



**SPMUD BOARD OF DIRECTORS
REGULAR MEETING: 4:30 PM**

July 7, 2016

SPMUD Board Room
5807 Springview Drive, Rocklin, CA 95677

The District's regular Board meeting is held on the first Thursday of every month. This notice and agenda is posted on the District's web site (www.spmud.ca.gov) and posted in the District's outdoor bulletin board at the SPMUD Headquarters at the above address. Meeting facilities are accessible to persons with disabilities. Requests for other considerations should be made through the District Headquarters at (916)786-8555.

AGENDA

I. CALL MEETING TO ORDER

II. ROLL CALL OF DIRECTORS

Director Gerald Mitchell,	Ward 1
President William Dickinson,	Ward 2
Director John Murdock,	Ward 3
Director Victor Markey,	Ward 4
Director James Williams,	Ward 5

III. PLEDGE OF ALLEGIANCE

IV. CONSENT ITEMS

[pg 4 to 26]

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: (Voice vote)

Motion to approve the consent items for the July 7, 2016 meeting

1. MINUTES from the June 2, 2016 Regular Board Meeting.
2. ACCOUNTS PAYABLE in the amount of \$3,059,261.74 through June 30, 2016.
3. MONTHLY INVESTMENT REPORT in the total amount of \$50,784,920.95 through June 30, 2016.
4. BILLS OF SALE Acceptance of the Bill of Sale for sewer improvements within the Whitney Ranch Phase II-B 45A Subdivision.
5. BILLS OF SALE Acceptance of the Bill of Sale for sewer improvements within the Whitney Ranch Phase II-B Ranch 41ABC Subdivision.
6. JMC HOMES TEMPORARY SEWER CONNECTION & USE AGREEMENT – RESOLUTION NO. 16-15 Approval of the temporary Sewer Connection & Use Agreement with JMC Homes.

V. PUBLIC COMMENTS

Items not on the Agenda may be presented to the Board at this time; however, the Board can take no action.

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 FOR UPDATES TO POLICY 1020 - CONFLICT ON INTEREST, APPROVAL OF RESOLUTION NO. 16-14

[pg 27 to 47]

The Political Reform Act requires state and local government agencies adopt and publicize conflict of interest codes. The policy is required to be updated every two years. District Legal Counsel has made recommendations to update content within the policy to meet all required regulations.

Action Requested: Roll Call vote

1. Adopt Resolution No. 16-14, approving updates to Policy 1020 - Conflict of Interest Policy.

2. CONSIDERATION & APPROVAL OF RESOLUTION NO. 16-16 FISCAL YEAR 2016/2017 BUDGET

[pg 48 to 79]

The 2016/17 Fiscal Year Budget, beginning July 1, 2016 and ending June 30, 2017 outlines projected revenues and expenses for the General and Capital Funds and is the fiscal planning tool to accomplish the District’s strategic goals and objectives and establish the proposed spending plan.

Action Requested: Roll Call vote

1. Adopt Resolution No. 16-16, adopting the Budget for Fiscal Year 2016/17 and proposed spending plan.

VII. REPORTS

[pg 80 to 87]

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 public. No decisions are to be made on these issues.

- 1. Legal Counsel (A. Brown)
- 2. General Manager (H. Niederberger)
 - 1) FSD, ASD & TSD Reports
 - 2) Informational items
- 3. Director’s Comments:

Directors may make brief announcements or brief reports on their own 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. CLOSED SESSION - CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
(Subdivision (a) of Section 54956.9)**

Name of case: Kimberly Godfrey and M. Franklin Godfrey vs. South Placer Municipal Utility District, et al.

Placer County Superior Court Case No. SCV0036719

IX. ADJOURNMENT

If there is no other Board business the President will adjourn the meeting to its next regular meeting on August 4, 2016 at 4:30 p.m.

BOARD MINUTES
SOUTH PLACER MUNICIPAL UTILITY DISTRICT

Meeting	Location	Date	Time
Regular	District Office	June 2, 2016	4:30 p.m.

I. CALL MEETING TO ORDER: The Regular Meeting of the South Placer Municipal Utility District Board of Directors was called to order with President Dickinson presiding at 4:30 p.m.

II. ROLL CALL OF DIRECTORS:

Present: Will Dickinson, Vic Markey, Jerry Mitchell, John Murdock, Jim Williams

Absent: None

Vacant: None

Staff: Herb Niederberger, General Manager
Eric Nielsen, District Engineer
Sam Rose, Superintendent
Joanna Belanger, Administrative Services Manager

Others: Jeff Brackenbury, Field Services Supervisor

III. PLEDGE OF ALLEGIANCE: President Dickinson led the Pledge of Allegiance.

IV. CONSENT ITEMS:

1. Minutes from the May 5, 2016 Regular Board Meeting.
2. Accounts Payable in the amount of \$339,813.92 through May 26, 2016.
3. Monthly Investment Report in the total amount of \$50,505,219.44 through May 26, 2016.
4. Consideration of Resolution No. 16-11 to Dispose of District Surplus Vehicles Disposal of a 1989 Chevy Hydro-Jet/Root Foaming Vehicle, VIN#1GBP7D1G5KV108024.
5. Consideration and Approval of Resolution No. 16-13 establishing and amending the Schedule of Fees & Charges for FY 16/17 Approving fees and charges are adjusted each fiscal year based on prior year budget & expenses.

