



**SPMUD BOARD OF DIRECTORS
REGULAR MEETING: 4:30 PM
May 4, 2023**

SPMUD Boardroom
5807 Springview Drive, Rocklin, CA 95677

Zoom Meeting: 1 (669) 900-9128
Meeting ID: 860 3989 8527

The District's regular Board meeting is held on the first Thursday of every month. This notice and agenda are posted on the District's website (www.spmud.ca.gov) and the District's outdoor bulletin board at 5807 Springview Drive Rocklin, CA. Meeting facilities are accessible to persons with disabilities. Requests for other considerations should be made at (916)786-8555.

The May 4, 2023 meeting of the SPMUD Board of Directors will be held in the District Board Room at 5807 Springview Drive in Rocklin, CA 95677 with the option for the public to join via teleconference using Zoom Meeting 1 (669) 900-9128, <https://us02web.zoom.us/j/86039898527>. Public comments can also be made in person at the time of the meeting or emailed to ecostan@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

AGENDA

I. CALL MEETING TO ORDER

II. ROLL CALL OF DIRECTORS

Director Gerald Mitchell	Ward 1
Director William Dickinson	Ward 2
Director Christy Jewell	Ward 3
Vice President James Durfee	Ward 4
President James Williams	Ward 5

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENTS

Items not on the Agenda may be presented to the Board at this time; however, the Board can take no action. Public comments can be made in person at the time of the meeting or emailed to ecostan@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

V. CONSENT ITEMS

[pg 5 to 51]

Consent items should be considered together as one motion. Any item(s) requested to be removed will be considered after the motion to approve the Consent Items.

ACTION: (Roll Call Vote)

Motion to approve the consent items for the May 4, 2023 meeting.

1. MINUTES from the April 4, 2023, Special Meeting. [pg 5]
2. MINUTES from the April 6, 2023, Regular Meeting. [pg 6 to 10]
3. ACCOUNTS PAYABLE in the amount of \$1,250,541 through April 24, 2023. [pg 11 to 15]
4. QUARTERLY INVESTMENT REPORT in the total amount of \$75,425,527 [pg 16 to 18] through March 31, 2023.
5. RESOLUTION 23-11 INVESTMENT OF DISTRICT FUNDS STRATEGY FOR FISCAL YEAR 2023/24 [pg 19 to 23]
6. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements within Sierra Gateway Apartments with an estimated value of \$13,898. [pg 24 to 49]
7. SHORT LIST FOR ON-CALL PROFESSIONAL SERVICES [pg 50 to 51]

VI. BOARD BUSINESS

Board action may occur on any identified agenda item. Any member of the public may directly address the Board on any identified agenda item of interest, either before or during the Board's consideration of that item.

1. **PUBLIC HEARING: INTRODUCTION OF ORDINANCE 23-01 AN ORDINANCE IN CONFORMANCE WITH CHAPTER 2.03.04 OF THE DISTRICT SEWER CODE RELATING TO MONTHLY SEWER CHARGES** [pg 52 to 55]

The District is proposing changes to the Monthly Sewer Charge in accordance with the Cost-of-Service Study for Wastewater Rates and Participation Fees being conducted by IB Consulting, LLC.

Action Requested: (Roll Call Vote)

Staff recommends that the Board of Directors:

1. **Waive the full reading of the proposed Ordinance #23-01.**
2. **Introduce Ordinance No. 23-01 –An Ordinance Relating to Monthly Sewer Charges.**
3. **Conduct a Public Hearing and consider all testimony and protests related to increasing the monthly service charge.**
4. **Close the Public Hearing and make a finding that there does not appear to be a majority protest for the proposed increases in the monthly service charge;**
5. **Schedule the 2nd reading and adoption for the next regularly scheduled meeting of the Board of Directors on June 1, 2023.**

2. **PUBLIC HEARING: INTRODUCTION OF ORDINANCE 23-02 AN ORDINANCE IN CONFORMANCE WITH CHAPTER 2.03.04 OF THE DISTRICT SEWER CODE ESTABLISHING SEWER PARTICPATION CHARGES AND ADOPTION OF RESOLUTION 23-12 ACCEPTING THE SEWER CAPACITY FEE STUDY**

[pg 56 to 73]

The District is proposing a change to the Local Sewer Participation Charge in accordance with the Cost-of-Service Study for Wastewater Rates and Participation Fees being conducted by IB Consulting, LLC. The fee is collected when additional Equivalent Dwelling Units (EDU) connect to the sewer collection system and is used to fund necessary system expansions and enlargements due to development.

Action Requested: (Roll Call Vote)

Staff recommends that the Board of Directors:

1. Waive the full reading of the proposed Ordinance #23-02.
2. Introduce Ordinance No. 23-02 –An Ordinance Establishing Sewer Participation Charges.
3. Conduct a Public Hearing for the proposed Ordinance.
4. Schedule the 2nd reading and adoption for the next regularly scheduled meeting of the Board of Directors on June 1, 2023.
5. Adopt Resolution 23-12 Accepting the Sewer Capacity Fee Study dated April 17, 2023.

3. **RESOLUTION 23-13 WASTEWATER CONSOLIDATION LETTER OF INTENT FOR CASTLE CITY MOBILE HOME PARK**

[pg 74 to 81]

Staff will present the potential consolidation of the Castle City Mobile Home Park wastewater system with the District's collection system.

Action Requested: (Roll Call Vote)

Staff recommends that the Board of Directors adopt Resolution 23-13 authorizing the General Manager to:

1. Prepare a Letter of Intent to further discuss the consolidation and annexation of the sewer assets of the Castle City Mobile Home Park; and
2. Enter into discussions with the California State Water Resources Control Board to provide funding for all aspects of the consolidation including any and all improvement to the District; and
3. Contact the South Placer Wastewater Authority to determine the steps necessary for the Castle City Mobile Home Park service area to be annexed into the Authority's service area.

VII. REPORTS

[pg 82 to 94]

The purpose of these reports is to provide information on projects, programs, staff actions, and committee meetings that are of general interest to the Board and the public. No decisions are to be made on these issues.

1. Legal Counsel (A. Brown)
2. General Manager (H. Niederberger)

- 1) ASD, FSD & TSD Reports
- 2) Informational items
3. Director's Comments: Directors may make brief announcements or brief reports on their activities. They may ask questions for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda.

VIII. ADJOURNMENT

If there is no other Board business the President will adjourn the meeting to the next regular meeting to be held on **June 1, 2023, at 4:30 p.m.**

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

Meeting	Location	Date	Time
Special	SPMUD Boardroom	April 4, 2023	5:00 p.m.

I. CALL MEETING TO ORDER: A Special Meeting of the South Placer Municipal Utility District Board of Directors was called to order with President Williams presiding at 5:00 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
Gage Dungy, Special Counsel
Herb Niederberger, General Manager

IV. PUBLIC COMMENTS:

There were no public comments.

V. CLOSED SESSION READOUT

The Board met in Closed Session at 5:05 p.m. to hear a report from the District negotiator. No action was taken.

The Board adjourned the closed session at 6:37 p.m.

IX. ADJOURNMENT

The President adjourned the meeting at 6:38 p.m. to the next regular meeting to be held on April 6, 2023, at 4:30 p.m.

Emilie Costan, Board Secretary

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

Meeting	Location	Date	Time
Regular	SPMUD Boardroom Zoom Meeting	April 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 Vice President Durfee presiding at 4:30 p.m.

II. ROLL CALL OF DIRECTORS:

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

Absent: Director Jim Williams

Vacant: None

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

III. PLEDGE OF ALLEGIANCE: Director Jewell 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 March 2, 2023, Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$3,446,544 through March 27, 2023.
3. RESOLUTION 23-08 AUTHORIZATION FOR THE GENERAL MANAGER TO EXECUTE A CONTRACT FOR ROOT CONTROL FOAMING WITH DUKE’S ROOT CONTROL INC.
4. RESOLUTION 23-09 AUTHORIZATION FOR THE GENERAL MANAGER TO EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH MANN, URRUTIA, NELSON, CPAS FOR INDEPENDENT AUDITING SERVICES THROUGH FISCAL YEAR 25/26.

Director Dickinson made a motion to approve the consent items; a second was made by Director Jewell; a roll call vote was taken, and the motion carried 4-0.

VI. BOARD BUSINESS

1. PARTICIPATION FEE WORKSHOP

GM Niederberger and Habib Isaac with IB Consulting presented the proposed Participation Fee which would be implemented on July 1, 2023, sharing the method and costs used to calculate the required fee per Equivalent Dwelling Unit (EDU).

Director Mitchell added that there is a regional fee and a local fee. He asked for additional information on participation fees versus capacity fees. GM Niederberger shared that the District has historically used the term participation fees; however, the California Government Code refers to capacity fees. Mr. Isaac added that capacity fees for water and wastewater are fees for service and are not an entitlement of development. He added that the City of Roseville is currently using the incremental-only calculation method for their local capacity fee.

GM Niederberger shared additional information on the costs of the identified expansion projects sharing that the contingency cost has typically been calculated at thirty percent and the design and administration cost has typically been calculated at ten percent. The District adopts a schedule of values annually that has allowed the District to have added confidence in the calculation of future construction costs thereby allowing a reduction of the contingency and design and administration fees to twenty-five percent and eight percent, respectively. Director Durfee asked staff whether the schedule of values has a built-in contingency. GM Niederberger confirmed that it does not.

Director Dickinson asked about the District's ability to disengage the calculation methodology of the local fee from the regional fee and the District's monthly charges. GM Niederberger shared that while this is possible it would be difficult to track EDUs, reconcile expenses between the partners, and calculate EDU differences for local and regional charges.

Director Jewell asked why the City of Roseville uses the same calculation method but has a fee that is substantially lower than the Districts. Mr. Isaac shared that this could be due to economies of scale with Roseville having denser and a larger number of additional units in relation to the cost of improvements that need to be made to their system. Director Jewell expressed concerns about the District not having a good working relationship with the City, Town, and building partners. She asked for a comparative detail to other jurisdictions. Director Mitchell shared information on the granite and difficult terrain that has been encountered on previous capacity projects. GM Niederberger added that cities routinely use development agreements to fund capacity projects.

Vice President Durfee asked for public comments. Public comments were received from Jeff Short with the Northern State Building Industry Association and Bill Halldin from Rocklin City Council.

Director Dickinson shared an example of when an existing pipeline would need to be upsized to increase capacity and how those fees are spread amongst all users of the pipeline and not just the persons who desire to connect after capacity is reached. Director Mitchell shared that the enlargement of the Northwest Rocklin (Atherton) Trunk Line recently completed by the City of Rocklin was an example of a development agreement in the Whitney Ranch Area completed by

the City of Rocklin to facilitate development. Director Dickinson commented that comparisons to other jurisdictions are less important. He shared that the District's project costs for future enlargements have been identified and are available to the public, and invited review and feedback.

Public comments were received from Jenny Knisley from Loomis Town Council.

Mr. Isaac shared that the EDU is a representation of the gallons and strength of flow used. Any change to the EDU would have to be substantiated with data that shows that the demand on the system is less. In many cases, multifamily density is higher per unit than single family. He added that it is very common throughout the State to charge the same EDU for residential and multifamily. GM Niederberger shared that he will work with the BIA on the enlargement projects that have been identified and the number of EDUs at buildout.

2. INFRASTRUCTURE TACTICAL ASSET PLAN

DS Nielsen gave a presentation on the District's infrastructure sharing information on the current practices and technology utilized to maximize the life of the District's assets, assessment practices, maintenance, aging, replacement, and development of the District's tactical asset plan. He shared that replacing existing assets is more expensive than placing new assets in the ground due to pavement, traffic control, and other existing infrastructure. The District has been working to accumulate funds from rates for these necessary future replacements. Finally, DS Nielsen shared the timeline for the completion of the Infrastructure Tactical Asset Plan.

Director Jewell thanked staff for such a helpful and educational presentation. Director Mitchell asked if the completed Tactical Asset Plan will continue to be updated in the future. DS Nielsen confirmed that it will be a living plan that will continue to evolve over time.

Vice President Durfee asked for public comments. No comments from the public were received.

3. RESOLUTION 23-10 EMERGENCY DESIGNATION AND EMERGENCY AUTHORIZATION FOR SEWER MAIN K03-090 EMERGENCY REPLACEMENT PROJECT

DS Nielsen gave a presentation on the emergency replacement of Sewer Main K03-090. He shared that during routine camera inspection and cleaning, District staff identified that the bottom of the pipe had corroded and was missing. The line is located in a commercial parking lot and feeds into Lonetree Boulevard. Testing identified corrosive flows. The District is proposing emergency repairs to replace the corroded portions of the mainline pipe with vitrified clay pipe that is inert to the corrosive flows that were identified. The work will be performed as night work to reduce traffic impacts.

GM Niederberger added that while the anticipated life of the pipe was 75 years, this pipe was only in the ground for 16 years. Director Mitchell asked if the appropriate pipe was used during installation. DS Nielsen shared that cement mortar-lined ductile iron pipe was a material allowed in the District Standards at the time of installation and is a material that has been commonly used throughout the District. He noted that there are better liners for ductile iron pipes that are now

available and required by the current standards. Director Mitchell asked if this issue is also a potential concern with other food service establishments (FSEs). DS Nielsen shared that the District's well-established Fats, Oils, and Greases program and the new Industrial Pretreatment program are intended to ensure that these types of failures do not occur. District staff and the City of Roseville are looking into FSEs that have ductile iron pipes as part of the Industrial Pretreatment program. Director Durfee asked about the slope of the line, and DS Nielsen shared that it was installed at the minimum slope. Director Mitchell confirmed that the restaurant's operations will not be impacted, and DS Nielsen confirmed they would not be.

Vice President Durfee asked for public comments. No comments from the public were received.

Director Dickson made a motion to adopt Resolution 23-10, (1) Finding that the emergency will not permit a delay resulting from a competitive solicitation for bids and that the sewer main replacement is necessary to respond to the emergency in accordance with Section 22050 of the Public Contract Code; (2) Finding the Sewer Main K03-090 Emergency Replacement Project categorically exempt from the California Environmental Quality Act (CEQA) per Section 15302 (Replacement or Reconstruction); and (3) Authorizing the General Manager to execute the attached Construction Contract with a qualified contractor in an amount not to exceed \$320,180 plus a 10% contingency (\$352,198 total).; a second was made by Director Mitchell; a roll call vote was taken, and the motion carried 4-0.

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 provided an update on the long-range board agenda.

Director Mitchell asked for more information on the Newcastle Mobile Home Park. GM Niederberger shared that Castle City Mobile Home Park has approached the District about participating in a statewide grant to improve their system and connect to the District's collection system. The impact on the Newcastle Irish Lane property is that the connection from the mobile home park could extend diagonally through that parcel.

B. Information Items: No additional items.

3. Director's Comments:

Director Mitchell asked for action to be taken on the food service establishments that have notices of violation. GM Niederberger shared that the District is working with the establishments to replace their failing grease control devices.

IX. ADJOURNMENT

The President adjourned the meeting at 6:28 p.m. to the next regular meeting to be held on May 4, 2023, at 4:30 p.m.



Emilie Costan, Board Secretary

Item 5.3



South Placer M.U.D.

Check Report

By Check Number

Date Range: 03/28/2023 - 04/24/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
1652	Cintas Corporation	03/29/2023	Regular	0.00	537.90	15932
1564	Jensen Landscape Services, LLC	03/29/2023	Regular	0.00	978.00	15933
1172	Justin Roston	03/29/2023	Regular	0.00	96.95	15934
1785	Landmark Construction	03/29/2023	Regular	0.00	332,755.50	15935
1244	Preferred Alliance Inc	03/29/2023	Regular	0.00	210.60	15936
1770	Youngdahl Consulting Group, Inc.	03/29/2023	Regular	0.00	456.00	15937
1327	US Bank Corporate Payment	04/03/2023	Regular	0.00	24,609.21	15940
	Void	04/03/2023	Regular	0.00	0.00	15941
	Void	04/03/2023	Regular	0.00	0.00	15942
	Void	04/03/2023	Regular	0.00	0.00	15943
	Void	04/03/2023	Regular	0.00	0.00	15944
1838	Boutin Jones	04/06/2023	Regular	0.00	346.50	15945
1795	Brower Mechanical	04/06/2023	Regular	0.00	14,511.00	15946
1663	Buckmaster Office Solutions	04/06/2023	Regular	0.00	172.05	15947
1652	Cintas Corporation	04/06/2023	Regular	0.00	521.28	15948
1068	City of Roseville	04/06/2023	Regular	0.00	231,936.00	15949
1751	Comprehensive Medical Inc.	04/06/2023	Regular	0.00	180.00	15950
1509	Crystal Communications	04/06/2023	Regular	0.00	311.64	15951
1087	Dawson Oil Co.	04/06/2023	Regular	0.00	7,088.03	15952
1591	Eric Orlando	04/06/2023	Regular	0.00	250.00	15953
1812	IB Consulting LLC	04/06/2023	Regular	0.00	7,980.00	15954
1686	Jan Pro	04/06/2023	Regular	0.00	913.00	15955
1163	Joe Gonzalez Trucking, LLC.	04/06/2023	Regular	0.00	766.26	15956
1221	PG&E	04/06/2023	Regular	0.00	1,648.80	15957
1650	Precision Earthworks, Inc.	04/06/2023	Regular	0.00	12,978.00	15958
1685	Streamline	04/06/2023	Regular	0.00	400.00	15959
1325	Tyler Technologies, Inc.	04/06/2023	Regular	0.00	1,926.21	15960
248	AT&T	04/12/2023	Regular	0.00	8.82	15961
1022	AT&T CalNet	04/12/2023	Regular	0.00	425.00	15962
1652	Cintas Corporation	04/12/2023	Regular	0.00	521.28	15963
1775	CPS HR Consulting	04/12/2023	Regular	0.00	2,373.75	15964
1086	Dataprose	04/12/2023	Regular	0.00	18,747.46	15965
1666	Great America Financial Services	04/12/2023	Regular	0.00	452.99	15966
1654	Jorgensen Company	04/12/2023	Regular	0.00	1,530.50	15967
1785	Landmark Construction	04/12/2023	Regular	0.00	293,663.56	15968
1218	PCWA	04/12/2023	Regular	0.00	2,240.90	15969
1221	PG&E	04/12/2023	Regular	0.00	387.52	15970
1650	Precision Earthworks, Inc.	04/12/2023	Regular	0.00	850.00	15971
1265	Rocklin Area Chamber of Commerce	04/12/2023	Regular	0.00	1,000.00	15972
1518	Sonitrol of Sacramento	04/12/2023	Regular	0.00	126.29	15973
1333	SPOK, Inc.	04/12/2023	Regular	0.00	27.60	15974
1029	Thomson Reuters/Barclays	04/12/2023	Regular	0.00	509.65	15975
1325	Tyler Technologies, Inc.	04/12/2023	Regular	0.00	10,287.50	15976
1338	Verizon Wireless	04/12/2023	Regular	0.00	1,234.60	15977
1561	19six Architects	04/19/2023	Regular	0.00	10,152.25	15979
1021	ARC	04/19/2023	Regular	0.00	119.61	15980
1768	Capital Program Management Inc.	04/19/2023	Regular	0.00	10,522.50	15981
1652	Cintas Corporation	04/19/2023	Regular	0.00	521.28	15982
1073	Consolidated Communications	04/19/2023	Regular	0.00	2,035.13	15983
1124	Gold Country Media Publications	04/19/2023	Regular	0.00	775.68	15984
1812	IB Consulting LLC	04/19/2023	Regular	0.00	8,730.00	15985
1764	Network Design Associates, Inc.	04/19/2023	Regular	0.00	600.00	15986
1224	Paramount Awards	04/19/2023	Regular	0.00	18.23	15987
1218	PCWA	04/19/2023	Regular	0.00	287.54	15988

Check Report

Date Range: 03/28/2023 - 04/24/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1610	Road Safety Inc.	04/19/2023	Regular	0.00	4,999.00	15989
1265	Rocklin Area Chamber of Commerce	04/19/2023	Regular	0.00	300.00	15990
1518	Sonitrol of Sacramento	04/19/2023	Regular	0.00	7,024.62	15991
1306	Superior Equipment Repair	04/19/2023	Regular	0.00	750.00	15992
1770	Youngdahl Consulting Group, Inc.	04/19/2023	Regular	0.00	1,664.00	15993
1240	Placer County Personnel	04/24/2023	Regular	0.00	3,584.04	15994
1015	American Fidelity Assurance	04/01/2023	Bank Draft	0.00	511.16	DFT0008059
1230	Pers (EFT)	04/01/2023	Bank Draft	0.00	7,335.42	DFT0008060
1230	Pers (EFT)	04/01/2023	Bank Draft	0.00	37,280.52	DFT0008061
1230	Pers (EFT)	04/01/2023	Bank Draft	0.00	9,076.12	DFT0008062
1230	Pers (EFT)	04/01/2023	Bank Draft	0.00	177.18	DFT0008063
1230	Pers (EFT)	04/01/2023	Bank Draft	0.00	3,926.00	DFT0008064
1230	Pers (EFT)	04/01/2023	Bank Draft	0.00	109.77	DFT0008065
1586	Principal Life Insurance Company	04/01/2023	Bank Draft	0.00	322.91	DFT0008066
1045	Cal Pers 457 Plan (EFT)	03/31/2023	Bank Draft	0.00	750.00	DFT0008067
1135	Empower (EFT)	03/31/2023	Bank Draft	0.00	250.00	DFT0008068
1135	Empower (EFT)	03/31/2023	Bank Draft	0.00	8,467.52	DFT0008069
1135	Empower (EFT)	03/31/2023	Bank Draft	0.00	636.90	DFT0008070
1042	CA State Disbursement (EF	03/31/2023	Bank Draft	0.00	143.07	DFT0008071
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	49.13	DFT0008072
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	971.48	DFT0008073
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	1,703.72	DFT0008074
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	2,008.32	DFT0008075
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	2,960.85	DFT0008076
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	4,411.10	DFT0008077
1229	Pers (EFT)	03/31/2023	Bank Draft	0.00	4,881.62	DFT0008078
1149	Internal Revenue Service	03/31/2023	Bank Draft	0.00	14,841.70	DFT0008079
1098	EDD (EFT)	03/31/2023	Bank Draft	0.00	4,612.98	DFT0008080
1098	EDD (EFT)	03/31/2023	Bank Draft	0.00	1,077.25	DFT0008081
1149	Internal Revenue Service	03/31/2023	Bank Draft	0.00	3,470.98	DFT0008082
1149	Internal Revenue Service	03/31/2023	Bank Draft	0.00	10,997.35	DFT0008083
1045	Cal Pers 457 Plan (EFT)	04/14/2023	Bank Draft	0.00	750.00	DFT0008084
1135	Empower (EFT)	04/14/2023	Bank Draft	0.00	250.00	DFT0008085
1135	Empower (EFT)	04/14/2023	Bank Draft	0.00	8,467.52	DFT0008086
1135	Empower (EFT)	04/14/2023	Bank Draft	0.00	636.90	DFT0008087
1042	CA State Disbursement (EF	04/14/2023	Bank Draft	0.00	143.07	DFT0008088
1015	American Fidelity Assurance	04/14/2023	Bank Draft	0.00	293.33	DFT0008089
1015	American Fidelity Assurance	04/14/2023	Bank Draft	0.00	237.08	DFT0008090
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	49.13	DFT0008091
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	971.48	DFT0008092
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	1,703.73	DFT0008093
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	2,008.32	DFT0008094
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	2,960.85	DFT0008095
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	4,411.12	DFT0008096
1229	Pers (EFT)	04/14/2023	Bank Draft	0.00	4,881.63	DFT0008097
1149	Internal Revenue Service	04/14/2023	Bank Draft	0.00	14,477.70	DFT0008098
1098	EDD (EFT)	04/14/2023	Bank Draft	0.00	4,084.51	DFT0008099
1098	EDD (EFT)	04/14/2023	Bank Draft	0.00	998.13	DFT0008100
1149	Internal Revenue Service	04/14/2023	Bank Draft	0.00	3,385.86	DFT0008101
1149	Internal Revenue Service	04/14/2023	Bank Draft	0.00	9,843.37	DFT0008102
1229	Pers (EFT)	04/13/2023	Bank Draft	0.00	22.36	DFT0008107
1229	Pers (EFT)	04/13/2023	Bank Draft	0.00	39.20	DFT0008108
1229	Pers (EFT)	04/13/2023	Bank Draft	0.00	63.30	DFT0008109
1229	Pers (EFT)	04/13/2023	Bank Draft	0.00	70.04	DFT0008110
1098	EDD (EFT)	04/13/2023	Bank Draft	0.00	-6.27	DFT0008112
1098	EDD (EFT)	04/13/2023	Bank Draft	0.00	-10.96	DFT0008113
1149	Internal Revenue Service	04/13/2023	Bank Draft	0.00	-10.40	DFT0008115

