

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

Meeting	Location	Date	Time
Regular	District Office	December 5, 2019	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: John Murdock, Jim Williams, Vic Markey, Will Dickinson, Jerry Mitchell

Absent: None

Vacant: None

Staff: Adam Brown, Legal Counsel
Herb Niederberger, General Manager
Eric Nielsen, District Engineer
Sam Rose, District Superintendent
Emilie Costan, Administrative Services Manager

III. PLEDGE OF ALLEGIANCE: General Counsel Brown led the Pledge of Allegiance.

IV. CONSENT ITEMS:

1. MINUTES from November 7, 2019 Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$734,091.72 through November 25, 2019.
3. BILL OF SALE FOR SEWER IMPROVEMENTS NOBEL LEARNING CENTER AT 5893 STANFORD RANCH ROAD – at an estimated value of \$104,399.
4. BILL OF SALE FOR SEWER IMPROVEMENTS WHITNEY RANCH PHASE III UNIT 44B – at an estimated value of \$833,450.
5. ADOPTION of Resolution 19-24 Award of Contract for Plan Checking Services.
6. ACCEPTANCE of Participation Charge Report for Fiscal Year 18/19.

Director Dickinson asked for consent items #5 and #6, the Adoption of Resolution 19-24 Award of Contract for Plan Checking Services and the Acceptance of Participation Charge Report for Fiscal Year 18/19, to be pulled for further comment. GM Niederberger clarified that on consent item #2 the amount, \$734,091.72, was not stated on the originally published agenda packet but was corrected and reposted to the District website. GM Niederberger also shared that an investment report was not included for this meeting per the recommendation from the Fee and Finance Committee to switch to quarterly reporting. Director Markey made a motion to approve consent items #1 through 4; a second was made by Director Dickinson; a voice vote was taken, and the motion carried 5-0.

Director Dickinson pulled consent item #5, Adoption of Resolution 19-24 Award of Contract for Plan Checking Services off the consent agenda. Director Dickinson asked about the contract language in Section XV.3 titled “Payment upon Termination.” The Board asked for review of the contract language as it pertains to future contracts. Director Murdock shared that prior work was performed for the District by

Bennett Engineering Services on the Newcastle Acquisition. GM Niederberger stated that Bennett Engineering Services also performed work for the District on the Newcastle Master Plan. Director Mitchell asked staff what percentage of the engineering work will be performed using the plan check consultant. District Engineer Nielsen responded that the consultant would be used to help the District maintain the twenty/ten plan check turnaround rule when there are multiple plan sets received within a short timeframe and during staffing transitions. Director Dickinson made a motion to approve consent item #5; a second was made by Director Markey; a roll call vote was taken, and the motion carried 5-0.

Director Dickinson pulled consent item #6, Acceptance of Participation Charge Report for Fiscal Year 18/19 off the consent agenda. Director Dickinson asked about the reporting for the Rocklin 60 Phase III Reimbursement. GM Niederberger clarified that the payments are made per a five-year reimbursement agreement. Director Mitchell asked about footnote #2 regarding payments to suppliers. Justin Williams with Certified Public Accountants Munn, Urrutia & Nelson LLP responded that the information can be found in the Statement of Cash Flows in the Fiscal Year 18/19 Audited Financial Statements. Director Markey made a motion to approve consent item #6; a second was made by Director Murdock; a voice vote was taken, and the motion carried 5-0.

V. PUBLIC COMMENTS:

President Williams opened the meeting for public comments. Hearing no comments, the public comments session was closed.

VI. BOARD BUSINESS

1. FISCAL YEAR 18/19 AUDIT REPORT ACCEPTANCE

GM Niederberger shared that modifications were made to the audit in response to the Governmental Finance Officers Association (GFOA) Certification Program comments on the Fiscal Year 17/18 Audit. Specifically, the District modified how the Newcastle Sanitary District loan repayment was reported and provided additional information on the loan in the Management Discussion and Analysis section of the Audit. Justin Williams with Munn, Urrutia & Nelson Certified Public Accountants LLP presented on the Fiscal Year 18/19 Audit Report. 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 2 audit adjustments, 2 passed adjustments, and 1 management letter comment. Director Dickinson shared several administrative corrections found in the draft version. Director Mitchell asked about the cost of the audit and the staff time and cost associated with completing the Comprehensive Annual Financial Report and submitting to the GFOA. GM Niederberger responded that there is an application cost for the GFOA and administrative staff time preparing the Management Discussion and Analysis. Director Mitchell made a motion to receive and file the FY18/19 Audit Report; a second was made by Director Markey; a voice vote was taken, and the motion carried 5-0.

VII. REPORTS

1. **District General Counsel (A. Brown):** General Counsel Brown had no report for this meeting.
2. **General Manager (H. Niederberger):** GM Niederberger commented on the long-range agenda. Due to a larger January agenda, the SECAP and Participation Fee Nexus Study were moved to February.
 - A. **FSD & TSD Reports:** There were no additions to the managers’ reports.
 - B. **Information Items:** No additional items.

3. Director's Comments:

Director Markey asked about the status of cycle 3 billing. ASM Costan responded that the District bills in arrears quarterly. Director Dickinson expressed appreciation for a great year and everyone's hard work. President Williams joined in congratulating the District for a very successful year. President Williams also asked about moving the next meeting from January 2nd to January 9th to accommodate holiday schedules. Director Murdock stated that he may have a difficult time getting January 9th off.

VIII. CLOSED SESSION

**Public Employment - GENERAL MANAGER PERFORMANCE EVALUATION
(Per Subdivision (a) of Government Code Section 54957)**

The Board adjourned into closed session at 5:18 p.m. to discuss the General Manager's evaluation. The Board returned from closed session at 5:40 p.m.

The Board will present the General Manager with his written evaluation for review and discussion during closed session at the January 2020 regular meeting of the Board of Directors. No action was taken.

IX. ADJOURNMENT

The President adjourned the meeting at 6:00 p.m. to a Special Meeting to be held on January 9, 2020 at 4:30 p.m. The next regular meeting scheduled for January 2, 2020 was cancelled.



Emilie Costan, Board Secretary