It was noted that there was a slight change to the minutes, in item VI. 1. There was duplicate language related to CSDA that was removed. Items 2 & 5 were pulled from the consent calendar for further discussion. Director Williams made a motion to accept items 1, 3 & 4 from the consent calendar, a second was made by Director Mitchell; the motion carried 5-0.

Director Mitchell addressed item 2, noting that the District is a member of the City of Rocklin Chamber of Commerce. He suggested that the District also become a member of the Town of Loomis Chamber of Commerce. Staff was directed to apply to become members. Director Murdock made a motion to approve item 2, a second was made by Director Mitchell; the motion carried 5-0.

President Dickinson addressed item 5, to discuss the methodology for the District Bill-out rate. GM Niederberger provided Board members with copies of previous year's fee schedules, and explained the process for computing the rate. After some discussion it was decided that the Fee & Finance Committee would look at the computation process at their next meeting to fully understand the process. Director Williams made a motion to approve item 5, a second was made by Director Mitchell, the motion carried 4-1.

V. PUBLIC COMMENTS:

President Dickinson opened the Public comments. Superintendent Rose introduced Jeff Brackenbury as the Districts new Field Services Supervisor. Hearing no additional comments, public comments were closed.

VI. BOARD BUSINESS:

1. Public Hearing & Consideration of Resolution No. 16-12 To Collect Delinquent Service Charges for South Placer Municipal Utility District on the Placer County Tax Rolls for Tax Year 2015

President Dickinson opened the Public Hearing. General Manager Niederberger introduced Ms. Belanger who indicated that the Delinquent service charges amount to be assigned to the Placer County Tax Rolls for the 2015 Tax Year had reduced to \$246,462.45. Director Mitchell asked if other entities impose fees for delinquent bills or if there is another penalty that could be added or on the flip side if an incentive for payment may be an alternative. After a short discussion it was decided that the Fee & Finance Committee would address alternatives for delinquent accounts with staff at their next meeting. Director Williams made a motion to approve Resolution No. 16-12, a second was made by Director Mitchell; the motion carried 5-0.

2. Consideration of the Fiscal Year 2016/2017 Budget Workshop

GM Niederberger introduced the Fiscal Year 2016/17 Budget, presenting a Power Point demonstration of the upcoming fiscal year revenues and expenses for the General and Capital Funds. An outline of \$3.55M in Capital Projects was presented for the next fiscal year with the categorization of Capital Replacement & Rehabilitation, Capital Improvement & Enlargement and Capital General Fund Projects. The total budget recommendation is for \$15.24M, representing a decrease of approximately \$0.01M from the Fiscal Year 2015/16 Budget. Board members asked a number of questions relating to Departmental Personnel change requests, Sewer Charge Rate Comparisons and specifics on the Capital Projects within the proposed Budget. GM Niederberger stated that the Fiscal Year 2016/17 Budget will be formal adoption for the made at the July 7th, 2016 Board meeting.

VII. REPORTS:

1. District General Counsel (A. Brown): General Counsel Brown had no report.

2. General Manager (H. Niederberger): GM Niederberger provided a report to the Board regarding the status of the contract for repair to the HQ building. He reported that the District was notified by SDRMA that the contract needs to be in conformance with Public Works Contract Regulations (AB 854), and reported to the Department of Industrial Relations (DIR). He reported that Duarte Construction is working towards complying with the requirements. Indicating that if they cannot meet the needs for certified payroll and subscribe to become certified for Public Works Contracts, their contract with the District will be terminated and payment will be made only for the completed demolition work. If this occurs, additional quotes will be requested from contractors to complete the work in compliance of the DIR – Public Works Project requirements.

GM Niederberger reported that he had met with Director Mitchell to discuss the re-use of Sunset Whitney Golf Club facilities, and if there would be any effect on the Clover Valley Trunk project.

GM Niederberger responded to a question from Director Mitchell related to the acceptance and recordation of conveyances via the final map process. He indicated that District staff and Legal Counsel had met with City of Rocklin representatives to look at other alternatives and had come to an agreement.

GM Niederberger indicated that the District had received an email from Kenny Gowan, the Loomis Basin Brewery owner, regarding additional costs which would be assessed on the Brewery for Outdoor Seating at the establishment. It was also noted that District records do not reflect the use for the Loomis Basin Brewery location on Swetzer Road. Therefore no additional Participation Fees had been paid by the Brewery or Property owner, and staff is currently determining the correct monthly rate in accordance with the Districts Ordinance.

GM Niederberger reported that staff had met with representatives from Del Oro High School to discuss the changes to their swimming pool facility. It was noted that the school is installing low flow showers and toilet facilities and a high efficiency pool which may reduce their overall flow.

A. ASD, FSD & TSD Reports:

B. Information Items: No additional items were reported.

3. Directors Comments: Director Mitchell reported that he would be attending the SPWA Meeting scheduled for June 30, 2016.