Check Report

Date Range: 03/28/2023 - 04/24/2023

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1015	American Fidelity Assurance	04/01/2023	Bank Draft	0.00	28,756.38	DFT0008124

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	87	56	0.00	1,028,044.23
Manual Checks	0	0	0.00	0.00
Voided Checks	0	4	0.00	0.00
Bank Drafts	52	52	0.00	210,450.43
EFT's	0	0	0.00	0.00
	139	112	0.00	1,238,494.66

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	87	56	0.00	1,028,044.23
Manual Checks	0	0	0.00	0.00
Voided Checks	0	4	0.00	0.00
Bank Drafts	52	52	0.00	210,450.43
EFT's	0	0	0.00	0.00
	139	112	0.00	1,238,494.66

Fund Summary

Fund	Name	Period	Amount
100	GENERAL FUND	3/2023	397,268.92
100	GENERAL FUND	4/2023	841,225.74
			1,238,494.66

Account Number	Name	Date	Type	Amount	
102-0000302-02	Mix, Arline	3/28/2023	Refund	\$ 132.80	Check #: 15905
102-0000568-03	Menezes, Erik and Molly	3/28/2023	Refund	\$ 55.20	Check #: 15906
102-0000978-02	Garguilo, Daniel and Deana	3/28/2023	Refund	\$ 109.20	Check #: 15907
102-0001213-02	McTague, Paul and Terry	3/28/2023	Refund	\$ 108.00	Check #: 15908
102-0002158-02	Heffner, Joyce	3/28/2023	Refund	\$ 16.80	Check #: 15909
102-0003365-01	Debord, Sharon	3/28/2023	Refund	\$ 108.00	Check #: 15910
102-0005394-02	Aversa, Drew	3/28/2023	Refund	\$ 7.20	Check #: 15911
102-0006869-01	Erwin, Randy W	3/28/2023	Refund	\$ 150.00	Check #: 15912
102-0007181-02	Gomez, Michael	3/28/2023	Refund	\$ 1,080.00	Check #: 15913
102-0007328-02	Bellomo, Pamela A	3/28/2023	Refund	\$ 7.23	Check #: 15914
102-0008822-02	Ewing, Daniel and Stephanie	3/28/2023	Refund	\$ 106.50	Check #: 15915
102-0010218-03	Ybarra, Jose and Alicia	3/28/2023	Refund	\$ 339.00	Check #: 15916
102-0011185-02	Conahan, Cindy and Kevin	3/28/2023	Refund	\$ 107.72	Check #: 15917
102-0011549-01	Steinshouer, Gary and Ann	3/28/2023	Refund	\$ 225.48	Check #: 15918
103-0004222-01	Mutoza, Michele	3/28/2023	Refund	\$ 48.00	Check #: 15919
103-0004620-01	Roth, Alan	3/28/2023	Refund	\$ 9.60	Check #: 15920
106-0012757-01	Armstrong, Sheila	3/28/2023	Refund	\$ 6.74	Check #: 15921
106-0012816-01	Bickford, Brandon	3/28/2023	Refund	\$ 1,056.00	Check #: 15922
106-0015563-01	Fernandez, Gloria	3/28/2023	Refund	\$ 108.55	Check #: 15923
106-0017022-02	Marrs, Barry and Karen	3/28/2023	Refund	\$ 108.84	Check #: 15924
106-0017170-01	Parenti, Ivan	3/28/2023	Refund	\$ 108.17	Check #: 15925
106-0017416-02	Zawidski, Joseph and Laurel	3/28/2023	Refund	\$ 101.13	Check #: 15926
112-1024046-02	Cowsert, Bruce	3/28/2023	Refund	\$ 196.00	Check #: 15927
112-1026863-01	Pogue, Robert and Sari	3/28/2023	Refund	\$ 217.20	Check #: 15928
112-1029898-00	LLC, Multigroup	3/28/2023	Refund	\$ 7.20	Check #: 15929
113-1022206-01	Nistor, Traiano	3/28/2023	Refund	\$ 215.06	Check #: 15930
212-1024369-03	LLC, Rhino Holdings Blue Oaks	3/28/2023	Refund	\$ 4,026.24	Check #: 15931
102-0003540-01	Roberts, Debbie	3/30/2023	Refund	\$ 1,200.00	Check #: 15938
212-1024825-01	KFG & Four CS	3/30/2023	Refund	\$ 884.52	Check #: 15939
102-0001800-02	Gothold, Christopher and Kirsten	4/12/2023	Refund	\$ 1,200.00	Check #: 15978
TOTAL REFUNDS				\$ 12,046.38	

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Herb Niederberger, General Manager

Subject: 1st Quarter Investment Report
(January 1, 2023 through March 31, 2023)

Board Date: May 4, 2023

Overview

In accordance with Section 53646 of the California Government Code, this report provides the Board with a quarterly investment report.

The investments held by the District on March 31, 2023, are shown in Attachment 1 and totaled \$75.42 million. The portfolio is in compliance with the Board's adopted Policy #3120 regarding District investments and has the ability to meet the next six months of cash flow requirements. As of March 31, 2023, the District's investment portfolio had an average quarterly rate of return of 0.58 percent.

Recommendation

Staff recommends that the Board of Directors receive and file the 1st Quarter Investment Report.

Strategic Plan Priorities

This action is consistent with SPMUD Strategic Plan Priorities:
Prepare for the future and foreseeable emergencies
Provide exceptional value for the cost of sewer service

Related District Ordinances and Policies

This action is in conjunction with the following District Policies:
Policy 3120 – Investment of District Funds

Fiscal Impact

There is no direct fiscal impact associated with the preparation of this report.

Attachments:

1. 1st Quarter Investment Report
2. Allocation by Fund, Allocation by Investment Type, and Historical Performance

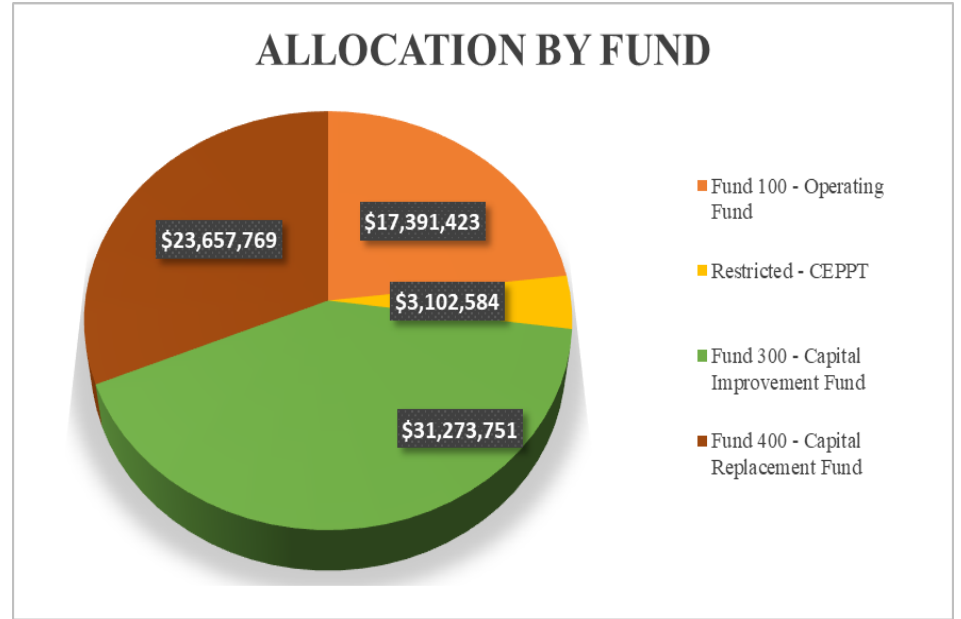
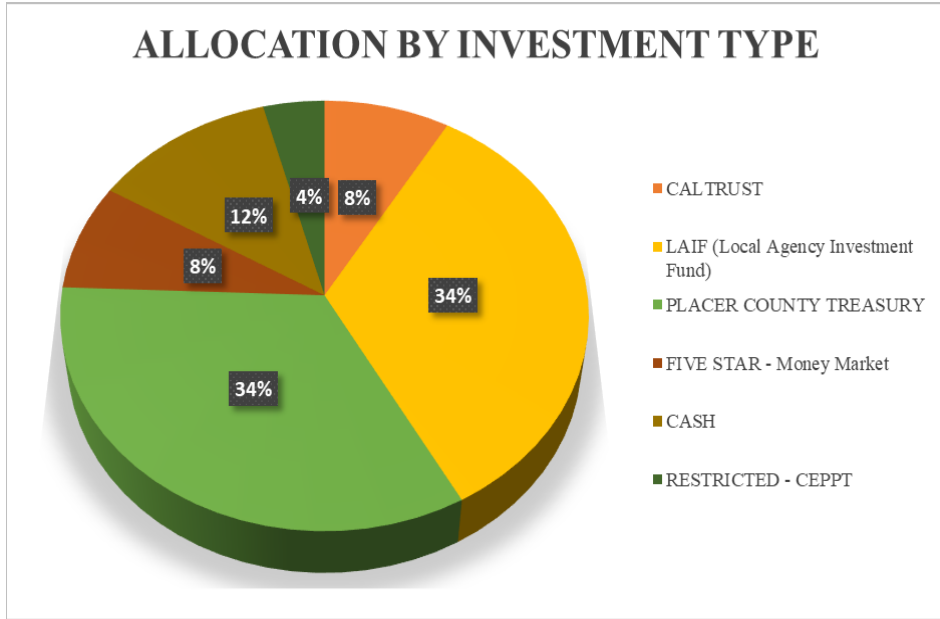
SPMUD BOARD INVESTMENT REPORT**INVESTMENT REPORTING PERIOD: January 1, 2023 - March 31, 2023****MEETING DATE: May 4, 2023**

Investment	Account Balance Prior Year Jan 22 - Mar 22	Account Balance Previous Quarter Oct 22 - Dec 22	Market Value Jan 23 - Mar 23	Quarterly Rate of Return	% of Portfolio
CALTRUST - Short Term	\$ 4,308,471	\$ 4,349,368	\$ 4,398,354	0.91%	6%
CALTRUST - Medium Term	\$ 18,979,499	\$ 6,862,261	\$ 1,967,057	0.61%	3%
PLACER COUNTY TREASURY	\$ 19,976,455	\$ 25,145,937	\$ 25,290,891	0.58%	34%
LAIF (Local Agency Investment Fund)	\$ 19,937,087	\$ 25,194,869	\$ 25,364,678	0.65%	34%
FIVE STAR - Money Market	\$ -	\$ 5,022,410	\$ 6,054,558	0.65%	8%
CASH	\$ 6,775,989	\$ 4,629,379	\$ 9,247,405	0.13%	12%
RESTRICTED - CEPPT	\$ 3,345,795	\$ 2,976,402	\$ 3,102,584	1.04%	4%
TOTAL/AVERAGE	\$ 73,323,296	\$ 74,180,626	\$ 75,425,527	0.59%	100%

QUARTERLY TRANSFERS

CalTRUST: \$5M from CalTRUST Medium Term to Cash (subsequently moved to California CLASS on April 3, 2023)
LAIF: None
PLACER COUNTY: None
FIVE STAR MM: \$1M to Five Star Money Market from Cash

Attachment 2 – Allocation by Fund, Allocation by Investment Type, and Historical Performance



Historical Performance					
	3 months	6 months	1 year*	3 year*	5 year*
CaTRUST Short Term	0.91%	1.62%	2.09%	1.00%	1.53%
CaTRUST Medium Term	0.61%	1.29%	0.43%	-0.25%	1.24%
Placer County	0.58%	0.96%	1.27%	0.71%	1.18%
LAIF	0.65%	1.15%	1.66%	0.90%	1.41%
Five Star MM	0.65%	1.15%	1.66%	0.90%	1.41%
CEPPT	1.04%	0.82%	-7.24%	5.51%	-

*Annualized

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Herb Niederberger, General Manager

Subject: Investment of District Funds Strategy for Fiscal Year 2023/24

Meeting Date: May 4, 2023

Overview

The South Placer Municipal Utility District (District) operates in accordance with the Municipal Utilities District (MUD) Act of California, codified in the State of California Public Utilities Code §11501, et seq. Public Utilities Code §12871. The MUD Act allows the District to invest surplus money in its treasury, and the Government Code of the State of California, primarily §53601 and related subsections, authorize the types of investment vehicles allowed in a California local agency's portfolio.

On December 3, 2015, the Board of Directors adopted Resolution 15-27 which created a District Policy Handbook and contained Policy 3120 - Investment of District Funds. Policy 3120 allows investments consistent with the three primary principles of public fund investment, 1) Safety, 2) Liquidity, and 3) Return on Investment, in that order of priority. The District elected to utilize a "dual portfolio" approach to its investments, consisting of a "Liquidity Portfolio" and a "Long-Term Portfolio." On February 4, 2016, the District adopted Resolution 16-04 which initiated an investment strategy that complied with Policy 3120 and expanded the District's current investment portfolio held in the Local Agency Investment Fund (LAIF) and Placer County Treasury Pool into government-backed fixed income securities held through Wells Fargo as well as short-term and medium-term funds held in the Investment Trust of California (CalTrust). On June 7, 2018, the District adopted Resolution 18-15 approving an investment strategy to slowly divest itself of the fixed-income securities held in the Wells Fargo Long-Term Portfolio and distribute the divested funds evenly among the CalTrust Medium-Term Fund and the Placer County Treasury. These funds were fully divested in October 2021.

The District currently holds investments in the CalTrust Short-Term and Medium-Term Funds. Both funds require the posting of unrealized gains and losses. The investments held at CalTrust have been posting substantial losses since August of 2021, with the largest losses being in the Medium-Term Fund. The District has been meeting with the Fee and Finance Committee to implement their recommendations for progressively divesting from the CalTrust Medium-Term Fund since May 2022.

Date	Amount	From	To
05/12/2022	\$5M	CalTrust Medium-Term Fund	Local Agency Investment Fund
05/12/2022	\$5M	CalTrust Medium-Term Fund	Placer County Treasury Pool
12/22/2022	\$2M	CalTrust Medium-Term Fund	Cash
03/27/2023	\$5M	CalTrust Medium-Term Fund	CA Class

The District has also added two new investment accounts to the District’s investment portfolio with the recommendation of the Fee and Finance Committee. On April 7, 2022, the District adopted Resolution 22-10 authorizing the General Manager to execute an agreement with Five Star Bank for banking services. Five Star Bank offers a Money Market account that matches the yield of LAIF but provides interest payments monthly instead of quarterly, increasing the compounding rate. In October 2022, the Fee & Finance Committee recommended the District move \$5 Million in cash to the Five Star Money Market account.

In March 2023, the Fee & Finance Committee heard a presentation from Rick Wood with the California Special Districts Association (CSDA) on California CLASS, a Joint Powers Authority (JPA) Investment Pool for California Public Agencies. The Fee and Finance Committee recommended that the District open an account with CA CLASS and deposit \$5 Million in funds previously held in the CalTRUST Medium Term Fund. The funds were deposited into a Prime Fund account with CA CLASS which currently has a 30-Day Yield of 4.7083 percent and similar to LAIF and PCT, does not subject the District to the reporting of unrealized and realized gains and losses.

District staff desires to adopt a formal investment strategy for Fiscal Year 2023/24 divesting the District from CalTRUST and holding investments amongst the Local Agency Investment Fund, the Placer County Treasury Pool, the CA CLASS Prime Fund, the Five Star Money Market, and the CalPERS CEPT (Pension Trust). As of March 31, 2023, the balance of the District investment portfolio was \$75,425,527.

Investment	% of Overall Portfolio¹	Maximum Amount
Checking Account (Five Star Bank)	5%	\$5M
Money Market (Five Star Bank)	10%	\$10M
LAIF	35%	\$35M
Placer County Treasury	35%	\$35M
CA CLASS	10%	\$10M
CalPERS CEPP Trust	5%	\$5M

Recommendation

Staff recommends that the Board of Directors adopt Resolution 23-11, Investment of District Funds Strategy for Fiscal Year 2023/24

¹ These percentages are target amounts and are intended to be used as a guideline to diversify District funds while ensuring adequate cash flow and compliance with Board Policy 3120. Investment account balances are subject to change based on market fluctuations.

Strategic Plan Goals

This action is consistent with SPMUD Strategic Plan Priorities:

Prepare the future and foreseeable emergencies

Provide exceptional value for the cost of sewer service

Related District Ordinances and Policies

District Policy: Policy No. 3120 - Investment of District Funds.

Fiscal Impact

This action has the potential increase to the rate of return on District investments thereby increasing the funds available in the District's treasury.

Attachments

1. Resolution 23-11

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 23-11

INVESTMENT OF DISTRICT FUNDS STRATEGY FOR FISCAL YEAR 2023/24

WHEREAS, Public Utilities Code § 12871 allows the District to invest surplus money in its treasury, and Government Code §53601 and related subsections, authorize the types of investment vehicles allowed in a California local agency's portfolio; and,

WHEREAS, the Board of Directors adopted Resolution 15-27 on December 3, 2015, which reflected that Policy 3120 - Investment of District Funds was adopted in its entirety and included in the District Policy Handbook; and

WHEREAS, Consistent with the three primary principles of public fund investment, 1) Safety, 2) Liquidity, and 3) Return on Investment, in that order of priority, the District elected to utilize a "dual portfolio" approach to its investments, consisting of a "Liquidity Portfolio" and a "Long-Term Portfolio;" and

WHEREAS, the Board of Directors adopted Resolution 16-04 on February 4, 2016, which expanded its investment portfolio into government-backed fixed-income securities held through Wells Fargo and short-term and medium-term funds held in the Investment Trust of California (CalTrust); and

WHEREAS, the Board of Directors adopted Resolution 18-15 on June 7, 2018, that called for slowly divesting the fixed-income securities held in the Long-Term Portfolio without incurring penalty or greater risk, and distributing the divested funds evenly among the CalTrust Medium-Term holdings and the Placer County Treasury and these funds were fully divested in October 2021; and

WHEREAS, investments held in CalTrust have been posting substantial losses since August of 2021, and the Fee and Finance Committee has been recommending certain distributions from the CalTrust Medium Term Fund since May 2022; and

WHEREAS, the District has two new investment accounts that may be utilized, a money market account with Five Star Bank and a Prime Account with CA CLASS, a Joint Powers Investment Pool for California Public Agencies; and

WHEREAS, District staff desires to adopt a formal investment strategy for Fiscal Year 2023/24 divesting the District from CalTrust and holding investments amongst the Local Agency Investment Fund, the Placer County Treasury Pool, the CA CLASS Prime Fund, the Five Star Money Market, and the CalPERS CEPPT (Pension Trust).

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District that in accordance with the aforementioned Policy 3120 - Investment of District Funds, the following investment strategy shall be employed for the investment of District funds for Fiscal Year 2023/24:

Investment	% of Overall Portfolio¹	Maximum Amount
Checking Account (Five Star Bank)	5%	\$5M
Money Market (Five Star Bank)	10%	\$10M
LAIF	35%	\$35M
Placer County Treasury	35%	\$35M
CA CLASSs	10%	\$10M
CalPERS CEPP Trust	5%	\$5M

This strategy shall be implemented for the year 2023/2024 and shall remain in effect unless further refined by Board Resolution.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 4th day of May 2023.

Signed: _____

James T. Williams, President of the Board of Directors

Attest: _____

Emilie Costan, Board Secretary

¹ These percentages are target amounts and are intended to be used as a guideline to diversify District funds while ensuring adequate cash flow and compliance with Board Policy 3120. Investment account balances are subject to change based on market fluctuations.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT**STAFF REPORT**

To: Board of Directors

From: Carie Huff, District Engineer

Cc: Josh Lelko, Engineering Technician

Subject: Acceptance of the Bill of Sale for the Sierra Gateway Apartments Sewer Improvements

Meeting Date: May 4th, 2023

Overview

The Sierra Gateway Apartment improvements are located within Rocklin, southeast of the intersection of Sierra College Boulevard and Rocklin Road. The Sierra Gateway Apartment project consists of public sewer improvements to serve one hundred and ninety-four apartment units, a clubhouse with a manager's unit, and a pool, for a total of 195.17 EDU. The Sierra Gateway Apartments improvements include the following public infrastructure:

- Installation of one (1) manhole; and
- Installation of thirty (30) linear feet of lower laterals.

In January of 2023, the Board of Directors approved Resolution 23-02 authorizing the General Manager to enter into a Sewer Easement Conveyance Agreement (attached for reference) which quitclaims a portion of the District's existing sewer easement and existing sewer facilities. Execution of this agreement was required for board acceptance along with the remainder of administrative items.

Recommendation

Staff recommends that the Board of Directors accept the attached Bill of Sale for the Sierra Gateway Apartments sewer improvements.

Strategic Plan Goal

This action is consistent with the following Strategic Plan Priorities:

- Maintain an excellent regulatory compliance record.
- Prepare for the future and foreseeable emergencies.
- Leverage existing and applicable technologies to improve efficiencies.

