams; a roll call vote was taken, and the motion carried 5-0.

VII. BOARD BUSINESS

1. RESOLUTION 21-43 RESOLUTION OF INTENT TO TRANSITION FROM AT-LARGE/FROM-DISTRICT ELECTIONS TO BY-DISTRICT/FROM-DISTRICT ELECTIONS AND ESTABLISHING A PROCESS FOR THE TRANSITION

GM Niederberger reviewed the meetings required in the Redistricting process, the first of which is the adoption of the Resolution of Intent and gave a brief overview on the timeline for the Redistricting process. The members of the Redistricting Advisory Committee are Director Durfee and Director Murdock.

Director Murdock made a motion to adopt Resolution 21-43 a Resolution of Intent to Transition from at-Large/from-District Elections to by-District/from-District Elections and Establishing a Process for the Transition; a second was made by Director Williams; a roll call vote was taken, and the motion carried 5-0.

2. RESOLUTION 21-44 PERFORMANCE MERIT PROGRAM 2020-2021 UPDATE

DS Nielsen gave an overview of the results from the last Performance Merit Program year as well as the new ranges and goals for the upcoming program year. The program, which is in its fourth year, allows District employees to receive an incentive for exceptional performance.

The Board asked for clarification on several items pertaining to the program including repeat callouts, where PLCO installations still need to occur, which employees can participate in the program, the new digital documents goals, and if industry-wide performance standards are used to determine the ranges used by the District. DE Nielsen shared that each goal is reviewed annually to ensure maximum efficiency. DE Nielsen also noted an error in the goals for next year. He shared the number of FOG inspections was inadvertently inflated and that next year's FOG inspection goal would remain at eighty.

Vice President Mitchell made a motion to adopt Resolution 21-44 Authorizing the payout to District Employees per the Employee MOU in the amount of \$44,003 and approving the Performance Elements/Goals for the 2021/22 Performance Merit Program; a second was made by Director Murdock; a roll call vote was taken, and the motion carried 5-0.

3. RESOLUTION 21-45 EMERGENCY AUTHORIZATION FOR SEWER REPLACEMENT WITHIN EL DON DRIVE

GM Niederberger introduced the item sharing that during the Foothill Trunk Sewer Replacement Project a sag was discovered in a District sewer pipe underneath the creek crossing at El Don Drive. The pipe is located underneath the City of Rocklin drainage culverts. An emergency repair to the culverts is being completed by the City of Rocklin as a result of the October 24th rain event. The City project will allow the District access to repair the sagging sewer pipe. DE Huff shared that the District became aware of the emergency repair of the drainage culverts through a USA call and requested an estimate from the City's contractor, Glissman Excavating. The latest CCTV footage showed that the 12" pipe is currently eighty percent full of water. DE Huff shared that the City's replacement of the culverts is a unique opportunity for the District to have access to replace the sagging sewer pipe.

Director Murdock asked if there is room underneath the culvert to raise the pipe. DE Huff shared that there is enough clearance to raise the pipe to minimum slope. President Dickinson asked about future sagging in the replacement pipe. DE Huff shared that the District will be using gravel base and backfilling with controlled low strength material (CLSM) to mitigate future sagging. The culvert replacement will also include headwalls to better direct flows. Director Mitchell asked if the emergency repairs would be eligible for FEMA funds. GM Niederberger shared that these repairs

would likely not qualify as the sag was discovered before the storm event and the City of Rocklin has primacy over the road which contains our sewer infrastructure.

Director Murdock made a motion to adopt Resolution 21-45 Authorizing the General Manager to Execute an Agreement with Glissman Excavating, Inc. for Emergency Sewer Replacement within El Don Drive; a second was made by Director Williams; a roll call vote was taken, and the motion carried 5-0.

4. PRESIDENTIAL APPOINTMENT TO THE TEMPORARY ROCKLIN 2X2 ADVISORY COMMITTEE

The Board discussed having the existing Fee and Finance Committee meet with the City of Rocklin and not forming a 2X2 at this time.

No action was taken.

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 GC Brown has recommended that the District hold a special meeting on the first Thursday of the month, prior to our regularly scheduled board meeting to authorize remote board meetings instead of having a separate special meeting held mid-month. President Dickinson asked about the services Youngdahl Group will provide to the District. DS Nielsen shared that they will be providing special inspection services which include testing of the concrete, steel, and soils.

Vice President Mitchell asked about SB 278. ASM Costan shared that SB 278 is the new legislation that shifts repayment of certain payroll reporting errors made to CalPERS from the retiree to the employer. Vice President Mitchell also asked about the accuracy of the thirteen-month timeline for the Corp Yard Break Room Addition, Locker Room, and Lobby Improvements. DS Nielsen shared that in working with the Construction Management Contractor that this seems to be a reasonable time frame for project completion. Additionally, Vice President Mitchell asked about the Boyington Road annexation application. DE Huff shared that the new Executive Director at LAFCO has notified the District that our previous out-of-area services agreements and some annexations may have been completed incorrectly. Staff is working through the process to correct those past errors. Vice President Mitchell asked about the cost associated with correcting these issues. DE Huff shared that the District will be the applicant for these projects. The New Director has indicated that LAFCO will work with the District to make the process as cost-effective as possible since the District was not at fault for these errors. Vice President Mitchell asked for the number of affected areas. DE Huff shared that there are approximately twelve out-of-area service agreements and at least eleven impacted annexation areas.

President Dickinson recognized staff for their work in becoming early allies during the tenant improvement process to enhance the FOG Program. GM Niederberger added that the FOG Program was a key program that led to the District receiving the CWEA Collection System of Year Award.

B. Information Items: No additional items.

3. Director's Comments:

Director Williams commented that he appreciated the report on the rain event and was happy to hear how well the system handled the event. He also commented that he attend the Rocklin State of City Address with Vice President Mitchell and District staff members. Director Durfee and President Dickinson also commented on the performance of the system during the heavy storm event.

IV. CLOSED SESSION READOUT

The Board met in Closed Session at 5:53 p.m. to discuss the General Manager's performance evaluation. No action was taken.

The Board adjourned the closed session at 6:11 p.m.

IX. ADJOURNMENT

The President adjourned the meeting at 6:12 p.m. to the next regular meeting to be held on December 2, 2021, at 4:30 p.m.



Emilie Costan, Board Secretary