VIII. ADJOURNMENT

The meeting was adjourned at 6:05 p.m. to the next Regular Meeting to be held on Thursday, July 7, 2016 at 4:30 p.m.



Joanna Belanger, Board Secretary



South Placer Municipal Utility District, CA

Check Report

By Check Number

Date Range: 05/27/2016 - 06/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
1240	Placer County Personnel	05/31/2016	Regular	0.00	2,445.68	7314
1246	Prudential Municipal Pool	05/31/2016	Regular	0.00	147.70	7315
1521	Aries Industries, Inc.	06/08/2016	Regular	0.00	2,225.14	7340
1004	AT&T	06/08/2016	Regular	0.00	122.51	7341
1026	AUS West Lockbox	06/08/2016	Regular	0.00	639.74	7342
1505	California Surveying & Drafting Supply	06/08/2016	Regular	0.00	36.88	7343
1061	Central Valley Engineering	06/08/2016	Regular	0.00	20,200.00	7344
1509	Crystal Communications	06/08/2016	Regular	0.00	230.00	7345
1093	DMG Lawn Maintenance	06/08/2016	Regular	0.00	325.00	7346
1113	Ferguson Enterprises, Inc. 1423	06/08/2016	Regular	0.00	2,205.10	7347
1124	Gold Country Media Publications	06/08/2016	Regular	0.00	297.60	7348
1140	Holt of California	06/08/2016	Regular	0.00	2,325.23	7349
1163	Joe Gonzalez Trucking, LLC.	06/08/2016	Regular	0.00	14,247.87	7350
1174	KBA Docusys, Inc.	06/08/2016	Regular	0.00	442.09	7351
1188	Lucity, Inc.	06/08/2016	Regular	0.00	700.00	7352
1464	PG&E CFM/PPC Department	06/08/2016	Regular	0.00	3,611.78	7353
1546	Premier Print & Mail	06/08/2016	Regular	0.00	1,307.47	7354
1333	SPOK, Inc.	06/08/2016	Regular	0.00	50.25	7355
1305	Sunbelt Rentals, Inc.	06/08/2016	Regular	0.00	1,215.41	7356
1499	TechRoe.com LLC	06/08/2016	Regular	0.00	900.00	7357
1491	Vanguard Cleaning Systems	06/08/2016	Regular	0.00	395.00	7358
1338	Verizon Wireless	06/08/2016	Regular	0.00	48.37	7359
1492	Wave Broadband - Rocklin	06/08/2016	Regular	0.00	209.85	7360
1345	WECO	06/08/2016	Regular	0.00	96.88	7361
1021	ARC	06/08/2016	Regular	0.00	105.35	7362
1089	Department of Consumer Affairs	06/08/2016	Regular	0.00	115.00	7363
1090	Department of Justice	06/08/2016	Regular	0.00	111.00	7364
1139	Hill Rivkins Brown & Associates	06/08/2016	Regular	0.00	1,705.60	7365
1485	Industrial Safety Supply Corporation	06/08/2016	Regular	0.00	1,990.00	7366
1291	Special District Risk Management Authority	06/08/2016	Regular	0.00	500.00	7367
1306	Superior Equipment Repair	06/08/2016	Regular	0.00	2,639.79	7368
1475	Van Erp, Petersen & Babcock, LLP	06/08/2016	Regular	0.00	650.00	7369
1548	Williams Scotsman	06/08/2016	Regular	0.00	16,784.58	7370
1327	US Bank Corporate Payment	06/09/2016	Regular	0.00	11,331.73	7371
	Void	06/09/2016	Regular	0.00	0.00	7372
	Void	06/09/2016	Regular	0.00	0.00	7373
	Void	06/09/2016	Regular	0.00	0.00	7374
	Void	06/09/2016	Regular	0.00	0.00	7375
	Void	06/09/2016	Regular	0.00	0.00	7376
1068	City of Roseville	06/09/2016	Regular	0.00	650,388.42	7377
1068	City of Roseville	06/09/2016	Regular	0.00	1,464,601.00	7378
1173	KBA Docusys	06/09/2016	Regular	0.00	16.49	7379
1020	Aqua Sierra Controls, Inc.	06/20/2016	Regular	0.00	444.00	7380
1022	AT&T	06/20/2016	Regular	0.00	878.77	7381
1505	California Surveying & Drafting Supply	06/20/2016	Regular	0.00	427.13	7382
1073	Consolidated Communications	06/20/2016	Regular	0.00	570.94	7383
1081	CWEA - TCP	06/20/2016	Regular	0.00	328.00	7384
1086	Dataprose	06/20/2016	Regular	0.00	6,822.21	7385
1131	Granite Business Printing	06/20/2016	Regular	0.00	116.10	7386
1173	KBA Docusys	06/20/2016	Regular	0.00	218.43	7387
1187	Loomis News	06/20/2016	Regular	0.00	38.00	7388
1473	Pitney Bowes Purchase Power	06/20/2016	Regular	0.00	249.22	7389
1315	Placer Herald	06/20/2016	Regular	0.00	38.00	7390
1244	Preferred Alliance	06/20/2016	Regular	0.00	142.56	7391