Related District Ordinances and Policies

Policy 3250 – Sewer System Contributions/Bills of Sale

Policy 3251 – Recordation of Assets for Depreciation Purposes

Fiscal Impact

The estimated value of the contributed capital is \$13,898.

Attachments:

1. Bill of Sale
2. Map – Sierra Gateway Apartments
3. Sewer Easement Conveyance Agreement

BILL OF SALE

Rocklin Sierra Apartments II, LLC ("Developer/Owner") does hereby grant, bargain, sell and convey to SOUTH PLACER MUNICIPAL UTILITY DISTRICT all of its rights, title and interest in and to all public sewer pipes, lines, mains, manholes, and appurtenances installed by its contractor in that subdivision/project commonly known as Sierra Gateway Apartments

Grantor herein does hereby warrant and guarantee to SOUTH PLACER MUNICIPAL UTILITY DISTRICT that all of the personal property described herein consisting of sewer pipes, lines, mains, manholes, and appurtenances are free and clear of all mechanics liens and encumbrances of any type, nature or description whatsoever.

Dated this April 4, 2024

By: (Developer/Owner)

SEE ATTACHED SIGNATURE PAGE

Signature

Name (Please Type or Print)

1/2
[Signature]
4/4/23

Signature Page
BILL OF SALE
SOUTH PLACER MUNICIPAL UTILITY DISTRICT
Rocklin Sierra Apartments II, LLC

Rocklin Sierra Apartments II, LLC,
a Delaware limited liability company

By: ELF Sacramento Ventures II, LLC,
a Delaware limited liability company,
Manager

By: 
Cristina Agra-Hughes, Senior Vice President

2/2
4/4/23

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

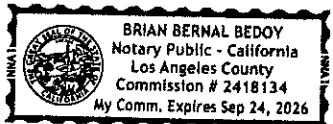
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of LOS ANGELES }

On APRIL 4th, 2023 before me, BRIAN BERNAL BEDOY
Date Here Insert Name and Title of the Officer

personally appeared CRISTINA AGUIA-HUGES
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Handwritten Signature]
Signature of Notary Public

Place Notary Seal and/or Stamp Above

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

Signer's Name: _____

Corporate Officer - Title(s): _____

Corporate Officer - Title(s): _____

Partner - Limited General

Partner - Limited General

Individual Attorney in Fact

Individual Attorney in Fact

Trustee Guardian or Conservator

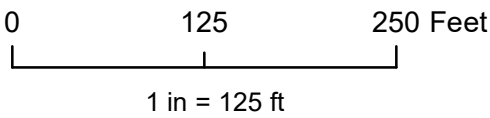
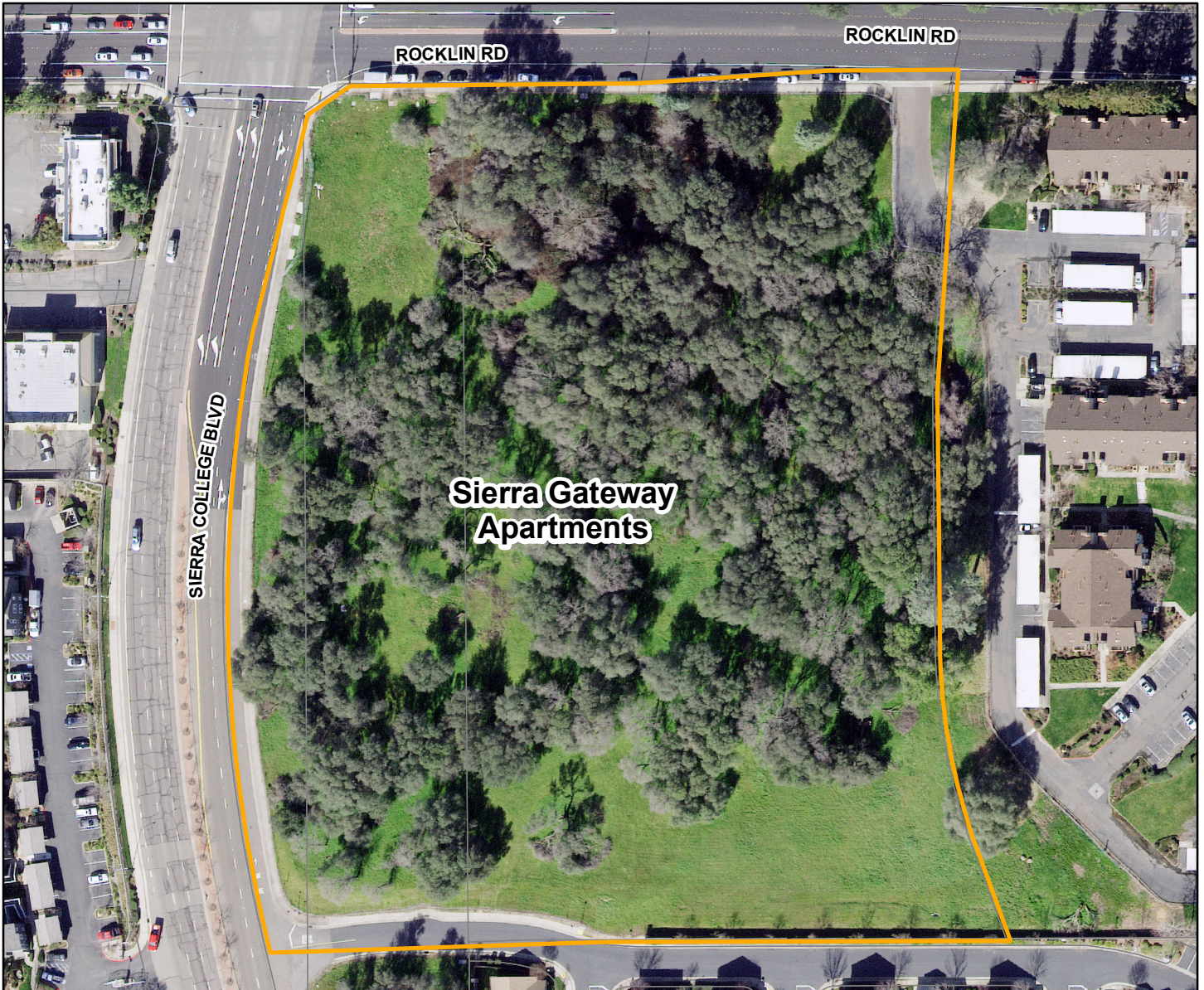
Trustee Guardian or Conservator

Other: _____

Other: _____

Signer is Representing: _____

Signer is Representing: _____



Sierra Gateway Apartments

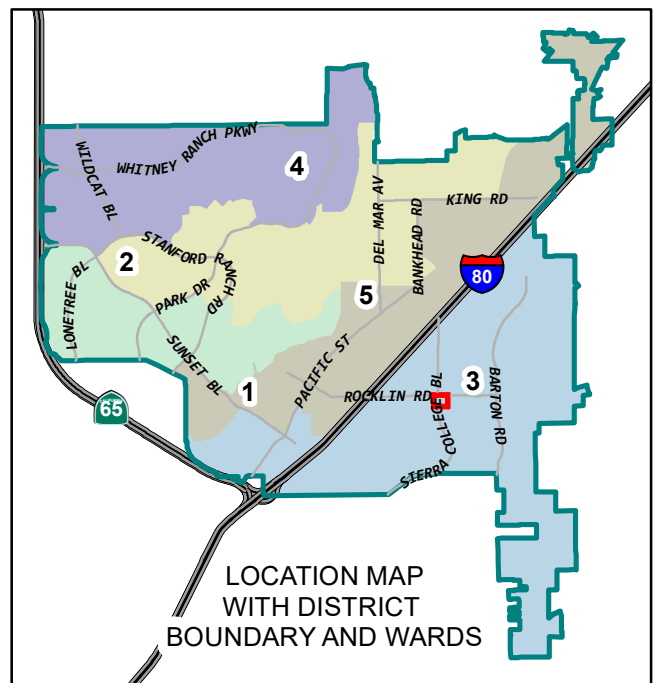
195 EDUs

Date: 4/6/2023

Author: Curtis Little

Document Path:

G:\spmud_gis\mxd\Bill of Sale\2023\MXD\SierraGateway.mxd



LOCATION MAP
WITH DISTRICT
BOUNDARY AND WARDS

Recording Requested by
And Return to:

South Placer Municipal
Utility District
5807 Springview Drive
Rocklin, CA. 95677

No fee per Government
Code 6103 and 27383



PLACER, County Recorder
RYAN RONCO
DOC- 2023-0021370-00

TUESDAY, APR 25, 2023 02:44 PM
MIC \$0.00 | AUT \$0.00 | SBS \$0.00
ERD \$0.00 | SB2 \$0.00 | * \$0.00
ADD \$0.00

Ttl Pd \$0.00 Rcpt # 03236897
CLK6B8XJ93/CG/1-21

APN: 045-161-016-000 and 045-161-023-000

SEWER EASEMENT CONVEYANCE AGREEMENT

This Sewer Easement Conveyance Agreement (this "Agreement") is entered into as of March 30, 2023 (the "Effective Date"), by and among the South Placer Municipal Utility District (hereinafter referred to as "District"), Rocklin Sierra Apartments II, LLC, a Delaware limited liability company (hereinafter referred to as "Rocklin Sierra") and The Boardwalk Apartments 193, LLC, a Delaware limited liability company (hereinafter referred to as "Boardwalk Apartments").

RECITALS

WHEREAS, the District owns and operates the public sewer collection system serving customers within its exterior boundaries, consisting of the Town of Loomis, City of Rocklin and unincorporated parts of Placer County, including wastewater transmission mains, laterals, cleanouts and other sewer infrastructure presently owned, operated and maintained by the District; and

WHEREAS a portion of the District's facilities located on APN 045-161-016-000 in Rocklin serving the Boardwalk Apartments (APN 045-161-023-000), includes approximately eighty (80) feet of 8-inch sewer lateral and a manhole (the "Boardwalk Apartment Lateral"); and

WHEREAS, Rocklin Sierra and Boardwalk Apartments have requested that the District abandon and quitclaim the Boardwalk Apartment Lateral to Rocklin Sierra, which in turn will grant Boardwalk Apartments a private sewer easement (Boardwalk Apartment Private Sewer Easement) for the operation and maintenance of the Boardwalk Apartment Lateral; and

WHEREAS, District has consented to this abandonment and quitclaim of its easement, conditioned upon Rocklin Sierra granting the easement for the Boardwalk Apartment Lateral to Boardwalk Apartments, and provided Boardwalk Apartments assumes all liability and responsibility for the ownership, operation and maintenance of the Boardwalk Apartment Lateral and all sewer infrastructure within Boardwalk Apartments, subject to the terms and conditions set forth herein;

5
1/19
3/30/23

AGREEMENT

1. Sewer Easements.

a. Quitclaim of Sewer Easement. District hereby agrees to abandon and quitclaim a portion of the sewer easement per Document 97-0013391, Official Records of Placer County, which includes Boardwalk Apartment Lateral and convey all sewer facilities located within the easement to Rocklin Sierra pursuant to the terms and conditions of the Quitclaim Deed Sewer Easement attached hereto as Exhibit A. The District shall have no further responsibility for the operation, repair and maintenance of the Boardwalk Apartment Private Sewer Easement and all sewer facilities located thereon and thereunder. Said quitclaim and conveyance is made without any representation or warranty regarding the condition of the public sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartment Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral, which are quitclaimed, sold and conveyed in an “as is” condition with no further obligation of repair or maintenance.

b. Grant of Sewer Easement. Rocklin Sierra hereby agrees to grant Boardwalk Apartments a non-exclusive, perpetual right of way and easement for the Boardwalk Apartment Lateral quitclaimed by the District for the purposes (collectively, the “Permitted Use”) of building, constructing, reconstructing, adding to, modifying, altering, replacing or enlarging and to operate and maintain gravity and/or pressure sewer pipelines, including the Sewer Line, together with any and all fixtures, structures, devices and appurtenances appertaining thereto. The sewer easement shall be evidenced by the Grant of Private Sewer Easement (Boardwalk Apartment Private Sewer Easement) in the form attached hereto as Exhibit B. Boardwalk Apartments shall not be permitted to use the Easement Area for any use other than the Permitted Use. Said grant and conveyance is made without any representation or warranty regarding the condition of the public sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartment Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral, which are granted, sold and conveyed in an “as is” condition with no further obligation of repair or maintenance.

c. Bill of Sale. As part of the consideration for entering into this Agreement, the Parties shall execute a Bill of Sale in the form attached hereto as Exhibit C for the conveyance of the fixtures, structures, devices and appurtenances owned by the District within the Boardwalk Apartment Lateral and Boardwalk Apartment Private Sewer Easement in connection with the conveyance and sale thereof.

c. Private Sewer System. Upon the grant and conveyance of the Boardwalk Apartment Private Sewer Easement and all existing District sewer facilities located within the easement, described in Sections 1.a. and 1.b., above, Boardwalk Apartments shall exclusively own and be solely responsible for the sewer lines and conveyances serving the Boardwalk Apartments and located within the property described in Exhibit D hereto, including the Boardwalk Apartment Private Sewer Easement and Boardwalk Apartment Lateral.

b. Work in Easement Area. Boardwalk Apartments (either directly or indirectly through licensed contractors) shall, at its sole cost and expense: (i) conduct the Permitted Use in compliance with all applicable laws; (ii) perform any work constituting a Permitted Use in a good and workmanlike manner; (iii) not permit any mechanics’, materialmens’ or other liens to be recorded against the Property by reason of any Permitted Use; and (iv) cooperate with Rocklin

2/19
3/20/23

Sierra and its successors and assigns as owner of the real property on which the Boardwalk Apartment Lateral is located to conduct such work in a manner as to cause as little disturbance as reasonably practicable to the property, and to the tenants, agents, guests and invitees of Rocklin Sierra and its successors and assigns.

c. Cleanup. Following use of the Boardwalk Apartment Private Sewer Easement for sewer line work or maintenance or any other Permitted Use, the Boardwalk Apartments shall, at its sole cost and expense and without reimbursement from Rocklin Sierra, restore the improvements in the easement area and at the property to equal or better condition than existed prior to any Permitted Use, and to re-grade, level or smooth existing ground to the condition as it existed prior to commencement of work and/or other Permitted Use. Rocklin Sierra and Boardwalk Apartments covenant and agree to document the condition of the Property with photographs taken prior to, and following, any Permitted Use.

d. Term of Sewer Easements. The Sewer Easements shall be perpetual in duration.

e. Indemnification of District. Rocklin Sierra and Boardwalk Apartments, and their successors and assigns, shall, jointly and severally, indemnify, defend and hold District and District's members, managers, officers, directors, partners, agents and employees and their respective successors and assigns, free and harmless of and from any and all losses, costs, liabilities, claims, judgments, liens, damages and expenses, including, without limitation, reasonable attorneys', experts' and investigation fees and costs, arising out of or in any way related to injury to or death of persons or property damage arising out of the quitclaim, grant, conveyance and use of the Boardwalk Apartment Private Sewer Easement and sewer service facilities located thereon and thereunder. Boardwalk Apartments and its successors and assigns expressly agrees to defend, indemnify and hold harmless the District from and against any and all sanitary sewer overflows, leaks, backups, regulatory violations, damages, fines and penalties arising out of the use of the Boardwalk Apartment Private Sewer Easement and private sewer system serving the Boardwalk Apartments.

4. Miscellaneous.

a. Governing Law. The Agreement shall be construed in accordance with, and governed by, the internal laws of the State of California.

b. Covenant Runs with the Land. This Agreement runs with the land and shall inure to the benefit of and be binding on the parties and their respective legal representatives, successors and assigns.

c. Notice. All notices and any other communications permitted or required under this Agreement must be in writing and will be effective (i) immediately upon delivery in person or by facsimile, provided delivery is made during regular business hours or receipt is acknowledged by a person reasonably believed by the delivering party to be employed by the recipient and that for all facsimiles, good and complete transmission is confirmed by the sending facsimile machine and a copy of the notice is concurrently mailed pursuant to clause (iii) below; or (ii) upon the earlier of actual delivery confirmed by executed receipt of the recipient or 24 hours after deposit (in time for next day delivery) with a commercial courier or delivery service for overnight delivery, provided delivery is made during regular business hours or receipt is

3/17
3/30/23

acknowledged by a person reasonably believed by the delivering party to be employed by the recipient; or (iii) three days after deposit (before the last pick up time) with the United States Postal Service, certified mail, return receipt requested, postage prepaid and with the return receipt returned to the sender marked as delivered, undeliverable or rejected. The inability to deliver because of a changed address of which no notice was given, or rejection or other refusal to accept any notice, shall be deemed to be the receipt of the notice as of the date of such inability to deliver or rejection or refusal to accept. Any notice to be given by any Party hereto may be given by the counsel for such Party. All notices must be properly addressed and delivered to the parties at the addresses set forth below, or at such other addresses as such Party may subsequently designate by written notice given in the manner provided in this Section 4(c):

If Rocklin Sierra: Rocklin Sierra Apartments II, LLC
23622 Calabasas Road, Suite 200
Calabasas, CA 91302

If Boardwalk Apartments: Boardwalk Apartments 193, LLC,
23622 Calabasas Road, Suite 200
Calabasas, CA 91302

If District: South Placer Municipal Utility District
5807 Springview Drive
Rocklin, CA 95677
Attn: General Manager

In this section, “business day” means days other than Saturdays, Sundays, and federal and state legal holidays. Either party may change its address by written notice to the other in the manner set forth above. Receipt of communications by United States first class or registered mail shall be sufficiently evidenced by return receipt.

d. Partial Invalidity. The provisions of this Agreement are intended to be severable and enforceable to the maximum extent permitted by law. If for any reason any provision of this Agreement shall be held invalid, illegal or unenforceable in whole or in part in any jurisdiction, then that provision shall be ineffective only to the extent of the invalidity, illegality or unenforceability and in that jurisdiction only, without in any manner affecting the validity, legality or enforceability of the unaffected portion and the remaining provisions in that jurisdiction or any provision of the Agreement in any other jurisdiction. The unaffected portion and provisions of this Agreement will be enforced to the maximum extent permitted by law.

e. Waiver, Modification and Amendment. No amendment of, supplement to or waiver of any obligations under this Agreement will be enforceable or admissible unless set forth in a writing signed by the party against which enforcement or admission is sought. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted shall apply solely to the specific instance expressly stated.

f. Covenant of Further Assurances. The parties hereby agree to execute such other documents and perform such other acts as may be necessary or desirable to carry out the purposes of this Agreement.

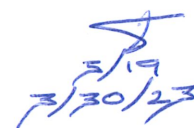
4/19
3/30/23

g. Entire Agreement. This Agreement represents the final, entire and complete agreement between the parties with respect to the subject matter hereof and supersedes all other prior or contemporaneous agreements, communications or representations, whether oral or written, express or implied. The parties acknowledge and agree that they may not and are not relying on any representation, promise, inducement, or other statement, whether oral or written and by whomever made, that is not contained expressly in this Agreement. This Agreement may only be modified by a written instrument signed by representatives authorized to bind all parties. Oral modifications are unenforceable.

h. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and is intended to be binding when all parties have delivered their signatures to the other parties. All counterparts shall be deemed an original of this Agreement.

i. Authority. The individuals executing this Agreement on behalf of District and Owner individually represent and warrant that he or she has been authorized to do so and has the power to bind the party for whom they are signing.

[SIGNATURES TO APPEAR ON FOLLOWING PAGE]

Handwritten signature in blue ink, with the date 3/30/23 written below it.

IN WITNESS WHEREOF, District and Owner have executed this Agreement effective as of the Effective Date.

ROCKLIN SIERRA:

Rocklin Sierra Apartments II, LLC,
a Delaware limited liability company

By: see attached signature page

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

BOARDWALK APARTMENTS:

Boardwalk Apartments 193, LLC,
a Delaware limited liability company

By: see attached signature page

Name: _____

Title: _____

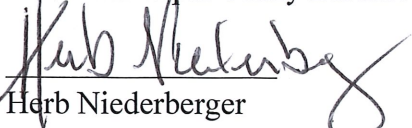
By: _____

Name: _____

Title: _____

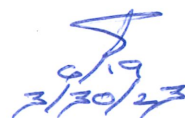
DISTRICT:

South Placer Municipal Utility District

By: 

Name: Herb Niederberger

Title: General Manager

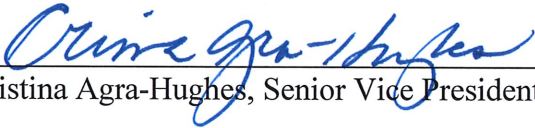

a.g.
3/30/23

**SIGNATURE PAGE
TO
SEWER EASEMENT CONVEYANCE AGREEMENT
ROCKLIN SIERRA
BOARDWALK APARTMENTS**

ROCKLIN SIERRA:

Rocklin Sierra Apartments II, LLC,
a Delaware limited liability company

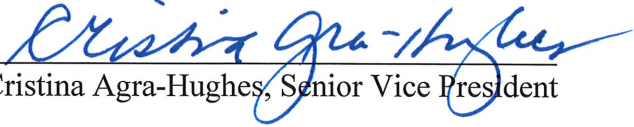
By: ELF Sacramento Ventures II, LLC,
a Delaware limited liability company,
Manager

By: 
Cristina Agra-Hughes, Senior Vice President

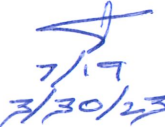
BOARDWALK APARTMENTS:

The Boardwalk Apartments 193, LLC,
a Delaware limited liability company

By: ELF Sacramento Ventures II, LLC,
a Delaware limited liability company,
Manager

By: 
Cristina Agra-Hughes, Senior Vice President

Date: 3/30/2023


7/17
3/30/23

Recording Requested By
And Return To:

South Placer Municipal
Utility District
5807 Springview Drive
Rocklin, CA 95677

No Fee per Government
Code § 6103 and 27383

APN: 045-161-014, 015, and 016

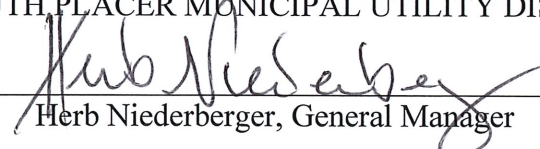
**QUITCLAIM DEED
SEWER EASEMENT**

South Placer Municipal Utility District, a public Agency, does hereby remise, release, and forever quitclaim to ROCKLIN SIERRA APARTMENTS II, LLC, all of its right, title and interest in and to that certain sewer easement areas on, over and across that certain real property situated in the City of Rocklin, County of Placer, State of California as more particularly described and shown in Exhibits "A" and "B: attached hereto and incorporated by reference herein.

