

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

Meeting	Location	Date	Time
Regular	SPMUD Boardroom Zoom Meeting	December 7, 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 4:29 p.m.

II. ROLL CALL OF DIRECTORS:

Present: Director Jerry Mitchell, Director James Durfee, Director Will Dickinson, Director Jim Williams
Director Christy Jewell arrived at 4:31 p.m.

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 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 November 2, 2023, Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$603,268 through November 27, 2023.
3. ACCEPTANCE OF THE PARTICIPATION CHARGE REPORT FOR FISCAL YEAR 2022/23.

Director Mitchell made a motion to approve the consent items; a second was made by Vice President Durfee; a roll call vote was taken, and the motion carried 5-0.

VI. BOARD BUSINESS

1. FISCAL YEAR 2022/23 AUDIT REPORT ACCEPTANCE

Erica Pastor, Partner with Mann, Urrutia, and Nelson CPAs & Associates presented the results of the Fiscal Year 2022/23 Annual Financial Audit. Ms. Pastor shared that this year’s audit found that the District maintained proper internal controls. The District received an Unmodified or “clean” Audit Opinion. There were no compliance exceptions, no material weaknesses, and no significant

deficiencies. The audit resulted in three audit adjustments and one management letter comment related to the reconciliation of unapplied credits for two educational customers. Director Dickinson asked for the dollar amount of the unapplied credits, and Ms. Pastor shared that the adjustment for prior years was \$378,334 and the adjustment for the current year was \$81,415. Director Dickinson asked if all of the revenue from the unapplied credits is being recognized in the current year, and Ms. Pastor shared that current revenues are reported in the current year and the other revenues are posted as an adjustment to prior years. GM Niederberger added that the two educational customers are on legacy contract billing. He shared that he plans to address the billing of these accounts going forward and will place the item on his list of 2024 goals.

Ms. Pastor thanked the ASM and her team for their organization and thoroughness during the audit. The Board President thanked Ms. Pastor for her firm's work in auditing the District and preparing the financial statements.

Director Dickinson made a motion to receive and file the Fiscal Year 2022/23 Audit Report; a second was made by Vice President Durfee; a voice vote was taken, and the motion carried 5-0.

2. RESOLUTION 23-40 TREE REMOVAL SERVICES

DS Nielsen presented a proposal to utilize a cooperative agreement to purchase tree removal services from Tree Pro Services. The tree removal would occur in District easements and is needed to properly maintain the District's sewer facilities.

Director Dickinson asked whether staff is expecting complaints from residents. DS Nielsen shared that the first project to be completed is an anticipated project with agreements already in place, and the second project is on a property where the owners are amenable to the work. Moving forward, the District may encounter complaints. The District will notify impacted property owners in advance of any maintenance work occurring. Director Dickinson asked how long it has been since the District has performed tree maintenance, and GM Niederberger commented that in many cases, trees were last cleared at pipe installation. President Williams asked if there is an annual budget line for these services, and GM Niederberger shared that the District has been budgeting for tree removal for the last few years, but the project is only now mature enough to begin work.

Vice President Durfee made a motion to approve Resolution 23-40 authorizing the General Manager to purchase tree removal services through a piggyback procurement through California Multiple Award Schedule (CMAS) Contract 4-09-03-0378A with Tree Pro Services, Inc./Ross Tree Expert Company for the fiscal year 2023/24 with a not-to-exceed amount of \$125,000; a second was made by Director Jewell; a roll call vote was taken, and the motion carried 5-0.

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:

Director Dickinson asked about the Loomis 2x2 meeting. President Williams commented that it was a good opportunity to share information. Director Jewell asked about the frequency of the 2x2 meetings. GM Niederberger shared that the Committee discussed meeting once every six months.

Director Mitchell asked about the College Park Connection Fee Proposal. President Williams shared that the Fee & Finance Committee met with the developer on December 6th to review their proposal. There were some timing issues in their proforma that the District addressed with them. The developer is exploring methods for potentially freezing the connection fee at the time of permit issuance, even though the fee isn't due until the time of connection. There are concerns that freezing the fee before it is due for this project would constitute a gift of public funds. The District is open to reviewing a revised proposal from the developer.

Director Dickinson asked about the rock discovered during potholing at Del Rio and Delmar. DE Huff shared that at the two northernmost pothole locations they were approximately two feet short of the desired depth due to rock. The Design Engineer is submitting specifications for the District to review tomorrow.

Director Dickinson also asked about the environmental and cultural issues with the Johnson-Springview Creek Crossing. GM Niederberger shared that these items cost time and money; however, the larger issue is the flood control requirements that are impacting the design of the bridge. Director Mitchell commented that a bridge connecting the two large regional parks is advantageous for the City of Rocklin and should merit increased funding from the City if needed. This item will be discussed at the upcoming Rocklin 2x2 meeting.

B. Information Items: No additional items.

3. Director's Comments:

Director Jewell shared that she has accepted a new position as Workforce Development & Career Pathways Manager with the League of CA Cities.

VIII. CLOSED SESSION READOUT

The Board met in Closed Session at 5:03 p.m. to complete the General Manager's performance evaluation. The Board adjourned the closed session at 5:30 p.m.

Action Taken: The Board awarded the General Manager a contribution equal to 5% of his annual salary to his 401(a) Supplemental Retirement account.

IX. ADJOURNMENT

The President adjourned the meeting at 5:35 p.m. to the next regular meeting to be held on January 4, 2024, at 4:30 p.m.



Emilie Costan, Board Secretary