Check Report

Date Range: 05/27/2016 - 06/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1508	Sacramento Rendering Co.	06/20/2016	Regular	0.00	25.00	7392
	Void	06/20/2016	Regular	0.00	0.00	7393
	Void	06/20/2016	Regular	0.00	0.00	7394
	Void	06/20/2016	Regular	0.00	0.00	7395
	Void	06/20/2016	Regular	0.00	0.00	7396
1288	Solon Fire Control	06/20/2016	Regular	0.00	114.00	7397
1518	Sonitrol of Sacramento	06/20/2016	Regular	0.00	552.00	7398
1325	Tyler Technologies, Inc.	06/20/2016	Regular	0.00	400.00	7399
1338	Verizon Wireless	06/20/2016	Regular	0.00	552.09	7400
1240	Placer County Personnel	06/27/2016	Regular	0.00	2,526.96	7423
1246	Prudential Municipal Pool	06/27/2016	Regular	0.00	147.70	7424
1018	Andre Kalinyuk	06/28/2016	Regular	0.00	250.00	7425
1023	AT&T	06/28/2016	Regular	0.00	12.38	7426
1036	Bill's Backflow Service	06/28/2016	Regular	0.00	270.00	7427
1509	Crystal Communications	06/28/2016	Regular	0.00	230.00	7428
1087	Dawson Oil Co.	06/28/2016	Regular	0.00	2,832.15	7429
1102	Empire Safety & Supply	06/28/2016	Regular	0.00	64.45	7430
1113	Ferguson Enterprises, Inc. 1423	06/28/2016	Regular	0.00	434.86	7431
1123	Gladding McBean	06/28/2016	Regular	0.00	82.14	7432
1352	Goodyear Commercial Tire & Service Centers	06/28/2016	Regular	0.00	3,770.18	7433
1174	KBA Docusys, Inc.	06/28/2016	Regular	0.00	218.43	7434
1188	Lucity, Inc.	06/28/2016	Regular	0.00	862.50	7435
1218	PCWA	06/28/2016	Regular	0.00	70.93	7436
1221	PG&E	06/28/2016	Regular	0.00	4,919.58	7437
1253	Recology Auburn Placer	06/28/2016	Regular	0.00	296.13	7438
1487	RJA Heating & Air, Inc.	06/28/2016	Regular	0.00	1,617.25	7439
1325	Tyler Technologies, Inc.	06/28/2016	Regular	0.00	275.00	7440
1332	USA Blue Book	06/28/2016	Regular	0.00	180.55	7441
1335	Valley Power Systems, Inc.	06/28/2016	Regular	0.00	1,235.00	7442
1548	Williams Scotsman	06/28/2016	Regular	0.00	2,196.65	7443
1004	AT&T	06/30/2016	Regular	0.00	113.51	7451
1505	California Surveying & Drafting Supply	06/30/2016	Regular	0.00	295.88	7452
1068	City of Roseville	06/30/2016	Regular	0.00	647,185.28	7453
1174	KBA Docusys, Inc.	06/30/2016	Regular	0.00	442.09	7454
1221	PG&E	06/30/2016	Regular	0.00	215.21	7455
1259	Rick J. Perry	06/30/2016	Regular	0.00	250.00	7456
1292	SPMUD Petty Cash	06/30/2016	Regular	0.00	14.25	7457
1363	Travis Wilson	06/30/2016	Regular	0.00	250.00	7458
1015	American Fidelity Assurance	05/31/2016	Bank Draft	0.00	1,021.72	DFT0002009
1229	Pers (EFT)	05/31/2016	Bank Draft	0.00	12,985.00	DFT0002010
1230	Pers (EFT)	05/31/2016	Bank Draft	0.00	31,538.90	DFT0002011
1045	Cal Pers 457 Plan (EFT)	06/03/2016	Bank Draft	0.00	300.00	DFT0002013
1135	Mass Mutual (EFT)	06/03/2016	Bank Draft	0.00	4,200.00	DFT0002014
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	147.25	DFT0002015
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	219.16	DFT0002016
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	300.15	DFT0002017
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	2,739.40	DFT0002018
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	3,752.32	DFT0002019
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	72.35	DFT0002020
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	82.72	DFT0002021
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	1,033.59	DFT0002022
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	1,181.69	DFT0002023
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	1,039.93	DFT0002024
1229	Pers (EFT)	06/03/2016	Bank Draft	0.00	1,037.78	DFT0002025
1149	Internal Revenue Service	06/03/2016	Bank Draft	0.00	8,828.82	DFT0002026
1098	EDD (EFT)	06/03/2016	Bank Draft	0.00	2,644.16	DFT0002027
1098	EDD (EFT)	06/03/2016	Bank Draft	0.00	640.84	DFT0002028
1149	Internal Revenue Service	06/03/2016	Bank Draft	0.00	2,064.82	DFT0002029
1149	Internal Revenue Service	06/03/2016	Bank Draft	0.00	7,725.49	DFT0002030
1045	Cal Pers 457 Plan (EFT)	06/17/2016	Bank Draft	0.00	300.00	DFT0002032
1135	Mass Mutual (EFT)	06/17/2016	Bank Draft	0.00	3,850.00	DFT0002033