SEE EXHIBITS "A" AND "B"

Dated: March 30, 2023

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

By: 
Herb Niederberger, General Manager

ATTEST: 


2/30/23

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Placer

On April 17, 2023 before me, Emilie S. Costan, notary public
(insert name and title of the officer)

personally appeared Herb Niederberger,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature Emilie S Costan (Seal)

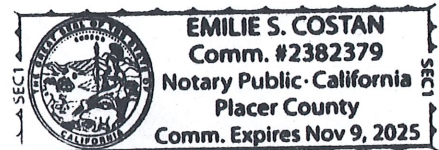


EXHIBIT "A"
SEWER EASEMENT
ABANDONMENT

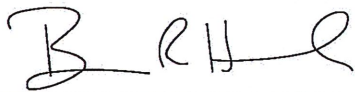
Affecting Parcel 1 of LLA 86-02, Bk. 1988 – Pg. 191
Official Records Placer County
A Portion of the SW 1/4 of Sec. 21
T.11N., R.7E., M.D.B. & M.,
City of Rocklin, Placer County, California

A strip of land, 10-feet wide, the south line of which is described as follows:

BEGINNING at a point in the east line of Parcel 1 as shown in LLA 86-02, recorded on June 13, 1986 in Book 2988 at Page 191, Official Records Placer County, from which the center 1/4 corner of Section 21, T.11 N., R.7 E. M.D.B. & M., marked by a 1 1/2" C.I.P. shown in Book 8 of Parcel Maps, at Page 143, bears South 19°11'00" East 26.35-foot; thence, South 89°31'19" East, 771.07-feet; thence, North 00°59'03" East, 744.13-foot;

thence from said point North 89°31'19" West, 55.76-feet to the point of **TERMINATION**;
Sidelines are lengthened or shortened as needed to terminate at said east line of Parcel 1 and at right angles to said South line at said point of **TERMINATION**.

The basis of bearing of this exhibit and legal description is identical to that shown in Book 8 of Parcel Maps, at Page 143, filed on August 11, 1976, Official Records Placer County, California.



11-08-22

Brian R. Howard PLS 7250

Date



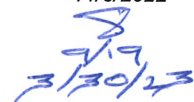
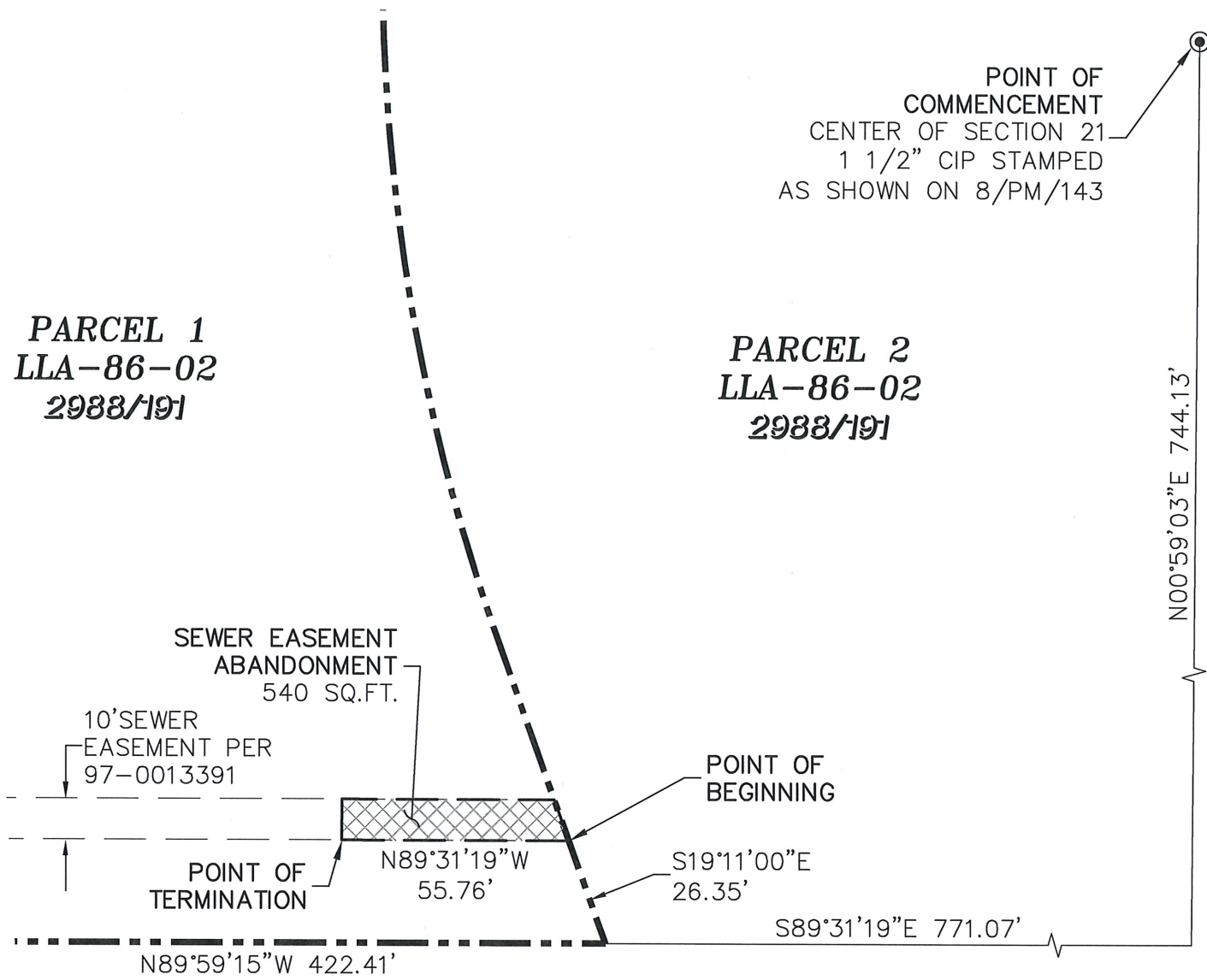


EXHIBIT 'B'

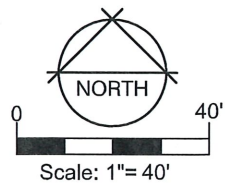
POINT OF COMMENCEMENT
CENTER OF SECTION 21
1 1/2" CIP STAMPED
AS SHOWN ON 8/PM/143

PARCEL 1
LLA-86-02
2988/191

PARCEL 2
LLA-86-02
2988/191



B R H 11-08-22
BRIAN R. HOWARD PLS 7250 DATE



SEWER EASEMENT ABANDONMENT



GHD Inc.
330 Hartnell Avenue, Suite B
Redding, California 96002 USA
T 1 530 242 1700 W www.ghd.com

ROCKLIN, CALIFORNIA

*10/19
3/30/23*

November 8, 2022
1783LG009.dwg

Recording Requested By
And Return To:

ROCKLIN SIERRA APARTMENTS
c/o The Ezralow Company, LLC
23622 Calabasas Rd., Suite 200
Calabasas, CA 91302
Att: Cristina Agra-Hughes
Senior Vice President

GRANT OF PRIVATE SEWER EASEMENT

The undersigned hereby declares:
DOCUMENTARY TRANSFER TAX \$ _____
NA Computed on full value of property conveyed
NA Value less remaining encumbrances
_____ Unincorporated Area X City of Rocklin
APN 045-161-016
Exempt from Documentary Transfer Tax pursuant to
Revenue and Taxation Code Section 11922.

ROCKLIN SIERRA APARTMENTS II, LLC, a Delaware limited liability company (“GRANTOR”), owner of the Rocklin Sierra Apartments located at 5180 Rocklin Road, Rocklin, CA 95677 does hereby GRANT to the **ROCKLIN MANOR APARTMENTS** (“GRANTEE”) located at 5240 Rocklin Road, Rocklin, CA 95677, and its successors and assigns, a perpetual right-of-way and easement to build, construct, reconstruct, add to, modify, alter, replace or enlarge and to operate and maintain gravity and/or pressure sewer pipelines, together with any and all fixtures, structures, devices and appurtenances appertaining thereto; together with the rights of ingress and egress; on, over, across and under all sewer easements located on that certain property shown and described on that certain map attached hereto and incorporated herein by this reference at **Exhibit “A”** of this sewer easement.

GRANTOR, its successors and assigns agree that:

1. No buildings, structures, walls, fences, or trees shall be placed upon, over or under said parcel of land within the easement for the duration of this easement, except as shown on improvements plans approved by GRANTEE and except that said parcel may be improved and used for street, road or driveway purposes trail, path parking lot, non-vehicular public access, or shallow root landscaping purposes and for other utilities, insofar as such use does not interfere with GRANTEE’s use of and access to the easement for the purposes for which it is granted.
2. GRANTEE shall not be liable for any damage to any of GRANTOR’s improvements placed upon said parcel due to GRANTEE’s operations using reasonable care.

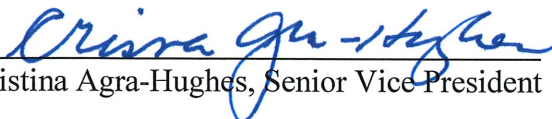
[Handwritten signature]
11/19
3/30/23

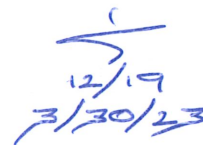
3. Should any of GRANTEE's facilities within said easement be required to be relocated or repaired as a result of changes in grade or other construction within the easement, GRANTOR or its successors and assigns shall bear the full cost of such relocation or repair, unless changes in grade or other construction are done with the prior written consent of GRANTEE.
4. GRANTOR shall not allow any obstructions which may impede or interfere with GRANTEE's use of or access to said easement.
5. GRANTEE shall have the right, but not the obligation to cut, trim, remove trees, brush, and/or remove other unauthorized obstructions which may impede or interfere with GRANTEE's use.
6. GRANTEE accepts no responsibility for or liability to GRANTOR or any other party for any damages arising out of the installation, use, maintenance, ownership or operation of other utilities or any other improvements within GRANTEE's easement and right of way.
7. All provisions of this easement, including the benefits and burdens, run with the land and are binding upon and inure to GRANTOR's, GRANTEE's, and their respective heirs, assigns, successors, tenants and personal representatives.
8. Signator(ies) for GRANTOR warrant that he/she/they have the legal authority to bind the party hereto and GRANTOR warrant that he/she/they may legally grant the rights described herein.

Dated: March 30, 2023

ROCKLIN SIERRA APARTMENTS II, LLC,
a Delaware limited liability company

By: ELF Sacramento Ventures II, LLC,
a Delaware limited liability company,
Manager

By 
Cristina Agra-Hughes, Senior Vice President


12/19
3/30/23

CALIFORNIA ACKNOWLEDGMENT

CIVIL CODE § 1189

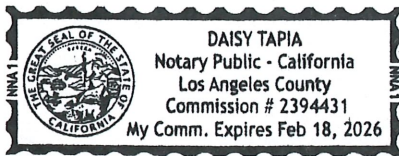
A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }
County of Los Angeles }
On March 30, 2023 before me, Daisy Tapia, Notary Public
Date Here Insert Name and Title of the Officer
personally appeared Cristina Agna-Hughes
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Place Notary Seal and/or Stamp Above

Signature [Handwritten Signature]
Signature of Notary Public

OPTIONAL

Completing this information can deter alteration of the document or fraudulent reattachment of this form to an unintended document.

Description of Attached Document

Title or Type of Document: Sewer Easement Conveyance Agreement

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____ Signer's Name: _____

Corporate Officer – Title(s): _____ Corporate Officer – Title(s): _____

Partner – Limited General Partner – Limited General

Individual Attorney in Fact Individual Attorney in Fact

Trustee Guardian or Conservator Trustee Guardian or Conservator

Other: _____ Other: _____

Signer is Representing: _____ Signer is Representing: _____

CALIFORNIA NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Los Angeles)

On _____ before me, _____ (name and title of officer), personally appeared **CRISTINA AGRA-HUGHES**, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)

5
13/19
3/30/23

EXHIBIT "A"
LEGAL DESCRIPTION
PRIVATE SEWER EASEMENT

All that certain real property situate in the City of Rocklin, County of Placer, State of California, located in Section 21, Township 11 North, Range 7 East, M.D.M., and being a portion of Parcel 1, as described in that Certificate of Compliance (Approval of Lot Line Adjustment) LLA-86-02 recorded June 13, 1986 in Book 2988 at Page 191, Placer County Official Records, described as follows:

COMMENCING at the Southeast corner of said Parcel 1;

thence from said **POINT OF COMMENCEMENT** along the easterly line of said Parcel 1 North 19°39'51" West, 22.72 feet to the **TRUE POINT OF BEGINNING**;

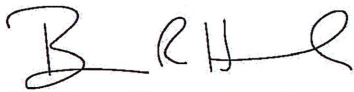
thence from said **TRUE POINT OF BEGINNING** leaving said easterly line North 89°53'05" West, 57.05 feet;

thence North 0°06'55" West, 16.00 feet;

thence South 89°53'05" East, 51.30 feet to said easterly line;

thence along said easterly line South 19°39'51" East, 17.00 feet to the **TRUE POINT OF BEGINNING**.

Containing an area of 867 sq.ft., more or less.

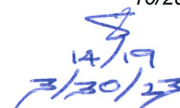


10-28-22

Brian R. Howard PLS 7250

Date

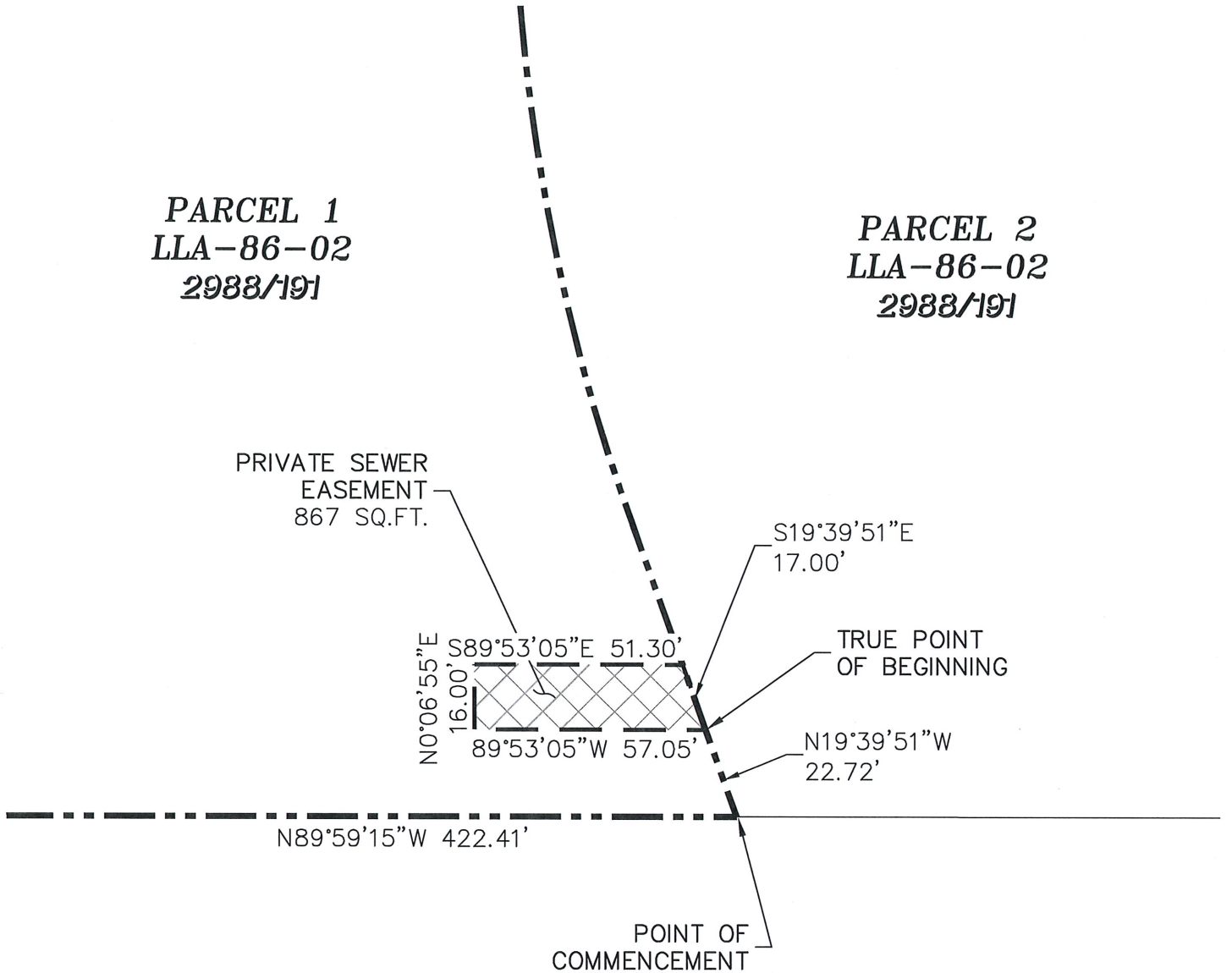




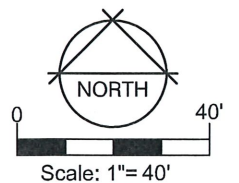
PARCEL 1
LLA-86-02
2988/191

PARCEL 2
LLA-86-02
2988/191

PRIVATE SEWER
EASEMENT
867 SQ.FT.



B R H 10-28-22
BRIAN R. HOWARD PLS 7250 DATE



PRIVATE SEWER EASEMENT



GHD Inc.
330 Hartnell Avenue, Suite B
Redding, California 96002 USA
T 1 530 242 1700 W www.ghd.com

ROCKLIN, CALIFORNIA

3/30/23

October 28, 2022
1783LG007.dwg

BILL OF SALE

The South Placer Municipal Utility District, a California Municipal Utility District (the "District"), Rocklin Sierra Apartments II, LLC, a Delaware limited liability company ("Rocklin Sierra") and The Boardwalk Apartments 193, LLC, a Delaware limited liability company ("Boardwalk Apartments") (individually, a "Party" and together, the "Parties") hereby execute this Bill of Sale pursuant to the Sewer Easement Conveyance Agreement executed by the Parties and dated as of March 30, 2023 . Capitalized terms used herein but not otherwise defined herein shall have the meanings given to them in the Sewer Easement Conveyance Agreement, as defined below.

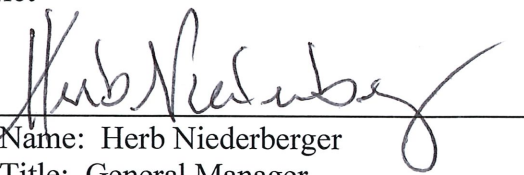
By this instrument, the District does hereby bargain, grant, sell and convey to Rocklin Sierra all of its rights, title, and interest in and to all public sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartments Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral. Said grant and conveyance is made without any representation or warranty regarding the condition of the public sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartment Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral, which are granted, sold and conveyed in an "as is" condition with no further obligation of repair or maintenance.

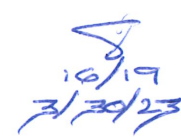
By this instrument, Rocklin Sierra does hereby bargain, grant, sell and convey to Boardwalk Apartments all of its rights, title, and interest in and to all sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartments Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral. Said grant and conveyance is made without any representation or warranty regarding the condition of the sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartment Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral, which are granted, sold and conveyed in an "as is" condition with no further obligation of repair or maintenance.

Boardwalk Apartments hereby accepts the conveyance of all sewer pipes, lines, mains, and appurtenances located within the Boardwalk Apartments Private Sewer Easement, including, but not limited to, the Boardwalk Apartment Lateral, subject to the terms and conditions of the Sewer Easement Conveyance Agreement and this Bill of Sale.

IN WITNESS WHEREOF, the Parties have duly executed this Bill of Sale as of the date first above written.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT, a California Municipal Utility District

By: 
Name: Herb Niederberger
Title: General Manager




ROCKLIN SIERRA APARTMENTS II,
LLC, a Delaware limited liability company

By: see attached signature page
Name:
Title:

THE BOARDWALK APARTMENTS 193,
LLC, a Delaware limited liability company

By: see attached signature page
Name:
Title:

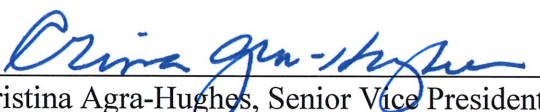

17/19
3/30/23

**SIGNATURE PAGE
TO
EXHIBIT C
BILL OF SALE
ROCKLIN SIERRA
BOARDWALK APARTMENTS**

ROCKLIN SIERRA:

Rocklin Sierra Apartments II, LLC,
a Delaware limited liability company

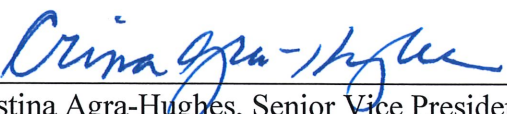
By: ELF Sacramento Ventures II, LLC,
a Delaware limited liability company,
Manager

By: 
Cristina Agra-Hughes, Senior Vice President

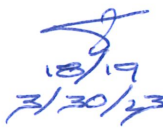
BOARDWALK APARTMENTS:

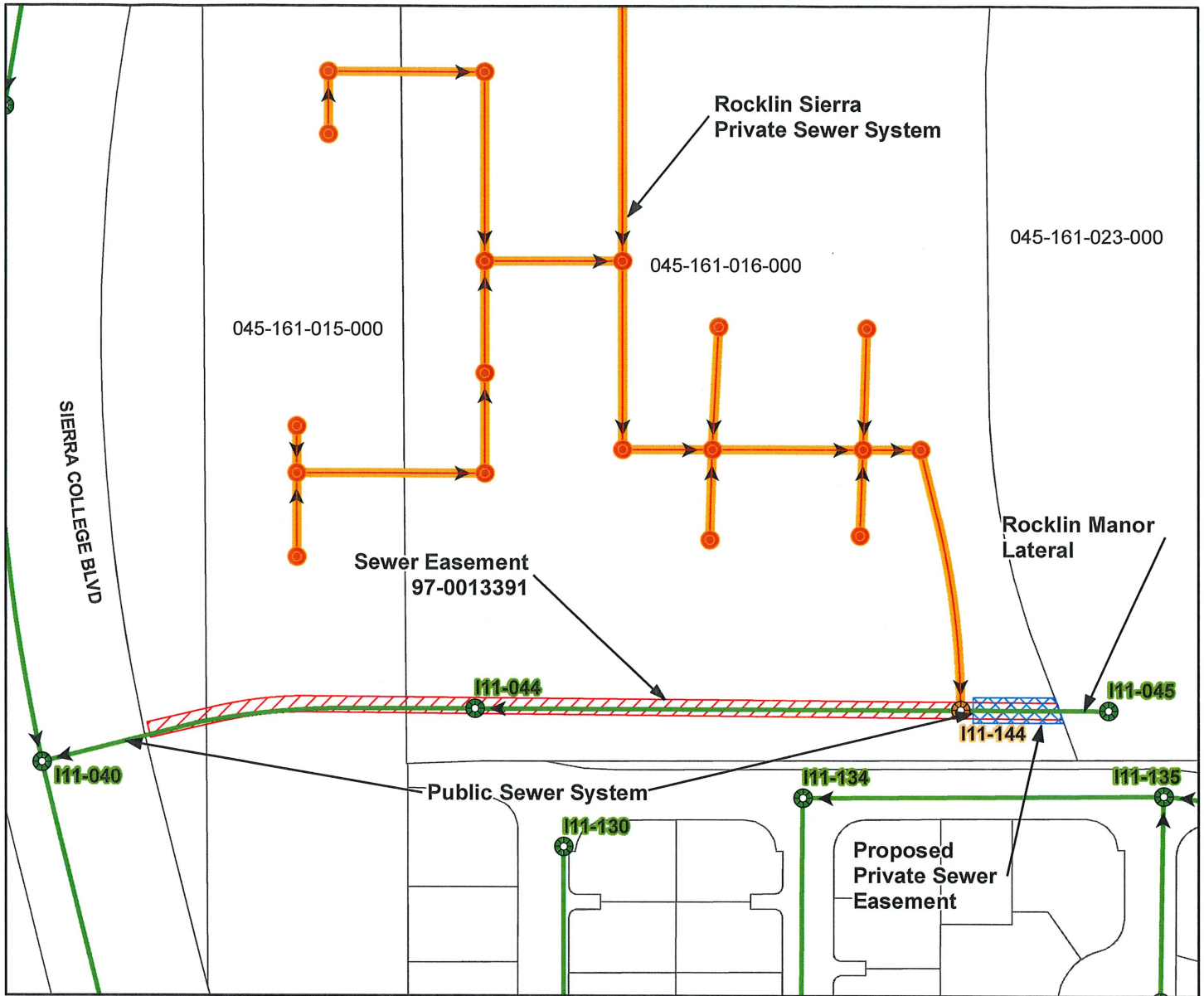
The Boardwalk Apartments 193, LLC,
a Delaware limited liability company