Check Report

Date Range: 05/27/2016 - 06/30/2016

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	147.25	DFT0002034
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	219.16	DFT0002035
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	300.15	DFT0002036
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	2,739.40	DFT0002037
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	3,752.32	DFT0002038
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	72.35	DFT0002039
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	82.72	DFT0002040
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	1,033.59	DFT0002041
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	1,181.69	DFT0002042
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	989.21	DFT0002043
1229	Pers (EFT)	06/17/2016	Bank Draft	0.00	987.17	DFT0002044
1149	Internal Revenue Service	06/17/2016	Bank Draft	0.00	8,728.98	DFT0002045
1098	EDD (EFT)	06/17/2016	Bank Draft	0.00	2,464.36	DFT0002046
1098	EDD (EFT)	06/17/2016	Bank Draft	0.00	611.06	DFT0002047
1149	Internal Revenue Service	06/17/2016	Bank Draft	0.00	2,041.46	DFT0002048
1149	Internal Revenue Service	06/17/2016	Bank Draft	0.00	7,394.57	DFT0002049
1015	American Fidelity Assurance	06/27/2016	Bank Draft	0.00	1,021.72	DFT0002058
1230	Pers (EFT)	06/27/2016	Bank Draft	0.00	31,538.90	DFT0002059
1229	Pers (EFT)	06/27/2016	Bank Draft	0.00	12,985.00	DFT0002060

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	114	83	0.00	2,888,540.02
Manual Checks	0	0	0.00	0.00
Voided Checks	0	9	0.00	0.00
Bank Drafts	42	42	0.00	165,997.15
EFT's	0	0	0.00	0.00
	156	134	0.00	3,054,537.17

Fund Summary

Fund	Name	Period	Amount
100	GENERAL FUND	5/2016	48,139.00
100	GENERAL FUND	6/2016	3,006,398.17
			<u>3,054,537.17</u>

Account Number	Name	Date	Type	Amount	Reference
102-0003332-01	McClure, Jeffrey S	6/2/2016	Refund	\$ 83.57	Check #: 7316
102-0008234-02	Simpson, Rodney	6/2/2016	Refund	\$ 10.00	Check #: 7317
102-0009198-01	Bickford, David M	6/2/2016	Refund	\$ 84.50	Check #: 7318
102-0010424-01	Lawton, Jerry	6/2/2016	Refund	\$ 84.47	Check #: 7319
102-0012498-01	Rojas, Frank	6/2/2016	Refund	\$ 83.45	Check #: 7320
103-0004218-01	Nagel, Bonnie	6/2/2016	Refund	\$ 17.59	Check #: 7321
103-0004320-03	Shelton, Kyle	6/2/2016	Refund	\$ 94.91	Check #: 7322
103-0004441-04	LLC, BKSP Properties	6/2/2016	Refund	\$ 61.67	Check #: 7323
106-0013081-01	JOHN G MILLER	6/2/2016	Refund	\$ 84.55	Check #: 7324
106-0013285-02	Thiel, Scott W	6/2/2016	Refund	\$ 220.57	Check #: 7325
106-0013324-02	Mokarami, Yadollah	6/2/2016	Refund	\$ 33.98	Check #: 7326
106-0016162-01	Owens, Steven	6/2/2016	Refund	\$ 19.94	Check #: 7327
106-0017235-01	Folsom, Michelle	6/2/2016	Refund	\$ 83.31	Check #: 7328
106-0017859-02	Zwald, David	6/2/2016	Refund	\$ 84.00	Check #: 7329
112-1025828-01	CalAtlantic Group, Inc.	6/2/2016	Refund	\$ 84.00	Check #: 7330
112-1026357-01	D R Horton	6/2/2016	Refund	\$ 291.87	Check #: 7331
112-1026688-00	CalAtlantic Group, Inc.	6/2/2016	Refund	\$ 75.00	Check #: 7332
112-1026826-00	CalAtlantic Group, Inc.	6/2/2016	Refund	\$ 84.37	Check #: 7333
112-1026854-00	Taylor Morrison of California LLC	6/2/2016	Refund	\$ 84.00	Check #: 7334
112-1026895-00	D R Horton	6/2/2016	Refund	\$ 84.00	Check #: 7335
112-1026898-00	D R Horton	6/2/2016	Refund	\$ 84.41	Check #: 7336
112-1026901-00	D R Horton	6/2/2016	Refund	\$ 80.64	Check #: 7337
112-1026902-00	D R Horton	6/2/2016	Refund	\$ 80.59	Check #: 7338
112-1026904-00	D R Horton	6/2/2016	Refund	\$ 80.27	Check #: 7339
102-0001241-01	Sinclair, Judith	6/21/2016	Refund	\$ 85.44	Check #: 7401
102-0002712-01	Thornton, James and Clarene	6/21/2016	Refund	\$ 85.50	Check #: 7402
102-0006443-01	Pittman, Mark E	6/21/2016	Refund	\$ 95.89	Check #: 7403
102-0006664-01	Boyse, George	6/21/2016	Refund	\$ 84.00	Check #: 7404
102-0007451-01	Ortmann, Steven	6/21/2016	Refund	\$ 84.62	Check #: 7405
102-0007835-01	Gallawa, Erin	6/21/2016	Refund	\$ 364.69	Check #: 7406
102-0008405-01	Jordan, Ken	6/21/2016	Refund	\$ 84.00	Check #: 7407
102-0009354-02	STEVEN G ELLIS	6/21/2016	Refund	\$ 5.48	Check #: 7408
102-0009845-01	Henley, Theodore and Patti	6/21/2016	Refund	\$ 84.59	Check #: 7409
102-0010425-02	Oliaei, Khashayar Phil	6/21/2016	Refund	\$ 84.79	Check #: 7410
102-0012171-02	Spencer, Robert	6/21/2016	Refund	\$ 85.60	Check #: 7411
104-0007876-01	Cook, Christian	6/21/2016	Refund	\$ 46.87	Check #: 7412
104-0007904-01	Sjotvedt, Daniel and Theresa	6/21/2016	Refund	\$ 8.40	Check #: 7413
106-0016614-01	Vanderlinden, Scott	6/21/2016	Refund	\$ 84.80	Check #: 7414
106-0016707-01	Rubay, Kenneth	6/21/2016	Refund	\$ 84.63	Check #: 7415
106-0017550-01	Mingst, Karen	6/21/2016	Refund	\$ 140.00	Check #: 7416
106-0018027-01	Woolworth, Sheila J	6/21/2016	Refund	\$ 84.62	Check #: 7417
112-1021063-02	Troy McAlpin	6/21/2016	Refund	\$ 84.62	Check #: 7418
112-1021532-01	Robles, Lawrence	6/21/2016	Refund	\$ 84.72	Check #: 7419
112-1023083-01	Kolb, Robin	6/21/2016	Refund	\$ 85.57	Check #: 7420
112-1023315-01	Whelan, Melina R	6/21/2016	Refund	\$ 83.71	Check #: 7421
112-1026865-00	Rock Saddle Gp	6/21/2016	Refund	\$ 123.86	Check #: 7422
102-0008080-01	Medaris, Jason J	6/29/2016	Refund	\$ 77.57	Check #: 7444
102-0008807-02	White, Andrea	6/29/2016	Refund	\$ 84.93	Check #: 7445
102-0009223-01	McConville, Dennis	6/29/2016	Refund	\$ 86.92	Check #: 7446
106-0012820-01	Fuentes, Jeffrey	6/29/2016	Refund	\$ 84.00	Check #: 7447
106-0013279-02	Rogers, Joshua and Stacie	6/29/2016	Refund	\$ 90.00	Check #: 7448
112-1023849-01	Arnsward, Jeffery	6/29/2016	Refund	\$ 84.12	Check #: 7449
112-1026052-02	Valle, Elmer and Annellyne	6/29/2016	Refund	\$ 84.97	Check #: 7450
				\$ 4,724.57	

June-16
MONTHLY INVESTMENT REPORT

INVESTMENT	% Change	TOTAL FUNDS	Fund 100	Fund 300	Fund 400
			General	CIP & Expansion	Capital Replacement & Rehabilitation
CalTRUST					
Balance		\$ 19,019,417.79	\$ 4,204,081.11	\$ 7,481,826.37	\$ 7,333,510.32
Income	0.1%	\$ 15,052.52	\$ 3,327.23	\$ 5,921.33	\$ 5,803.95
Unrealized Gain/Loss	0.3%	\$ 48,531.03	\$ 10,727.37	\$ 19,091.05	\$ 18,712.60
Realized Gain/Loss	0.0%	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 19,083,001.34	\$ 4,218,135.71	\$ 7,506,838.75	\$ 7,358,026.87
Wells Fargo - Fixed Income Securities					
Balance		\$ 17,982,702.88	\$ 3,974,924.06	\$ 7,074,005.21	\$ 6,933,773.61
Income	0.1%	\$ 10,573.63	\$ 2,337.21	\$ 4,159.44	\$ 4,076.98
Unrealized Gain/Loss	-0.2%	\$ (28,993.37)	\$ (6,408.74)	\$ (11,405.36)	\$ (11,179.27)
Realized Gain/Loss	0.0%	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 17,964,283.14	\$ 3,970,852.54	\$ 7,066,759.28	\$ 6,926,671.32
LAIF (Local Agency Investment Fund)					
Balance		\$ 4,997,810.00	\$ 1,104,723.54	\$ 1,966,030.04	\$ 1,927,056.42
Interest 0.46%		\$ 16,245.48	\$ 3,590.93	\$ 6,390.62	\$ 6,263.94
TOTAL		\$ 5,014,055.48	\$ 1,108,314.47	\$ 1,972,420.66	\$ 1,933,320.36
Placer County Treasury					
Balance		\$ 5,015,721.76	\$ 1,108,682.79	\$ 1,973,076.13	\$ 1,933,962.84
Interest 1.25%		\$ 5,223.87	\$ 1,154.69	\$ 2,054.96	\$ 2,014.22
TOTAL		\$ 5,020,945.63	\$ 1,109,837.48	\$ 1,975,131.09	\$ 1,935,977.06
SUB-TOTAL		\$ 47,082,285.59	\$ 10,407,140.19	\$ 18,521,149.78	\$ 18,153,995.62
Checking Account Balance					
		\$ 3,702,635.36	\$ 818,436.17	\$ 1,456,536.43	\$ 1,427,662.77
GRAND TOTAL		\$ 50,784,920.95	\$ 11,225,576.36	\$ 19,977,686.21	\$ 19,581,658.38

Investments are in compliance with Policy# 3120 - Investment Policy, and have the ability to meet the next six months of cash flow requirements.