By: ELF Sacramento Ventures II, LLC,
a Delaware limited liability company,
Manager

By: 
Cristina Agra-Hughes, Senior Vice President

Date: 3/30/2023


18/19
3/30/23



0 100 200 Feet

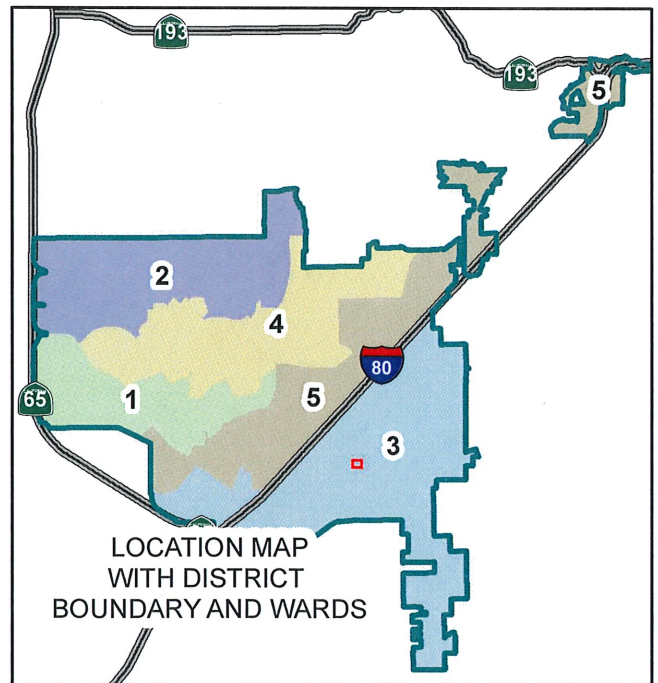


1 in = 100 ft

Exhibit D

Date: 1/4/2023
 Produced By: Curtis Little
 Document Path:
 G:\spsmud_gis\mxd\Curtis\Exhibit
 Maps\Sierra

Handwritten notes:
 1/19/23
 3/30/23
 49



SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Herb Niederberger, General Manager
Subject: Short List for On-Call Professional Services
Meeting Date: May 4, 2023

Overview

The District has identified several projects to be completed that require staff augmentation and professional services from outside consultants. As such, the District issued a Request for Qualification on March 17, 2023, to provide on-call/as-needed professional services for the following four disciplines:

1. Civil Engineering Plan Check Services
2. Civil Engineering Design and Project Management Services
3. Survey Services
4. Environmental Review Services

The District received Statements of Qualifications from twenty firms across the four disciplines. Three staff members independently evaluated the SOQ and generated the following short list for each discipline.

1. Civil Engineering Plan Check Services
 - Coastland Civil Engineering, LLP
 - Ubora Engineering & Planning, Inc.
2. Civil Engineering Design and Project Management Services
 - Coastland Civil Engineering, LLP
 - Water Works Engineers, LLC
 - Ubora Engineering & Planning, Inc.
3. Survey Services
 - Burrell Consulting Group, Inc.
 - Psomas
 - CWE
4. Environmental Review Services
 - TRC Solutions, Inc.
 - SCO Planning & Engineering, Inc.

It should be noted that hourly rates/fees were not considered as part of the evaluation process. As projects are prioritized, the scope of work will be negotiated with the consultant based on their hourly rates. Professional services agreements will be brought before the board for consideration per the District's Purchasing Policy (3150).

Recommendation

Staff recommends the Board accept the short list for on-call professional services.

Strategic Plan Goal

This action is consistent with the following Strategic Plan Priorities:

- Maintain an excellent regulatory compliance record.
- Leverage existing and applicable technologies to improve efficiencies.

Related District Ordinances and Policies

Policy 3150 – Purchasing

Fiscal Impact

As projects are identified, staff will generate a Professional Services Agreement with one of the shortlisted/on-call consultants to provide professional services. These agreements will be presented for board consideration in accordance with the District's Purchasing Policy (3150).

Civil Engineering Plan Check Services operates on a cost recovery basis with the cost of services borne by the developer; therefore, any professional services agreement within this discipline will be approved by the General Manager in accordance with the District's Purchasing Policy (3150).

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Eric Nielsen, Superintendent
Carie Huff, District Engineer
Emilie Costan, Administrative Services Manager

Subject: Conduct a Public Hearing in accordance with the California State Constitution and if No Majority Protest is Received, Introduce Ordinance 23-01 in conformance with District Sewer Code Chapter 2.03.04, fixing a monthly service charge for each equivalent dwelling unit.

Meeting Date: May 4, 2023

Overview

On March 2, 2023, the South Placer Municipal Utility District (District) Board of Directors: 1) Accepted the South Placer Municipal Utility District Wastewater Cost of Service Study; 2) Approved the Proposed 5-year increases in monthly service charges to be included in a Proposition 218 Notice to Property Owners; and 3) Authorized the Notice to Property Owners of Public Hearings on the Proposed Wastewater (Sewer) Rate Increases scheduled for May 4, 2023, and June 1, 2023. The schedule of the proposed increases is as follows:

Implementation Schedule of Monthly Service Charges

Implementation Date	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Monthly Service Charge (\$/EDU)	\$ 37.44	\$ 38.94	\$ 40.50	\$ 42.53	\$ 44.66

Public Notice and Majority Protest – As required under California Constitution article XIII D, section 6, the District provided notice by mail of the public hearing for the proposed imposition of the increase to the record owner of each identified parcel for which the charge is proposed to be imposed. On or before March 16, 2023, the notice was mailed to all customers/owners of record of each identified parcel on which the monthly service charges are proposed. In accordance with the California Constitution, the notice provided at least forty-five (45) days prior to the date of this public hearing.

The District currently provides sewer service to approximately 24,718 accounts/parcels. As of April 27, 2023, the District had received eight protests related to the monthly service charge

increase. The number of protests received is manifestly less than the amount needed to prevent the adoption of the monthly service charge, which is in effect one-half of the parcels served by the District for sewer collection and treatment service.

A Notice of this Public Hearing was posted in the Placer Herald and Loomis News on April 20 and 27, 2023.

Recommendation

1. Waive the full reading of the proposed Ordinance #23-01.
2. Introduce Ordinance No. 23-01 –An Ordinance Relating to Monthly Sewer Charges.
3. Conduct a Public Hearing and consider all testimony and protests related to increasing the monthly service charge.
4. Close the Public Hearing and make a finding that there does not appear to be a majority protest for the proposed increases in the monthly service charge;
5. Schedule the 2nd reading and adoption for the next regularly scheduled meeting of the Board of Directors on June 1, 2023.

Strategic Plan Goals

This action is consistent with the following SPMUD Strategic Plan Goals:

- **Provide exceptional value for the cost of sewer service**
 - 1) Maintain low service charge while meeting established service levels

Related District Ordinances and Policies

Sewer Code Chapter 2.03.04

Ordinance 17-02 – Relating to Monthly Service charges.

Fiscal Impact

The estimated revenues realized in the General Fund (Fund 100) generated by each of the proposed rate increases over the next 5 years, will be approximately \$621K (FY2023-24) \$646K (FY2024-25), \$672K (FY2025-26) \$874K (FY2026-27) and \$918K (FY2027-28).

Attachments

Ordinance No. 23-01 An Ordinance relating to Monthly Service Charges

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

ORDINANCE NO. 23-01

**AN ORDINANCE IN CONFORMANCE WITH CHAPTER 2.03 OF THE DISTRICT
SEWER CODE RELATING TO MONTHLY SERVICE CHARGES**

**BE IT ENACTED BY THE BOARD OF DIRECTORS OF SOUTH PLACER
MUNICIPAL UTILITY DISTRICT AS FOLLOWS:**

SECTION 1

In conformance with Chapter 2.03 of the South Placer Municipal Utility District Sewer Code, a monthly service charge for each equivalent dwelling unit is hereby fixed and established as follows:

Implementation Date	July 1, 2023	July 1, 2024	July 1, 2025	July 1, 2026	July 1, 2027
Monthly Service Charge (\$/EDU)	\$ 37.44	\$ 38.94	\$ 40.50	\$ 42.53	\$ 44.66

Such monthly service charges may be changed from time to time by ordinance. The monthly service charge for multiple dwelling units shall be the basic EDU rate multiplied by the number of equivalent dwelling units.

SECTION 2

This Ordinance shall become effective July 1, 2023.

SECTION 3

Ordinance No. 17-02 adopted on August 3, 2017, is hereby rescinded.

SECTION 4

This Ordinance was introduced at a regular meeting of the Board of Directors held on the 4th day of May 2023.

SECTION 5

Upon final passage, this Ordinance, or a summary of this Ordinance, shall be published once a week for two successive weeks in a newspaper of general circulation within the District, pursuant to the provisions of Sections 11534 and 11910 of the Public Utilities Code.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of South Placer Municipal Utility District on this 1st day of June 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

By: _____

James T. Williams, Board President

ATTEST:

Emilie Costan, Board Secretary

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Eric Nielsen, District Engineer

Subject: Ordinance 23-02, An Ordinance in Conformance with Chapter 2.03 of the District Sewer Code establishing a Sewer Participation Charge

Meeting Date: May 4, 2023

Overview

In accordance with the Municipal Utility District Act of the State of California (MUD Act) and the South Placer Municipal Utility District Sewer Code, Chapter 2.03, the District collects a Participation Charge (aka Capacity Fee) from all new customers connecting to the sewer collection system.

The Participation Charge consists of two components: a Local Participation Charge and a Regional Participation Charge. The Local Charge is used to fund the fair share portion of the cost of construction of the trunk sewer upgrades and expansion facilities that have been identified by the District's System Evaluation and Capacity Assurance Plan (SECAP) as necessary to serve new development within the District's service area boundaries. This fee is collected by the District during the building permit process and deposited into Fund 300-Capital Expansion and Enlargement. The Regional Fee is also collected by the District and paid to the City of Roseville which oversees the operations and financing of the two regional treatment plants by the South Placer Wastewater Authority (SPWA). The Regional Fee pays for the SPWA debt service, maintains a Rate Stabilization Fund, provides monies for additional expansions, modifications, or improvements to the Regional Wastewater Facilities, and provides compliance with state and federal regulatory requirements.

In accordance with the requirements of State of California Government Code §66013, capacity fees must be based on the "reasonable cost" to accommodate additional demand from new development or the expansion of existing development. In addition to complying with GC §66013, compliance must be achieved with Proposition 26, which amended the State Constitution in 2010. Proposition 26 redefined a "tax" as any levy, charge, or exaction of any kind imposed by a local government. In other words, every charge is considered a tax that must be approved by the electorate, except for certain exemptions identified within Proposition 26. There are seven exemptions within Proposition 26, including a charge imposed for a specific benefit conferred directly to the payor that is not provided to those not charged and which does not exceed the reasonable costs to the local government of conferring the benefit imposed (i.e., capacity fees for service). Therefore, the nexus study summarized in this Report connects the proposed fee to the reasonable cost of improvements in compliance with GC 66013 and satisfies the Proposition 26 exemption.

On July 7, 2022, the Board of Directors approved Resolution 22-29, authorizing a contract with IB Consulting to, among other things, prepare a Capacity Fee Study that ensures that a rational nexus exists between future development areas, and: 1) the use and need of the proposed infrastructure; and

2) the amount of the fee assigned to future development. The Fee and Finance Advisory Committee met to review the findings of the participation charge report on March 9, 2023. The Board of Directors conducted a workshop on April 6, 2023, to solicit public comment on the proposed participation charge.

The Capacity Fee Study concludes that the District should raise the Local Participation Charge to \$4915/ Equivalent Dwelling Unit (EDU¹). Following the implementation date of July 1, 2023, the sewer participation charge shall be adjusted on July 1 of each successive year by the change in the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA) as reported in the Engineering News Record for the preceding 12-month period ending the prior May.

A Notice of this Public Hearing was posted in the Placer Herald and Loomis News on April 20 and 27, 2023.

Recommendation

Staff recommends that the Board of Directors:

1. Waive the full reading of the proposed Ordinance #23-02.
2. Introduce Ordinance No. 23-02 –An Ordinance Establishing Sewer Participation Charges.
3. Conduct a Public Hearing for the proposed Ordinance.
4. Schedule the 2nd reading and adoption for the next regularly scheduled meeting of the Board of Directors on June 1, 2023.
5. Adopt Resolution 23-12 Accepting the Sewer Capacity Fee Study dated April 17, 2023.

Strategic Plan Goal

This action is consistent with the following SPMUD Strategic Plan Priorities:

Provide exceptional value for the cost of sewer service.

- 1) Maintain low service charge while meeting established service levels.

Related Policies and Ordinances

Sewer Code Chapter 2.03

Fiscal Impact

The additional revenue received with this Capacity Fee increase will be realized in Fund 300, Expansion and Enlargements.

Attachments

- Ordinance 23-02 An Ordinance in Conformance with Chapter 2.03 of the District Sewer Code establishing a Sewer Participation Charge
- Resolution 23-12, Accepting the Sewer Capacity Fee Study dated 17, April 2023.

¹ An EDU is used to determine design and fee requirements based on the typical average flow and strength of wastewater generated from a single-family residential (SFR) occupancy. Charges and fees for wastewater generated from non-residential, commercial, or industrial uses are calculated using factors found in Chapter 2.03.03 of the Sewer Code.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

ORDINANCE NO. 23-02

**AN ORDINANCE IN CONFORMANCE WITH CHAPTER 2.03 OF THE DISTRICT
SEWER CODE ESTABLISHING SEWER PARTICIPATION CHARGES**

**BE IT ENACTED BY THE BOARD OF DIRECTORS OF SOUTH PLACER
MUNICIPAL UTILITY DISTRICT AS FOLLOWS:**

SECTION 1

In conformance with the South Placer Municipal Utility District Sewer Code, Chapter 2.03, a local sewer participation charge for each equivalent dwelling unit is hereby fixed and established as follows:

<u>Implementation Date</u>	<u>Local Sewer Participation Charge¹</u>
July 1, 2023	\$4915/EDU

A regional sewer participation fee shall be established by the South Placer Wastewater Authority.

SECTION 2

Section 2 of Ordinance 17-03 is hereby rescinded.

SECTION 3

Following the implementation date of July 1, 2023, the sewer participation charge shall be adjusted on July 1 of each successive year by the change in the average of the Construction Cost Index (20-City) and the Construction Cost Index (San Francisco, CA) as reported in the Engineering News Record for the preceding 12-month period ending the prior May.

¹ Such sewer participation charge may be changed from time to time by ordinance or inflated in accordance with Section 3 of this Ordinance.

SECTION 4

This Ordinance shall go into effect on July 1, 2023.

SECTION 5

This Ordinance was introduced at a regular meeting of the Board of Directors held on the 4th day of May 2023.

SECTION 6

Upon final passage, this Ordinance, or a summary of this Ordinance, shall be published once a week for two successive weeks in a newspaper of general circulation within the District, pursuant to the provisions of Sections 11534 and 11910 of the Public Utilities Code.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of South Placer Municipal Utility District on this 1st day of June 2023 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

By _____

James T. Williams, Board President

ATTEST:

Emilie Costan, Board Secretary

SOUTH PLACER MUNICIPAL UTILITY DISTRICT
RESOLUTION NO. 23-12
MAKING FINDINGS AND ACCEPTING THE SEWER CAPACITY FEE STUDY

WHEREAS, in accordance with the Municipal Utility District Act of the State of California (MUD Act) and the South Placer Municipal Utility District Sewer Code, Chapter 2.03, the District collects a Participation Charge (aka Capacity Fee) from all new customers connecting to the sewer collection system; and

WHEREAS, in accordance with the requirements of State of California Government Code §66013, capacity fees must be based on the "reasonable cost" to accommodate additional demand from new development or the expansion of existing development; and

WHEREAS, Proposition 26 redefined a "tax" as any levy, charge, or exaction of any kind imposed by a local government, except for certain exemptions identified within Proposition 26, among those exempted are any charge imposed for a specific benefit conferred directly to the payor that is not provided to those not charged and which does not exceed the reasonable costs to the local government of conferring the benefit imposed (i.e., capacity fees for service); and

WHEREAS, the South Placer Municipal Utility District (District) has evaluated the hydraulic capacity of the collection system under various scenarios to assure capacity for existing customers and to obtain information to prepare for future development; and

WHEREAS, The District desires to establish a sewer participation charge to be used to fund the fair share portion of the cost of construction of the trunk sewer upgrades and expansion facilities that have been identified by the District as necessary to serve certain new development within the District's service area boundaries; and.

WHEREAS, the District has prepared the Sewer Capacity Fee Study and the Board of Directors conducted a workshop on April 6, 2023, to solicit public comment on the proposed participation charge.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the South Placer Municipal Utility District hereby;

1. Finds that the Sewer Capacity Fee Study meets the requirements of State of California Government Code §66013, and that the capacity fees must be based on the "reasonable cost" to accommodate additional demand from new development or the expansion of existing development;
2. Finds that the proposed Capacity Fee meets the exemption standards of Prop 26, as they are imposed for a specific benefit conferred directly to the payor and which does not exceed the reasonable costs to the local government of conferring the benefit imposed; and
3. Accepts the Sewer Capacity Fee Study dated April 17, 2023, attached hereto as Exhibit "A" and incorporated by this reference and adopt any additional findings therein stated.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 4th day of May 2023.

Signed: _____

Jim Williams, President of the Board of Directors

Attest: _____

Emilie Costan, Board Secretary

April 17, 2023

Sewer Capacity Fee Study

South Placer
Municipal Utility
District



IB Consulting, LLC

31938 Temecula Parkway, Suite A #350

Temecula, CA. 92592

South Placer Municipal Utility District – Sewer Capacity Fee Study

TABLE OF CONTENTS

Executive Summary	2
Overview.....	3
Capacity Fee Methodology	4
Capital Improvements	7
Capacity Fee Analysis	9
Updated Capacity Fees	11

TABLES

Table 1: Capital Facilities and Incremental Capacity	7
Table 2: Capital Facility Costs and Percent Allocations for Capacity Fee.....	8
Table 3: Sewer Incremental Cost Component per EDU	9
Table 4: Sewer Available Capacity Fees Credit	10
Table 5: Sewer Incremental Cost with Adjustments	10
Table 6: Sewer Proposed Capacity Fee.....	11

FIGURES

Figure 1 – Capacity Fee Analysis	4
--	---

Executive Summary

South Placer Municipal Utility District (the District) engaged IB Consulting, LLC (IBC) to complete a sewer capacity fee nexus study. This Capacity Fee Study Report (Report) describes the approach, methodology, and technical analysis used to derive updated capacity fees, which are governed by California State Government Code, Section 66013 (GC 66013). GC 66013 is separate from the Mitigation Fee Act (GC 66000) that governs developer impact fees. GC 66013 is specific to water and sewer capacity fees and requires that ***the proposed fees shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed.***

Currently, the District's sewer capacity fee is **\$4,827** for a single-family residential connection, defined as one Equivalent Dwelling Unit (1 EDU), representing a demand of 190 gallons per day of wastewater flow. The District's capacity fee was last updated in 2020 and was based on the District's 2020 System Evaluation and Capacity Assurance Plan (SECAP). The SECAP identifies the capital required to ensure sufficient capacity is available within the system to serve existing customers and new development through buildout. In instances where pipeline improvements are upsized to accommodate future growth, the costs of the pipeline improvements were allocated between existing customers and new development in relation to the increased cross-sectional area of the pipelines, which reflects the increased capacity realized from such improvements. In addition, new pipeline improvements that are required to accommodate new development were allocated 100% to new development.

Based on the analysis within the Report, the new proposed sewer capacity fee is **\$4,915** per EDU. This updated fee per EDU proportionately recovers new development's share of capital improvements to be constructed over a long-term planning horizon (2060). Current customers that increase their land use intensity by either adding additional residential dwelling units or changing their commercial use that causes an increase in flows or strength concentrations of its discharge will also pay for the increased demand placed on the sewer collection system.

Overview

Capacity Fee

A "Capacity Fee" is defined as a charge for public facilities in existence at the time a charge is imposed or charges for new facilities to be constructed in the future that is of benefit to the person or property being charged. Capacity fees ensure new development pays its fair share to connect to the system and does not cause additional burdens to current customers. Capital and infrastructure costs required to meet new demand/connections should be paid by those causing the cost to be incurred.

Based on the requirements of GC 66013, capacity fees must be based on the "*reasonable cost*" to accommodate additional demand from new development or the expansion of existing development. In addition to complying with GC 66013, compliance must be achieved with Proposition 26, which amended the State Constitution in 2010. Proposition 26 redefined a "tax" as any levy, charge, or exaction of any kind imposed by a local government. In other words, every charge is considered a tax that must be approved by the electorate, except for certain exemptions identified within Proposition 26. There are seven exemptions within Proposition 26, including a charge imposed for a specific benefit conferred directly to the payor that is not provided to those not charged and which does not exceed the reasonable costs to the local government of conferring the benefit imposed (i.e., capacity fees for service). Therefore, the nexus study summarized in this Report connects the proposed fee to the reasonable cost of improvements in compliance with GC 66013 and satisfies the Proposition 26 exemption.