*Please note information presented is last information available at print time, and may be delayed by approximately 30 days.

**Please note the Wells Fargo holdings statement lists certain bonds with no market value; for these bonds there is no active market, therefore the market value was assumed to be the purchase price.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors

From: Eric Nielsen, District Engineer

Cc: Carie Huff, Associate Engineer

Subject: Acceptance of the Bill of Sale for Sewer Improvements within Whitney Ranch Phase II-B Unit 45A

Meeting Date: July 7, 2016

Overview

The Whitney Ranch Phase II-B Unit 45A Subdivision is located in Rocklin off of Old Ranch House Road and north of Whitney Ranch Parkway. Whitney Ranch Phase II-B Unit 45A consists of 37 single-family residential homes for a total of 37 EDU's. The Whitney Ranch Phase II-B Unit 45A improvements include the following infrastructure:

- Installation of one thousand two hundred and thirty nine (1,239) linear feet of sanitary sewer pipe;
- Installation of six (6) manholes.

Recommendation

Staff recommends that the Board of Directors accept the attached Bill of Sale for the Whitney Ranch Phase II-B Unit 45A Subdivision.

Strategic Plan Goal

This action is consistent with SPMUD Strategic Plan Goals:

Goal 1.1: Engage Customers to determine expectations.

Goal 1.2: Establish and meet Service Level(s) by Department.

Goal 3.1: Plan all projects to ensure adherence to District standards and ordinances.

Fiscal Impact

The estimated value of the contributed capital is \$59,185.00.

Attachments:

1. Bill of Sale
2. Map – Whitney Ranch Phase II-B Unit 45A

BILL OF SALE

SUNSET RANCHOS INVESTORS, LLC, A DELAWARE LIMITED LIABILITY COMPANY 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 Whitney Ranch Phase II-B Unit 45A.

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 May 11, 2016

DEVELOPER/OWNER:

SUNSET RANCHOS INVESTORS, LLC,
a Delaware limited liability company

By: Whitney Ranch Venture, LLC,
a Delaware limited liability company
Its sole Member

By: Institutional Housing Partners III L.P.,
a California limited partnership
Its Manager

By: IHP Capital Partners,
a California corporation
Its General Partner

By: 
Peter Bridges, SVP

By: 
Donald S. Grant
Executive Vice President



0 90 180 Feet
 1 in = 150 ft



Whitney Ranch Phase II-B Unit 45A

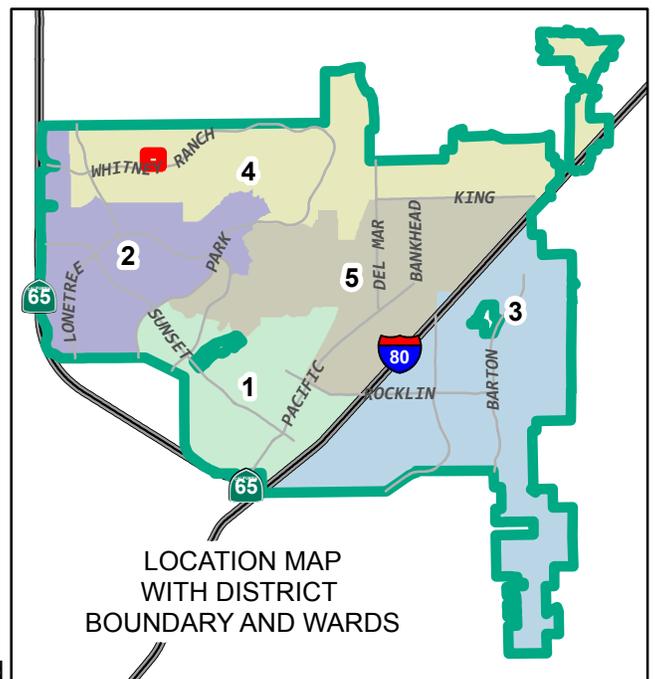
37 Residential EDUs

Date: 5/31/2016

Author: Curtis Little

Document Path:

G:\spmud_gis\mxd\Curtis\Bill Of Sale Maps\BillOfSaleTemplate.mxd



SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors

From: Eric Nielsen, District Engineer

Cc: Carie Huff, Associate Engineer

Subject: Acceptance of the Bill of Sale for Sewer Improvements within Whitney Ranch Phase II-B Unit 41ABC

Meeting Date: July 7, 2016

Overview

The Whitney Ranch Phase II-B Unit 41ABC Subdivision is located in Rocklin at the southwest corner of Painted Pony Lane and West Oaks Boulevard. Whitney Ranch Phase II-B Unit 41ABC consists of 186 single-family residential homes for a total of 186 EDU's. The Whitney Ranch Phase II-B Unit 41ABC improvements include the following infrastructure:

- Installation of seven thousand three hundred (7,300) linear feet of sanitary sewer pipe;
- Installation of twenty seven (27) manholes.