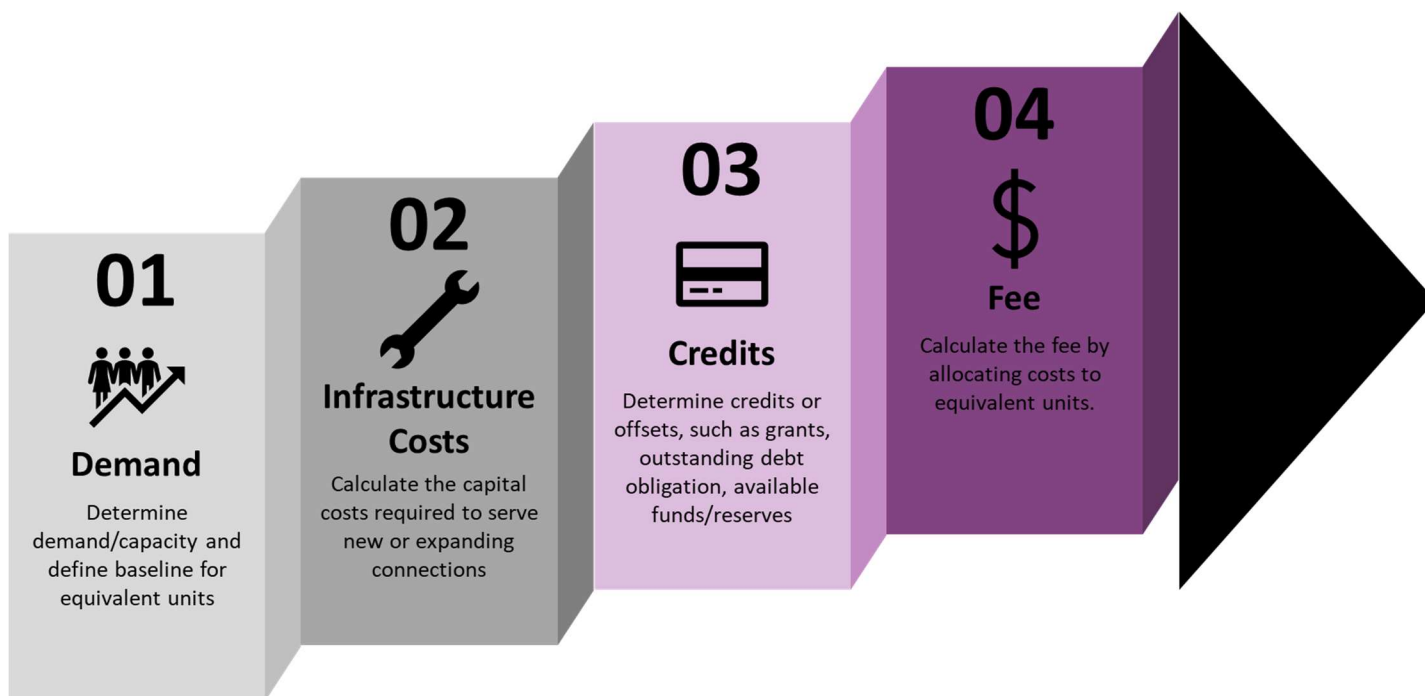
District Background

The District serves the communities of Rocklin, Loomis, Penryn, Newcastle, and portions of Granite Bay, and unincorporated Placer County, with a population of approximately 85,000. The District owns and operates the sewer collection system, which consists of 290 miles of pipelines ranging in size from 4" to 42", thirteen lift stations, and ten flow monitoring stations. The District's service area is primarily a residential area with some commercial and institutional uses.

Capacity Fee Methodology

There are four primary steps in calculating capacity fees: (1) identify demand and define the baseline requirements for a connection, or equivalent dwelling unit based on planning documents, (2) determine infrastructure costs, (3) incorporate any credits or offsets to apply towards the total infrastructure costs, such as grants, applicable debt obligations, and available funding through previously collected capacity fees, and (4) apportion the net infrastructure costs equitably based on the demand placed on the utility system.

Figure 1 – Capacity Fee Analysis



In addition to the four steps above, there are two primary approaches for calculating capacity fees: the "Buy-In Approach" and "Incremental-Cost Approach." Selecting the best approach depends on the unique circumstances of the utility, such as existing build-out of the service area, expected future growth, existing infrastructure capacity, and access to up-to-date planning documents/master plans. Careful consideration may be required to allocate costs between existing and new customers and ensure no duplication of costs.

Buy-In Approach

The basis of the Buy-In Approach (Buy-In Approach) is the value of the existing system. This approach accounts for the current service standard that existing customers receive from the District's existing assets. This approach ensures that new development buys into the utility system and funds the necessary improvements to maintain and receive the same level of service experienced by today's customers. Therefore, new development pays an amount equal to their fair share of the existing system assets. The Buy-In Approach also eliminates funding of any existing system deficiencies as the District's current asset inventory only reflects improvements in the ground today.

System assets may be valued in a few different ways. Options include: (1) using the original cost of the improvements (OC), (2) original cost less depreciation of system assets to account for the time improvements are in service (OCLD), (3) replacement cost of the improvements by bringing the original cost into today's dollars (RC), and (4) replacement cost less depreciation which brings both the original cost and the accumulated depreciation value into today's dollars (RCLD). The most common valuation technique is RCLD. Using RCLD generates a system value based on today's cost of the improvements while accounting for the time assets have been in service. RCLD uses the Construction Cost Index (CCI), published by Engineering News-Record, to derive asset costs in today's dollars.

Once the system value is determined, dividing the total value by the total existing demand (Existing EDUs) derives a value per EDU. Demand is commonly used for system design and planning. It is a primary driver for the system's current configuration and how it expands in the future.

This approach is suited for agencies that (1) have built most of their facilities in advance with only a minimal portion of facilities needed for build-out, (2) don't have an adopted long-term capital improvement plan, or (3) the "build-out" date is so far out in the future that it is difficult to project growth and required facilities accurately.

Incremental-Cost Approach

The Incremental-Cost Approach (Incremental Approach) is based on the principle that new development should pay for improvements required to connect them to the system, including the need for any additional capacity and/or expansions. This approach is typically used when specific capital improvements are identified within planning documents for growth to occur. The Incremental Approach uses an agency's most recent planning documents to determine growth-related improvements. In the case of SPMUD, their SECAP provides the detail required to develop capacity fees using the Incremental Approach, including capital facilities and additional EDUs through build out. In addition, improvements that are required to address existing deficiencies are excluded. Specific projects that may benefit existing and new development are apportioned based on the capacity of the improvements to ensure new development only pays its proportionate share.

Recommended Approach

For this study, the updated capacity fees are based on an Incremental Approach as the District has a detailed listing of capital improvements necessary to serve new development, as identified within its SECAP. The SECAP identifies the upsizing of existing sewer trunk lines and new sewer trunk lines to convey flow from future developments within the service area to the regional treatment plants. Contingency, design, and administration costs are also included for these projects. These system improvements will serve the additional demand generated by new development.

Capital Improvements

The SECAP identified a list of existing assets requiring upsizing to serve new development as well as improvements solely needed to accommodate new development. The detailed listing of improvements is included below with the percentage allocated to new development. For new facilities, the increase in capacity is equal to 100%, as the improvement is needed for new development to occur. For exiting assets requiring upsizing, the percent allocated to new development is directly related to the increased capacity gained from the improvement by comparing the cross-sectional areas of the existing pipe size and the increased pipe size. This cross-sectional area of a pipeline is related to the capacity of the pipeline to convey sewer flows. Therefore, new development only pays for their proportionate share of the facilities. Existing customers are recovering their proportionate share through the ongoing repair and replacement funded by rates. Table 1 lists the capital improvements, the size of the existing facility (when applicable) and new facility, the cross-sectional areas of the trunk lines, and the Incremental Capacity gained as a percentage.

Table 1: Capital Facilities and Incremental Capacity

Capital Facilities	Include? Yes/No	Sewer Trunk Size (In)		Cross-Sectional Area (SF)			Incremental Increased Capacity (%)
		Existing	New Facility	Existing	New Facility	Increased Capacity	
		[A]	[B]	$[C] = (A/2)^2 \times \text{Pi}$	$[D] = (B/2)^2 \times \text{Pi}$	$[E] = D - C$	
Boyington Diversion	Yes	N/A	12	N/A	113 sf	113 sf	100.00%
Springview Drive	Yes	24	30	452 sf	707 sf	254 sf	36.00%
SPMUD Corp Yard	Yes	30	36	707 sf	1,018 sf	311 sf	30.56%
Woodside	Yes	27	36	573 sf	1,018 sf	445 sf	43.75%
Lower Secret Ravine A	Yes	27	36	573 sf	1,018 sf	445 sf	43.75%
Lower Secret Ravine B	Yes	24	36	452 sf	1,018 sf	565 sf	55.56%
Lower Secret Ravine C	Yes	24	30	452 sf	707 sf	254 sf	36.00%
Lower Secret Ravine D	Yes	18	27	254 sf	573 sf	318 sf	55.56%
Schriber / Black Willow	Yes	18	21	254 sf	346 sf	92 sf	26.53%
Sucker Ravine B	Yes	15	18	177 sf	254 sf	78 sf	30.56%
Bankhead A	Yes	12	15	113 sf	177 sf	64 sf	36.00%
Bankhead B	Yes	8	15	50 sf	177 sf	126 sf	71.56%
Upper Antelope Creek East A	Yes	8	12	50 sf	113 sf	63 sf	55.56%
Aguilar Creek B	Yes	10	12	79 sf	113 sf	35 sf	30.56%
Antelope Creek A	Yes	18	27	254 sf	573 sf	318 sf	55.56%
Antelope Creek B	Yes	18	24	254 sf	452 sf	198 sf	43.75%
Antelope Creek C	Yes	10	15	79 sf	177 sf	98 sf	55.56%
Clover Valley	Yes	8	15	50 sf	177 sf	126 sf	71.56%
Sierra College Trunk	Yes	N/A	24	N/A	452 sf	452 sf	100.00%
Cameo Trunk	Yes	N/A	15	N/A	177 sf	177 sf	100.00%
Upper Clover Valley A	Yes	N/A	10	N/A	79 sf	79 sf	100.00%
Upper Antelope Creek	Yes	N/A	15	N/A	177 sf	177 sf	100.00%
Upper Antelope Creek West	Yes	N/A	8	N/A	50 sf	50 sf	100.00%
Upper Antelope Creek Middle A	Yes	N/A	10	N/A	79 sf	79 sf	100.00%
Upper Antelope Creek Middle B	Yes	N/A	8	N/A	50 sf	50 sf	100.00%
Loomis East	Yes	N/A	8	N/A	50 sf	50 sf	100.00%
Brace Road Pump Station	Yes	N/A	N/A	N/A	N/A	N/A	100.00%
Brace Road East	Yes	N/A	12	N/A	113 sf	113 sf	100.00%
Horseshoe Bar Road East	Yes	N/A	10	N/A	79 sf	79 sf	100.00%

South Placer Municipal Utility District – Sewer Capacity Fee Study

The capital improvements listed within the SECAP reflected May 2020 dollars. For this sewer capacity fee update, the costs were brought forward to 2023 dollars by indexing the original cost by the Engineer’s News Record – Construction Cost Index through March 2023 (ENR - May 2020 = 12,118.67; ENR – March 2023 = 14,269.29). The result increased the original cost by 17.75% (14,269.29 / 12,118.67 = 1.1775). Table 2 summarizes the updated facility costs and the portion attributable to the updated sewer capacity fee by taking the percent allocations derived in Table 1.

Table 2: Capital Facility Costs and Percent Allocations for Capacity Fee

Capital Facilities	Include?	Original Cost	2023 Costs	Incremental Capacity	Incremental Capacity
	Yes/No	CY 2020	117.75%	Increased Capacity (%)	Incremental Capacity (\$)
		[A]	[B] = A x 1.1775	[C] Table 1 - Col F	[D] = B x C
Boyington Diversion	Yes	\$1,390,293	\$1,637,070	100.00%	\$1,637,070
Springview Drive	Yes	\$890,088	\$1,048,079	36.00%	\$377,308
SPMUD Corp Yard	Yes	\$763,556	\$899,087	30.56%	\$274,721
Woodside	Yes	\$204,807	\$241,160	43.75%	\$105,508
Lower Secret Ravine A	Yes	\$3,106,539	\$3,657,950	43.75%	\$1,600,353
Lower Secret Ravine B	Yes	\$1,277,973	\$1,504,813	55.56%	\$836,007
Lower Secret Ravine C	Yes	\$4,259,913	\$5,016,048	36.00%	\$1,805,777
Lower Secret Ravine D	Yes	\$1,356,075	\$1,596,778	55.56%	\$887,099
Schriber / Black Willow	Yes	\$1,908,162	\$2,246,861	26.53%	\$596,106
Sucker Ravine B	Yes	\$2,656,300	\$3,127,793	30.56%	\$955,715
Bankhead A	Yes	\$3,879,880	\$4,568,559	36.00%	\$1,644,681
Bankhead B	Yes	\$633,388	\$745,814	71.56%	\$533,672
Upper Antelope Creek East A	Yes	\$2,915,183	\$3,432,628	55.56%	\$1,907,016
Aguilar Creek B	Yes	\$3,799,453	\$4,473,856	30.56%	\$1,367,012
Antelope Creek A	Yes	\$5,478,000	\$6,450,345	55.56%	\$3,583,525
Antelope Creek B	Yes	\$3,143,813	\$3,701,840	43.75%	\$1,619,555
Antelope Creek C	Yes	\$1,729,271	\$2,036,217	55.56%	\$1,131,231
Clover Valley	Yes	\$4,258,371	\$5,014,232	71.56%	\$3,587,961
Sierra College Trunk	Yes	\$4,795,200	\$5,646,348	100.00%	\$5,646,348
Cameo Trunk	Yes	\$1,170,000	\$1,377,675	100.00%	\$1,377,675
Upper Clover Valley A	Yes	\$1,800,000	\$2,119,500	100.00%	\$2,119,500
Upper Antelope Creek	Yes	\$6,165,000	\$7,259,287	100.00%	\$7,259,287
Upper Antelope Creek West	Yes	\$1,848,000	\$2,176,020	100.00%	\$2,176,020
Upper Antelope Creek Middle A	Yes	\$1,611,000	\$1,896,952	100.00%	\$1,896,952
Upper Antelope Creek Middle B	Yes	\$1,824,000	\$2,147,760	100.00%	\$2,147,760
Loomis East	Yes	\$2,784,000	\$3,278,160	100.00%	\$3,278,160
Brace Road Pump Station	Yes	\$3,000,000	\$3,532,500	100.00%	\$3,532,500
Brace Road East	Yes	\$2,822,400	\$3,323,376	100.00%	\$3,323,376
Horseshoe Bar Road East	Yes	\$2,763,000	\$3,253,432	100.00%	\$3,253,432
Total Incremental Component		\$74,233,665	\$87,410,140		\$60,461,328

South Placer Municipal Utility District – Sewer Capacity Fee Study

Capacity Fee Analysis

The SECAP also identified the estimated number of additional EDUs through build out based on planning documents from the City of Rocklin, Town of Loomis, Placer County, Horseshoe Bar / Penryn Community Plan, and Granite Bay Community Plan. Through this evaluation, the SECAP identified 12,320 additional EDUs. For this updated sewer capacity fee study, the District identified the number of EDUs that have come online since the SECAP study and updated the remaining EDUs, equal to 10,839. The 1,481 EDUs that have since come online, paid capacity fees and all available capacity fees are credited towards the facility cost.

The projected costs are divided by the total additional EDUs to derive the updated Capacity Fee per EDU. Table 3 provides a summary for determining the incremental component associated with upsizing and expanding sewer trunks as well as contingency (25%), and design / administration (8%) costs.

Table 3: Sewer Incremental Cost Component per EDU

Capital Facilities	Include?	Original Cost	2023 Costs	Incremental Capacity		Units of	Unit Rate
	Yes/No	CY 2020	117.75%	Increased Capacity (%)	Incremental Capacity (\$)	Additional EDUs	\$/EDU
		[A]	[B] = A x 1.1775	[C] Table 1 - Col F	[D] = B x C	[E]	[F] = D ÷ E
Boyington Diversion	Yes	\$1,390,293	\$1,637,070	100.00%	\$1,637,070	10,839	\$151.04
Springview Drive	Yes	\$890,088	\$1,048,079	36.00%	\$377,308	10,839	\$34.81
SPMUD Corp Yard	Yes	\$763,556	\$899,087	30.56%	\$274,721	10,839	\$25.35
Woodside	Yes	\$204,807	\$241,160	43.75%	\$105,508	10,839	\$9.73
Lower Secret Ravine A	Yes	\$3,106,539	\$3,657,950	43.75%	\$1,600,353	10,839	\$147.65
Lower Secret Ravine B	Yes	\$1,277,973	\$1,504,813	55.56%	\$836,007	10,839	\$77.13
Lower Secret Ravine C	Yes	\$4,259,913	\$5,016,048	36.00%	\$1,805,777	10,839	\$166.60
Lower Secret Ravine D	Yes	\$1,356,075	\$1,596,778	55.56%	\$887,099	10,839	\$81.84
Schriber / Black Willow	Yes	\$1,908,162	\$2,246,861	26.53%	\$596,106	10,839	\$55.00
Sucker Ravine B	Yes	\$2,656,300	\$3,127,793	30.56%	\$955,715	10,839	\$88.17
Bankhead A	Yes	\$3,879,880	\$4,568,559	36.00%	\$1,644,681	10,839	\$151.74
Bankhead B	Yes	\$633,388	\$745,814	71.56%	\$533,672	10,839	\$49.24
Upper Antelope Creek East A	Yes	\$2,915,183	\$3,432,628	55.56%	\$1,907,016	10,839	\$175.94
Aguilar Creek B	Yes	\$3,799,453	\$4,473,856	30.56%	\$1,367,012	10,839	\$126.12
Antelope Creek A	Yes	\$5,478,000	\$6,450,345	55.56%	\$3,583,525	10,839	\$330.61
Antelope Creek B	Yes	\$3,143,813	\$3,701,840	43.75%	\$1,619,555	10,839	\$149.42
Antelope Creek C	Yes	\$1,729,271	\$2,036,217	55.56%	\$1,131,231	10,839	\$104.37
Clover Valley	Yes	\$4,258,371	\$5,014,232	71.56%	\$3,587,961	10,839	\$331.02
Sierra College Trunk	Yes	\$4,795,200	\$5,646,348	100.00%	\$5,646,348	10,839	\$520.93
Cameo Trunk	Yes	\$1,170,000	\$1,377,675	100.00%	\$1,377,675	10,839	\$127.10
Upper Clover Valley A	Yes	\$1,800,000	\$2,119,500	100.00%	\$2,119,500	10,839	\$195.54
Upper Antelope Creek	Yes	\$6,165,000	\$7,259,287	100.00%	\$7,259,287	10,839	\$669.74
Upper Antelope Creek West	Yes	\$1,848,000	\$2,176,020	100.00%	\$2,176,020	10,839	\$200.76
Upper Antelope Creek Middle A	Yes	\$1,611,000	\$1,896,952	100.00%	\$1,896,952	10,839	\$175.01
Upper Antelope Creek Middle B	Yes	\$1,824,000	\$2,147,760	100.00%	\$2,147,760	10,839	\$198.15
Loomis East	Yes	\$2,784,000	\$3,278,160	100.00%	\$3,278,160	10,839	\$302.44
Brace Road Pump Station	Yes	\$3,000,000	\$3,532,500	100.00%	\$3,532,500	10,839	\$325.91
Brace Road East	Yes	\$2,822,400	\$3,323,376	100.00%	\$3,323,376	10,839	\$306.61
Horseshoe Bar Road East	Yes	\$2,763,000	\$3,253,432	100.00%	\$3,253,432	10,839	\$300.16
Contingency (25%)	Yes				\$15,115,332	10,839	\$1,394.53
Design/Admin (8%)	Yes				\$4,836,906	10,839	\$446.25
Total Incremental Component		\$74,233,665	\$87,410,140		\$80,413,566		\$7,418.91

South Placer Municipal Utility District – Sewer Capacity Fee Study

The capacity fee must also account for available capacity fees collected over the years that will go towards the funding of the capital facilities. The funds in the Capital Expansion Fee Reserve will be applied to the incremental costs as a credit towards the total capital facility cost per EDU, equal to \$7,418.91. Table 4 takes the Capital Expansion Fee Reserve divided by the total additional EDUs to derive a credit per EDU. Table 5 summarizes the final updated sewer capacity fee by taking the facility cost per EDU plus adjustments per EDU.

Table 4: Sewer Available Capacity Fees Credit

Adjustment Summary	Value (\$)	Allocation Basis	Units of Service	\$ per EDU
	[A]	[B]	[C]	[D] = A ÷ c
Adjustments				
(+) Capital Related Reserves	(\$27,140,321)	Additional EDUs	10,839	(\$2,503.95)

Table 5: Sewer Incremental Cost with Adjustments

Incremental Components	\$ / EDU
Incremental Costs	\$7,419
(+) Capital Related Reserves	(\$2,504)
Total Incremental Components	\$4,915

Updated Capacity Fees

Table 6 summarizes the proposed sewer capacity fees for an equivalent single-family residential dwelling unit or 1 EDU and shows the comparison with the current capacity fee. Non-residential connections will be assigned EDUs on a case-by-case basis to account for total flow in relation to a single-family residential unit.

Table 6: Sewer Proposed Capacity Fee

	Existing Wastewater Capacity Fee	Proposed Wastewater Capacity Fee	Difference (\$)
1 EDU	\$4,827	\$4,915	\$88

Each subsequent year, the District should adjust the capacity fees by applying the annual percentage change in the Engineering News-Record CCI to keep pace with inflation, coupled with a comprehensive update every five years.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Herb Niederberger, General Manager
Subject: Castle City Mobile Home Park – Wastewater Consolidation Letter of Intent
Meeting Date: May 4, 2023

Overview

The Castle City Mobile Home Park (CCMHP) is a two-hundred-unit mobile home park in Newcastle that owns and operates a private sewer collection system. The existing private sewer collection system is mostly asbestos cement pipe with very few manholes. The CCMHP discharges to a lagoon for percolation and evaporation. The lagoon lacks capacity and has historically overflowed in wet years. Coleman Engineering, on behalf of Caritas Corporation, the owner of CCMHP, approached the District regarding the potential to consolidate their wastewater system with the District to provide a long-term solution for their wastewater needs.

On March 7th, Dania Jimmerson, the Wastewater Consolidation Program Coordinator with the California State Water Resources Control Board (CSWRCB) provided information to District staff about the Wastewater Consolidation Program under Senate Bill 1215 (SB1215). SB1215 was adopted in September 2018 with the goal to incentivize sewer service connections and reduce nitrate impacts on drinking water. CCMHP meets the following criteria to qualify for funding under SB1215:

1. Inadequate onsite sewage treatment systems (seepage fields).
2. Considered a severely disadvantaged community with a median household income of less than 60% of the statewide annual median household income.
3. Distance to wastewater treatment facilities is less than three miles.

With the consolidation of the CCMHP sewer collection system, the community will realize increased property values, a reliable wastewater system, adequate sewer service at a reasonable cost, and proper disposal of effluent and sludge. The District will benefit from improvements to the collection system in Newcastle, removal of the Kentucky Greens Sewer Lift Station, improvements to downstream collection infrastructure, and watershed protection.

Funding for the CCMHP wastewater consolidation is through a Wastewater Consolidation Grant. Based on the population size, the project is eligible for a grant, 100% of the cost for planning and up to \$25 million for construction costs.

District staff presented an overview of the CCMHP consolidation at the Infrastructure Advisory Committee meeting on March 1st and the committee recommended that the project be brought before the Board of Directors for consideration.

District staff is proposing that the board authorize the General Manager to send the attached Letter of Intent (LOI) which will accompany the wastewater planning application to the State. The LOI does not bind the District legally to expend District funds or to complete the project. The LOI allows for preliminary engineering to begin so that alternatives for connection can be analyzed and for California Environmental Quality Act studies to commence. The District will also prepare information for review by the South Placer Wastewater Authority to ensure adequate capacity exists at the treatment plant.

Recommendation

Staff requests the Board adopt Resolution 23-13 authorizing the General Manager to:

1. Prepare a Letter of Intent to further discussion of the consolidation and annexation of the sewer assets of the Castle City Mobile Home Park; and
2. Enter into discussions with the California State Water Resources Control Board to provide funding for all aspects of the consolidation including any and all improvement to the District; and
3. Contact the South Placer Wastewater Authority to determine the steps necessary for the Castle City Mobile Home Park service area to be annexed into the Authority's service area.

Strategic Plan Goal

This action is consistent with the following Strategic Plan Priorities:

- Maintain an excellent regulatory compliance record.
- Leverage existing and applicable technologies to improve efficiencies.
- Provide exceptional value for the cost of sewer service.

Fiscal Impact

The District will expend staff time to facilitate the project. The entirety of the improvements and connection fees are eligible for funding under Senate Bill 1215.

Attachments:

1. Resolution 23-13
2. Exhibit A – Castle City Mobile Home Park
3. Letter of Intent

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION 23-13

**AUTHORIZING THE GENERAL MANAGER TO PREPARE A LETTER OF INTENT
FOR FURTHER DISCUSSION OF THE POTENTIAL CONSOLIDATION AND
ANNEXATION OF THE CASTLE CITY MOBILE HOME PARK SEWER ASSETS**

WHEREAS, the South Placer Municipal Utility District (the “District”) provides sewer service in accordance with the Municipal Utility District Act of the State of California, codified by the Public Utilities Code of the State of California; and

WHEREAS, the District is a partner in the South Placer Wastewater Authority (“SPWA”), a Joint Powers Authority created to finance the construction and operation of regional wastewater facilities serving portions of Placer County, the City of Roseville, and the District; and

WHEREAS, the Castle City Mobile Home Park (MHP) in Newcastle, California, operates a privately owned sewer service for approximately 200 residents and discharges to a lagoon for percolation and evaporation. The lagoon lacks capacity and has historically overflowed in wet years; and

WHEREAS, the median household income for the MHP is \$37,250, which places the MHP residents in the Severely Disadvantaged Community (SDAC) category; and

WHEREAS, funding to make improvements to the system are available provided the MHP can consolidate its system with a larger, public utility through the California State Water Resources Control Board Wastewater Consolidation Program under Senate Bill 1215. This bill was adopted

with the goal to incentivize sewer service connections and reduce nitrate impacts on drinking water; and

WHEREAS, the MHP has retained an engineering consultant to evaluate a potential wastewater consolidation (“WWC”) project with the District and provide an early planning and funding application with the California State Water Resources Control Board; and

WHEREAS, the preliminary findings indicate that the consolidation would require connection to the District’s facilities in Newcastle, and it is likely that this connection would require substantial improvements to the District facilities to accommodate the connection; and

WHEREAS, all funding for the project design and construction activities will be borne by the project and no costs will be incurred by the District or its SPWA partners to accomplish this WWC.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District that the General Manager is hereby authorized and directed to:

1. Prepare a nonbinding Letter of Intent to further the discussion of the consolidation and annexation of the sewer assets of the Castle City Mobile Home Park;
2. Enter into discussions with the California State Water Resources Control Board to provide funding for all aspects of the consolidation, including any and all improvements or upgrades to District facilities; and
3. Contact the South Placer Wastewater Authority to determine the steps necessary for the Castle City Mobile Home Park service area to be annexed into the Authority’s service area.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 4th Day of May 2023.

Signed: _____

James T. Williams, President of the Board of Directors

Attest: _____

Emilie Costan, Board Secretary



SOUTH PLACER MUNICIPAL UTILITY DISTRICT

May 4, 2023

Dania Jimmerson, P.E.
Water Resources Control Engineer, Wastewater Consolidation Program
Central Valley Regional Water Quality Control Board
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670

**Subject: LETTER OF INTENT TO ENGAGE IN WASTEWATER CONSOLIDATION
DISCUSSIONS WITH CASTLE CITY MOBILE HOME PARK**

Dear Ms. Jimmerson:

The South Placer Public Utility District (“District”) was contacted in late 2022 by Coleman Engineering regarding a potential wastewater consolidation (“WWC”) project with the Castle City Mobile Home Park (“MHP”) in Newcastle, California. Coleman Engineering is engaged by the MHP to provide early planning and funding application services for the potential WWC.

Coleman Engineering has met with the District several times to discuss the possibility of the WWC. In addition, the District has met with you to discuss the project and the funding process. Based on those meetings, we have the following understanding of the MHP wastewater utility:

- The MHP is located at 1588 Lisa Drive, Newcastle, CA 95658.
- There are approximately two hundred (200) residential connections to the wastewater collection system.
- The District was informed by your office that the median household income for the MHP is \$37,250, which places the community into Severely Disadvantaged (SDAC) status. The District understands that this should make the project eligible for 100% grant funding.
- The MHP is less than 3 miles away from the existing Irish Lane Lift Station that will be the point of discharge for the consolidated system.

The District understands that the engineering project required to assess the potential WWC will assume the following eventual system operations. Other alternative approaches may be considered, but it is most likely that the resultant project will include the following components:

- While MHP desires that the existing wastewater collection system remain largely unchanged, it is likely that repairs or improvements may be necessary to reduce inflow and infiltration. The determination of improvements required will be based on a condition assessment performed under District inspection. The alignment of collection

system pipes and connectivity of the system will most likely remain in its current configuration.

- The MHP will design and construct a new sewer pump station and force main and gravity collection pipeline facility that will convey MHP wastewater across I-80 to the existing Irish Lane Lift Station owned by the District.
- It is desired that the new gravity collection system portion of the pipeline will allow for the existing District Kentucky Greens Lift Station to be abandoned.
- New wastewater flow from the MHP will be conveyed by the District and treated by the South Placer Wastewater Authority (SPWA) located in the City of Roseville using existing pipeline and treatment plant facilities.
- It is possible that improvements to the existing District sewer collection system in Newcastle may be necessary to accommodate the new flows from the MHP.
- It is possible that improvements to the existing District Irish Lane Lift Station will be necessary to accommodate the new flows from the MHP.
- It is likely that downstream collection system improvements at Hope Lane in Penryn and the Boyington Lift Station will be necessary to accommodate the new flows from the MHP.
- The project will include abandonment of the existing facultative ponds at the MHP property, including reclamation of the property.

The District understands that all funding for the project design and construction activities will be borne by the program and that no costs will be incurred by the District or its SPWA partners to accomplish this WWC.

The purpose of this letter is to express general concurrence with the concepts as the District understands them at this time. The District is specifically not committing to expend District funds, to complete the project, or to engage in any legally binding agreement at this time. The District does intend to engage productively with the MHP, the City of Roseville, and the State of California so that Caritas can complete the required engineering studies and evaluate the possibility of WWC of the MHP system to the District's collection system.

Sincerely,

H. E. Niederberger
General Manager
South Placer Public Utility District

Cc: Carie Huff, District Engineer
Eric Nielsen, District Superintendent
Tracy Bejotte, Chief Operating Officer, Caritas Corporation
Chad Coleman, Coleman Engineering

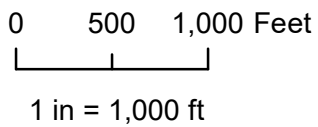
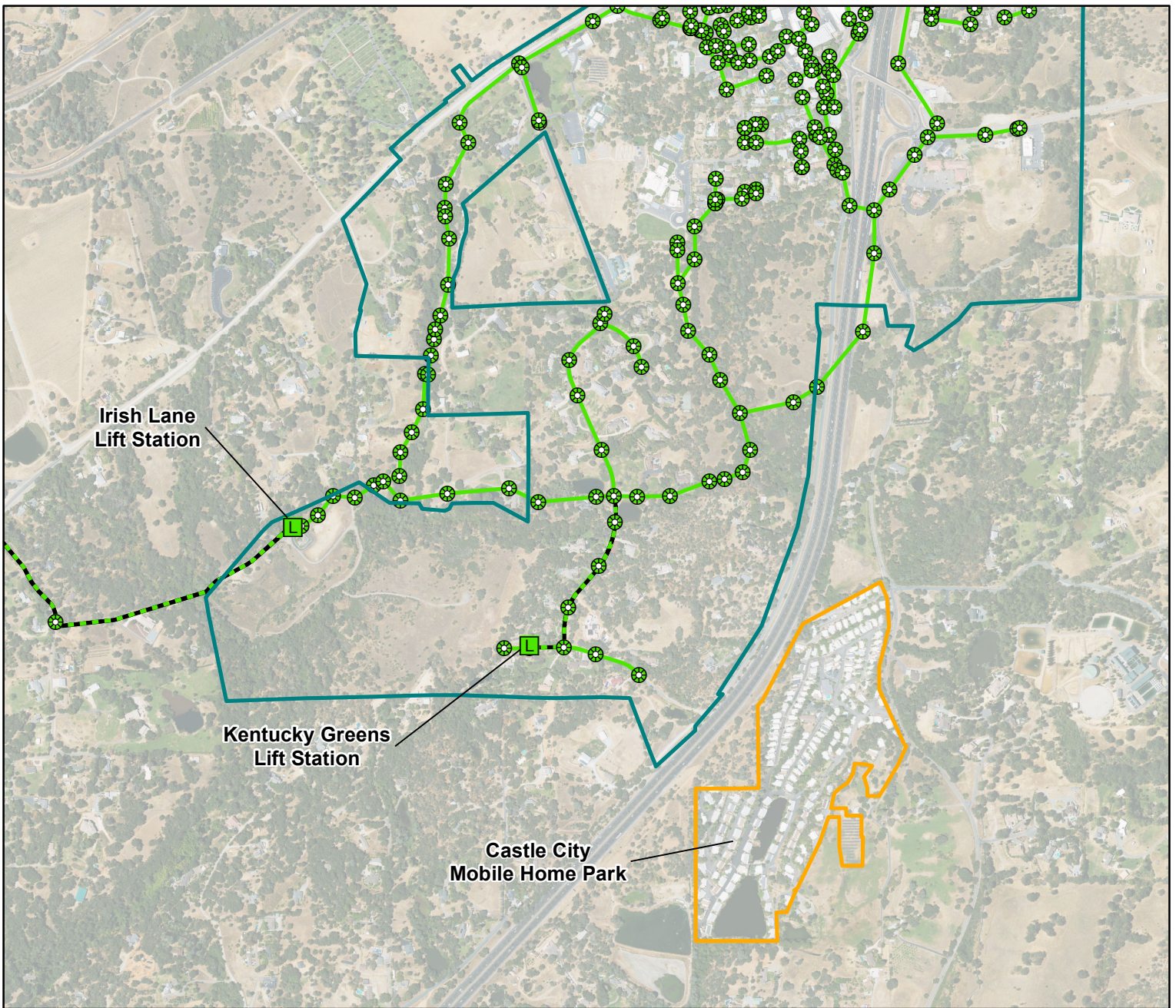
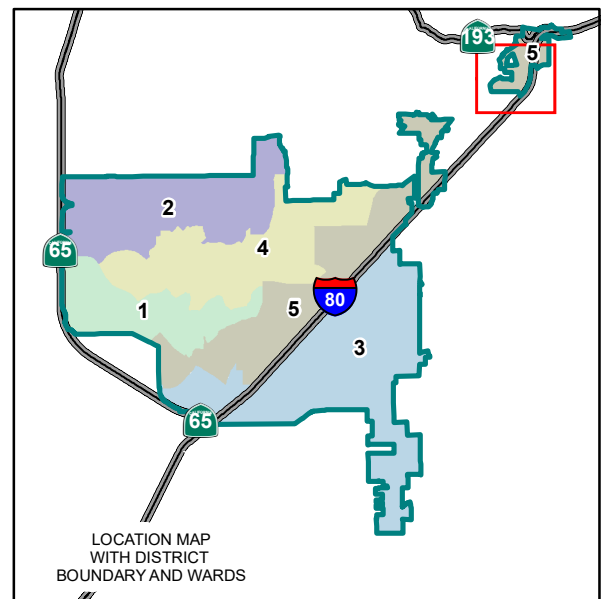


Exhibit A: Castle City Mobile Home Park 200 EDU

Produced By: Curtis Little
 Date: 4/24/2023
 Document Path:
 G:\s\pmud_gis\mxd\Curtis\Exhibit
 Maps\Castle City Mobile Home
 Park\Castle_City_Exhibit.mxd



GENERAL MANAGER REPORT

To: Board of Directors
From: Herb Niederberger, GM
Date: May 4, 2023
Subject: General Manager Monthly Activity Report April 2023

1) DEPARTMENT REPORTS

Attached are the monthly status reports for the Board's information:

- A. Administrative Services Department,
- B. Field Services Department, and
- C. Technical Services Department.

The Department Managers are prepared to answer any questions from the Board.

2) INFORMATION ITEMS

- A. On April 5, 2023, the General Manager along with Director Mitchell, attended the Rocklin Chambers of Commerce Governmental Affairs meeting to listen to a briefing from Tristan Butcher, Placer County Treasurer – Tax Collector.
- B. Also, on April 5th the General Manager participated in a District All-hands Fire Safety training.
- C. On April 11, 2023, the General Manager met with the District Engineer, Carie Huff and District General Counsel to review the findings of the access to District facilities on Bankhead Road in Loomis.
- D. On April 19, 2023, the General Manager conducted a Zoom Meeting with the District General Counsel to discuss: 1) Calling the bonds on Granite Terrace; 2) Legal Opinion of applying ad valorem tax revenue to offset local participation fee for low-income housing; and 3) Labor Negotiations
- E. On April 25, 2023, the General Manager met with the CSDA Area Representative, Dane Wadlé to discuss the recent Take Action Brief distributed by the Association. CSDA thanked the District for its quick response to the Advanced Clean Fleet Regulations being promulgated by the California Air Resources Board. CSDA wants the District to respond to a Ballot Initiative pending for 2024 regarding Government Accountability and the need for alternative legislation. This initiative would severely impact the District's ability to set rates and fees and adversely impact District finances.
- F. On April 27, 2023, the General Manager participated in a District All-hands meeting for an Introduction to Leadership presentation. Employees were also updated on the budget preparation, the status of the Classification and Compensation Study, the rate and fee proceedings, and building construction.

G. Advisory Committee Meetings:

- i. On April 24, 2023, the Personnel Advisory Committee met to discuss: 1) job descriptions for a Geographical Information Systems Technician/Analyst position; and 2) the findings of the Classification and Compensation study prepared by Ralph Anderson and Associates. These will both be brought to the Board of Directors for discussion.

There were no other advisory committee meetings in April.

3) **PURCHASE ORDERS/CONTRACTS INITIATED UNDER GENERAL MANAGER AUTHORITY**

PO Req#	Date	Vendor	Description	Amount
323	04/19/2023	Sonitrol	New Building CCTV Access Control and Panel	\$ 5770.44

4) **LONG RANGE AGENDA**

June 2023

- Conduct Public Hearing on Rate Increase, 2nd Reading, & Approval of Ordinance 23-01
- Conduct Public Hearing on Adoption of New Participation Fee, 2nd Reading, and Approval of Ordinance 23-02
- FY 2023/24 Budget Workshop
- Adopt FY 2023/24 Fee Schedule, Schedule of Values, and Fines
- Approve Fleet Services Contract
- Delinquent Account Assignment
- Approve New MOU for Employees and Managers & Classification Study Findings
- SDRMA Ballot

July 2023

- Approve FY 2023/24 Budget
- Award Cured-in-Place Pipe Lining Project Contract
- Report on SPWA Meeting

August 2023

- Employee Engagement Presentation
- Standard Update
- FOG Program Update
- Presentation Industrial Pre-Treatment Program

ITEM VIII. ASD REPORT

To: Board of Directors
From: Emilie Costan, Administrative Services Manager
cc: Herb Niederberger, General Manager
Subject: Administrative Services Department Monthly Report
Board Date: May 4, 2023

Budget Projections

The Administrative Services Manager has been working on next year's expense and revenue projections in preparation for the June Budget Workshop.

Automated Pay by Phone System

The new automated pay-by-phone system where customers can call to make a payment or hear real-time account balances, payment amounts, and due dates has been well received by District customers with 86 completed payment transactions using the automated pay-by-phone system last month.

Delinquent Account Notices

In accordance with Board Policy 3165 – Delinquent (Past Due) Bills, the District sent 1,666 Delinquent Notices to customers with past due balances on their accounts from calendar year 2022 on April 17, 2023. This was slightly higher than the 1,597 customers that received delinquent account notices for calendar year 2021.

Commercial Account Updates

Administrative Services Staff has been completing billing updates for the third quarter commercial audit.

April Monthly Investment Transactions per GC §53607

DEPOSITS, TRANSFERS, OR WITHDRAWALS

CalTRUST: None
CA CLASS: None
LAIF: None
Placer County: None
Five Star MM: None

ITEM VII. FSD REPORT

To: Board of Directors
From: Eric Nielsen, Superintendent
Cc: Herb Niederberger, General Manager
Subject: Field Services Department Monthly Report
Meeting Date: May 4, 2023

Department Overview

This section provides the Board an update on the news and major tasks from the Field Services Department (FSD).

1. Training/Break Room Addition, Locker Room, and Lobby Improvements

- a. The second phase of the project, which includes the tenant improvements to the maintenance building began in January 2023.
 - i. The interior walls are framed, plumbing/electrical in-wall work is done, walls are insulated, and drywall is being installed.
 - ii. PG&E informed the District that the work to pull in the feeders to provide permanent electricity to the new switchgear in the maintenance building could be delayed as much as four months due to PG&E scheduling. Plans have been made to complete the remainder of the work to be able to occupy the building as scheduled until PG&E can complete their work.
- b. The current schedule shows substantial completion of the project by July 2023.

2. Supervisory Control and Data Acquisition (SCADA) Update

- a. Carollo Engineers is working on the engineering design portion of the project. It appears at this point that the project is ahead of schedule.

3. Emergency Sewer Replacement

- a. District coordinated with the property management firm of the commercial development and the City of Rocklin regarding traffic and access during construction.
- b. Construction began the night of Tuesday, April 25. Night work will continue until Tuesday, May 2.
- c. Work is planned to be completed Thursday, May 4.

4. Leadership Rocklin

- a. The District Superintendent is participating in the Leadership Rocklin program facilitated by the Rocklin Chamber of Commerce. The ninth and final session on leadership was held on April 20, 2023. The program graduation will be held on May 11, 2023.

Reporting

This section provides the Board an overview of the Field Services Department operations and maintenance activities through 3/31/2023. The work listed is not all inclusive.

1. Lost Time Accidents/Injuries (OSHA 300)

- a. Zero (0)
 - i. 2404 days without a Lost Time Accident/Injury

2. Safety/Training/Professional Development

- a. Field Services employees participated in training for the following:
 - i. Pesticide / Hazard Communication / Chemical Labeling
 - ii. Compressed Gas Safety
 - iii. Outdoor Hazard / Utility Vehicles
 - iv. Combustible Dust

3. Customer Service Calls

- a. Response Time Goals over the Last 12 Months

	Goal	Average	Success Rate
During Business Hours	< 30 minutes	18 min	97%
During Non-Business Hours	< 60 minutes	46 min	

Service Calls - March

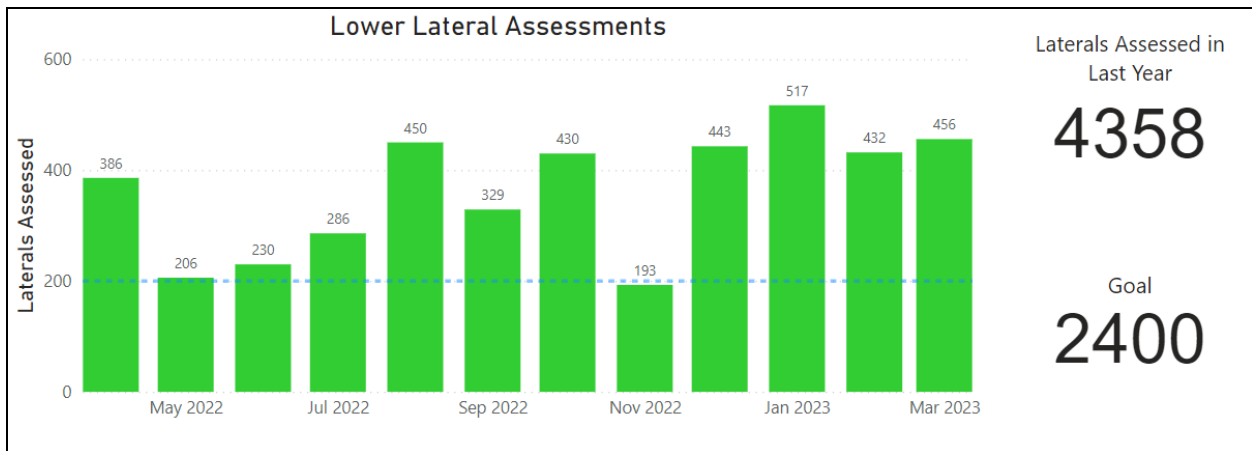
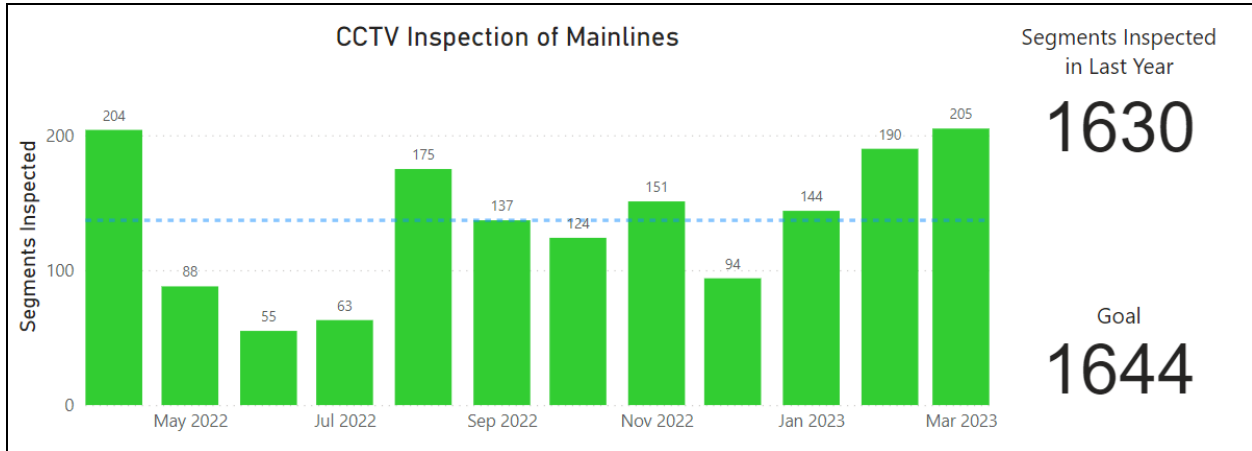
Responsibility	SSO	Stoppage	Odor	Alarm	PLSD	Vermin	Misc
SPMUD Responsibility	2	2		2			1
Owner Responsibility		5			8		3
N/A							1
Total	2	7		2	8		5

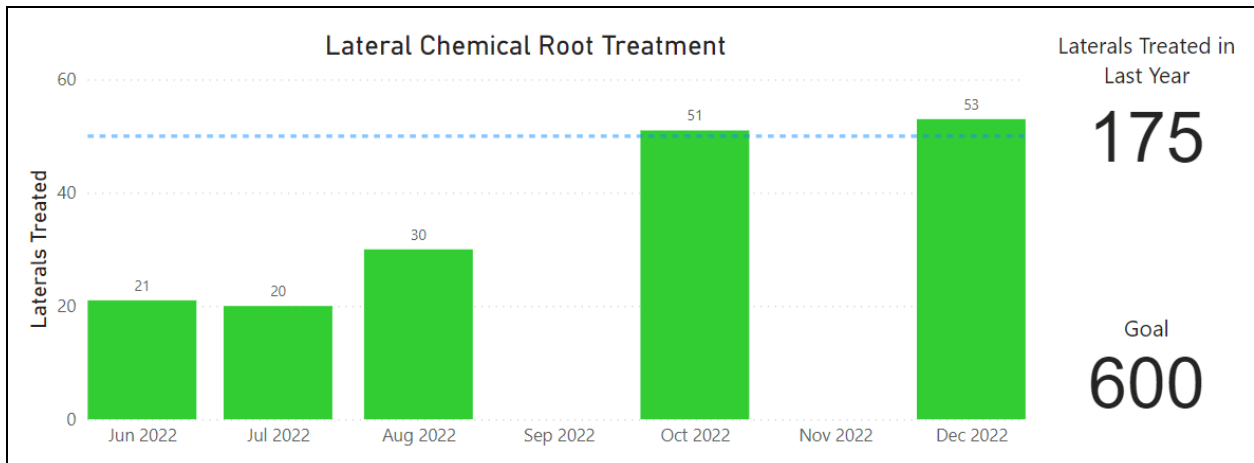
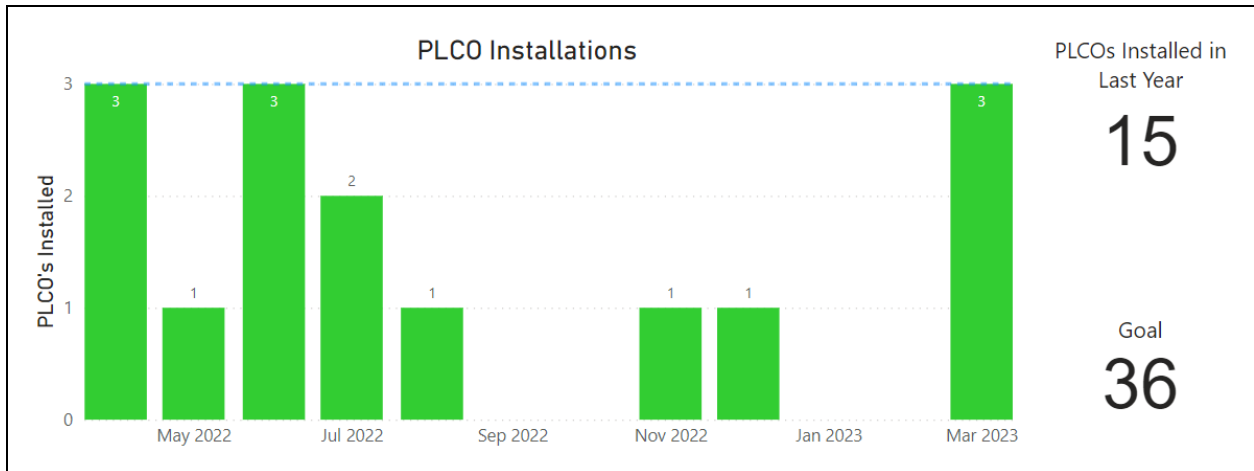
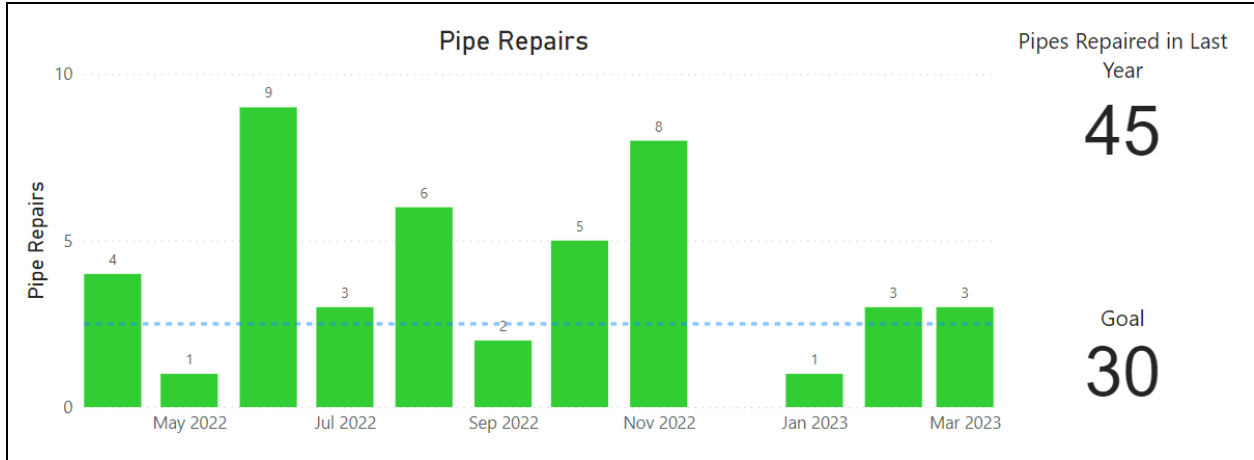
Total Service Calls

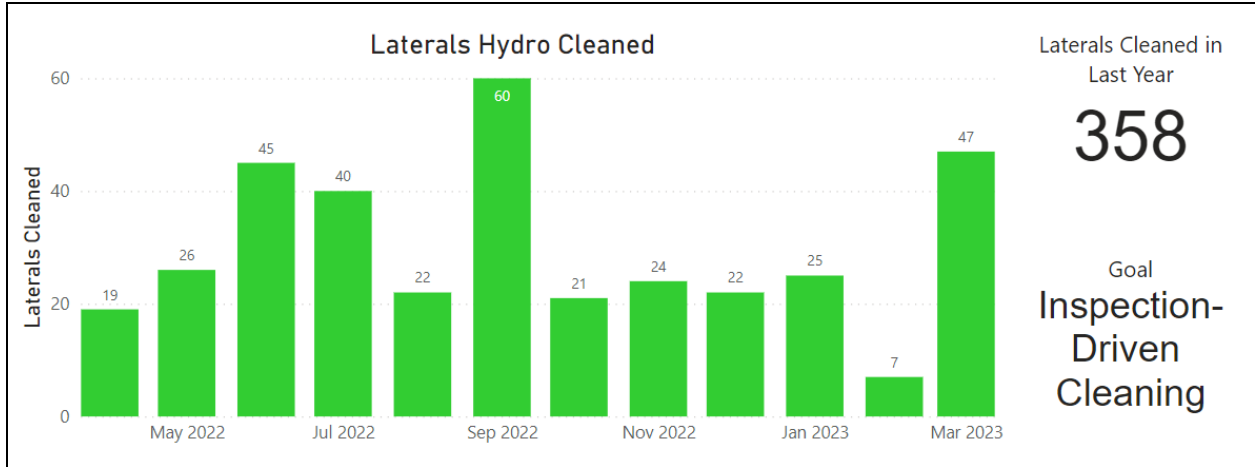
24

4. Production

a. The information provided below is not inclusive of all work completed.







ITEM VII. TSD REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Herb Niederberger, General Manager
Subject: Technical Services Department Monthly Report
Board Date: May 4, 2023

TSD Updates:

- ❖ Congratulations to Aaron Moore, Lead Inspector, for receiving his CWEA Grade 3 certification.
- ❖ The District Engineer and TSD staff attended the Employee Engagement Committee (EEC) meeting on April 11th. The EEC provided a draft charter with mission statement for peer review. Members of the EEC will present an update to the Board in the coming months.
- ❖ In March, the District and the City of Rocklin received a Request for Information from the Labor Commissioner of the State of California regarding the emergency work completed by Glissman Excavating on El Don Drive in Rocklin. The District responded with all relevant information within the requested time period. The Labor Board completed the investigation and assessed Glissman Excavating, Inc, the City of Rocklin, and the District's contractor, \$5,327.65. Glissman Excavating paid the Civil Wage and Penalty Assessment and the Division of Labor Standards Enforcement will issue a Release of Civil Wage and Penalty Assessment.
- ❖ TSD is assisting with the emergency sewer replacement at Lucille's in Rocklin. TSD will have an inspector onsite during nightwork. In addition, TSD staff is working with Lucille's on the Notice of Violation orders, including replacement of the existing grease control device and all deteriorated sewer piping and appurtenances.
- ❖ District staff met with the design engineers for the Granite Terrace lift station on March 23rd to initiate a punch list. These findings have been sent to the contractor. There are deficiencies identified at the lift station building and with the onsite improvements. These deficiencies will be required to be corrected prior to District acceptance. The project is still several months out until completion.
- ❖ TSD inspectors have completed three of the four commercial audit areas.
- ❖ The General Manager, Superintendent, and the District Engineer reviewed the eighteen professional service Statement of Qualifications submitted.
- ❖ The District Engineer is working on updates to the District's Standard Specifications and Improvement Standards for Sanitary Sewer to align with the Sewer Code updates.

City of Rocklin's Pacific Street and Rocklin Road Roundabout Project

Construction of the City of Rocklin's Pacific Street and Rocklin Road Roundabout project is complete. TSD met with the City of Rocklin to review proposed change orders. Several change orders have been rejected and others are being checked against contract requirements. Change Order 1 for a lateral size upgrade (\$1,333) and slurry backfill over the sewer pipe (\$2,994) for a total of \$4,327. The change orders will be presented at a future board meeting once finalized.

Northwest Rocklin Sewer Annexation Construction Project (formerly known as Atherton Trunk)

As of December 1st, all field work and punch list items were completed. The District is working with the City of Rocklin to finalize the administrative items required for project acceptance, mainly the acquisition of easements.

PCWA / Newcastle Construction Cooperation Project

The Design and Construction Cooperation Agreement was sent to PCWA and the project kick-off meeting with the design engineer is scheduled for August 27th.

Easement Acquisition

The District has contracted with Arrow Fence to construct the gate at the recently acquired easement at 5361 Saunders Avenue in Loomis. District staff held a preconstruction meeting with the contractor and property owner for installation. Once the gate is constructed, the District will submit the tree permit to the Town of Loomis. Paving of the access road is anticipated in fiscal year 2023/2024.

Local Agency Formation Commission (LAFCO)

The geographic descriptions of the properties served through out-of-area service agreements are nearly complete. Burrell Consulting Group recently received the necessary information from the railroad to complete the last descriptions. These geographic descriptions will be included in the annexation application to LAFCO. Additional information will be provided at a future board meeting as the application to LAFCO is refined.

LAFCO approved the District's Municipal Service Review (MSR) and Sphere of Influence study in the 2023/24 work plan. LAFCO anticipates issuing the request for proposals in May with the approval of the consultant and contract by the July 12th meeting.

FOG Program

The District's FOG Inspector completed nine core samples in March. Four of these inspections resulted in Warning of Non-Compliance letters sent to the following establishments: Urban Rolls, Moo Moo's Burger Barn, Jack in the Box (Rocklin) and Mario's Early Toast. Most of the issues observed involve the components and appurtenances (inlet tee, baffle tee and outlet tee) installed inside of traditional concrete gravity grease interceptors. ABS plastic piping is the typical material used, which is cast into the walls of the interceptor. The purpose of these components (inlet tee, baffle tee and outlet tee) is to slow down the flow of wastewater inside of the interceptor to retain FOG and solids. Due to the corrosive nature from the discharge of a restaurant, these components often break or become detached and fall to the bottom. Without these components installed, a gravity grease interceptor has little to no chance of grease retention. When issues such as these are discovered through a core sample inspection, the FOG Inspector will CCTV the lateral lines downstream of the interceptor. Most of these lateral inspections result in unacceptable levels of FOG discharge as evidenced by the accumulation of FOG on the internal walls of the pipe. When accumulation of FOG is excessive, hydro jetting and cleaning is a component of the corrective actions required in the Warning of Non-Compliance. The cost to pump and the rate of failure of a

traditional concrete gravity grease interceptor is high and creates a costly burden to the FSE's within District boundaries. In many cases, replacing these traditional units with non-corrosive hydro-mechanical grease control devices continues to be a concerted effort for TSD and the FOG Program.

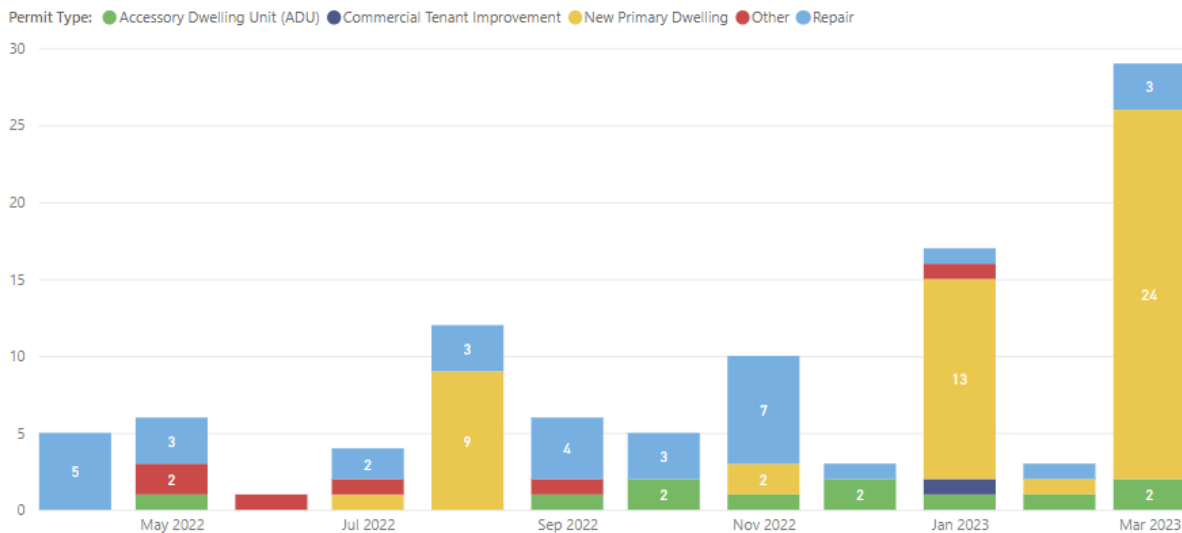
Industrial Pretreatment

The District continues to coordinate with the City of Roseville and their Industrial Pretreatment team on two studies to be conducted within the District's boundaries. The first study will be a brewery study to evaluate the discharges associated with craft beer processes. The second study will focus on the effluent discharge from commercial vehicular wash racks (car washes). The District has initiated the brewery study and met with the owners of Loomis Basin Brewing Company, High-Hand Brewing Company, Moksa Brewing Company, and Mindscape Fermentations to explain the purpose of the study and to coordinate sampling efforts. In all cases, these meetings were well received, and follow-up meetings were scheduled with the City of Roseville. Sampling is scheduled for April and May at all the breweries. The District is holding off on outreach and sampling at Out of Bounds since it has recently closed due to a change in ownership and The Brass Tap. Efforts to include these last two establishments will be made soon.

Department Performance Indicators

The following charts depict the efforts and performance of the department in the following areas of work as of March 31st, 2023. The charts are being created in a new reporting tool that directly connects to the District's data, improving the timeliness of reporting efforts and leveraging the District's investment in technology. Additional charts may be added in the future for other areas of work in the department.

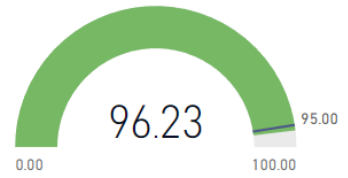
Sewer Permits - Completed - Monthly Totals



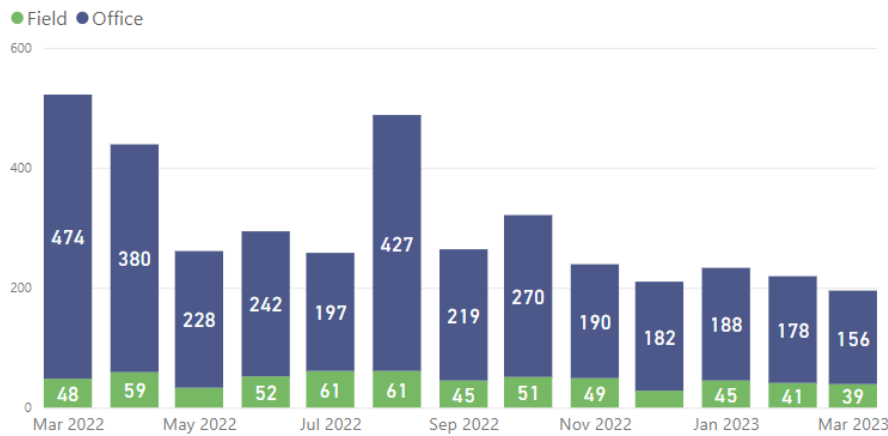
Plan Checks Completed - Monthly Totals



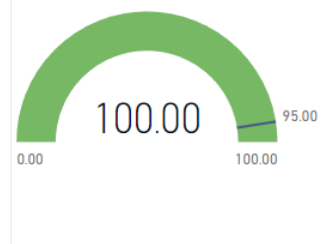
% "In Time" Plan Checks



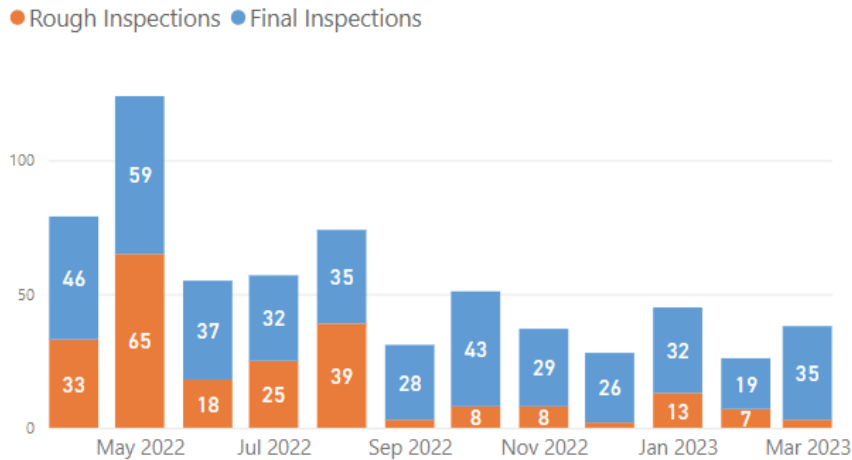
811 Responses - Monthly Totals



% "In Time" Responses



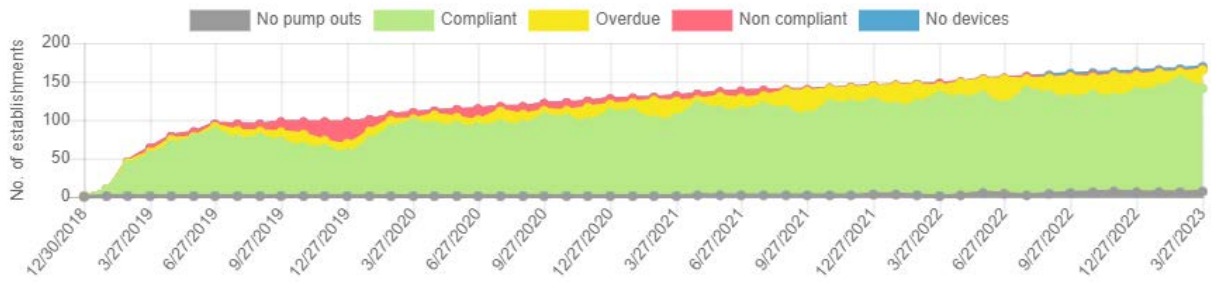
Building Sewer Inspections - Monthly Totals



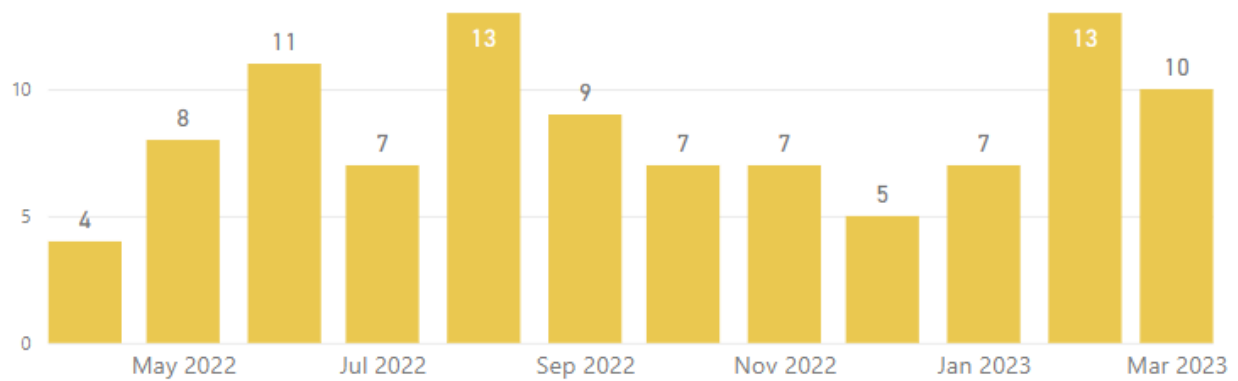
% "In Time" Inspections



FOG Compliance History



FOG Pickups - Monthly Totals



Grease Interceptor Inspections