Recommendation

Staff recommends that the Board of Directors accept the attached Bill of Sale for the Whitney Ranch Phase II-B Unit 41ABC Subdivision.

Strategic Plan Goal

This action is consistent with SPMUD Strategic Plan Goals:

Goal 1.1: Engage Customers to determine expectations.

Goal 1.2: Establish and meet Service Level(s) by Department.

Goal 3.1: Plan all projects to ensure adherence to District standards and ordinances.

Fiscal Impact

The estimated value of the contributed capital is \$306,910.00.

Attachments:

1. Bill of Sale
2. Map – Whitney Ranch Phase II-B Unit 41ABC

BILL OF SALE

SUNSET RANCHOS INVESTORS, LLC, A DELAWARE LIMITED LIABILITY COMPANY 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 Whitney Ranch Phase II-B Unit 41ABC.

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 May 13, 2016

DEVELOPER/OWNER:

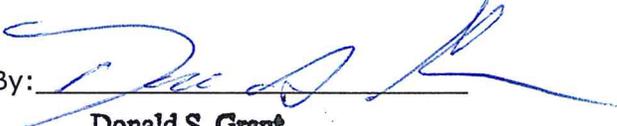
SUNSET RANCHOS INVESTORS, LLC,
a Delaware limited liability company

By: Whitney Ranch Venture, LLC,
a Delaware limited liability company
Its sole Member

By: Institutional Housing Partners III L.P.,
a California limited partnership
Its Manager

By: IHP Capital Partners,
a California corporation
Its General Partner

By: 
Peter Bridges, SVP

By: 
Donald S. Grant
Executive Vice President



0 300 600 Feet
 1 in = 500 ft



Whitney Ranch Phase II-B Unit 41ABC

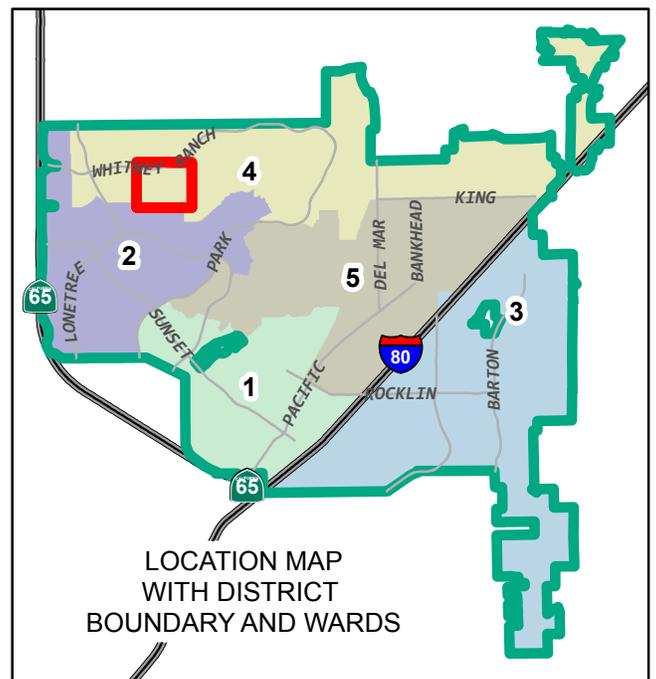
186 Residential EDUs

Date: 6/1/2016

Author: Curtis Little

Document Path:

G:\spmud_gis\mxd\Curtis\Figure Templates\WhitneyRanch41ABC.mxd



LOCATION MAP
 WITH DISTRICT
 BOUNDARY AND WARDS

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors

From: Eric Nielsen, District Engineer

Cc: Herb Niederberger, General Manager

Subject: Adoption of Resolution No. 16-15 Authorizing an Agreement with JMC Homes allowing a Temporary Sewer Connection and Use

Meeting Date: July 7, 2016

Overview

JMC Homes will be constructing sewer infrastructure as part of its Granite and Dominguez residential development project. JMC Homes intends to route the sewer line from an existing SPMUD customer (RV Center) through their constructed improvements to avoid the need for sewer bypass for the duration of the project. District Staff sees the value of avoiding extended sewer bypass because of the increased risk of mechanical failure of bypass pumps potentially causing a sanitary sewer overflows. This agreement will permit during the construction period for sewer flows from an existing customer of the District to be routed through the new sewer line owned and operated by Developer, until such time as such improvements may be accepted by the District.

The agreement stipulates that JMC Homes shall be responsible for maintaining sewer service through the portion of the sewer system it is constructing until the District accepts a bill of sale for the sewer improvements. Furthermore, JMC shall be solely responsible for the maintenance of sewer service on the Private Sewer Line, which includes, but is not limited to, all activities required to prevent sanitary sewer overflows (“SSOs”) and maintain effective service, such as monitoring flows, cleaning the system with high velocity vacuum cleaner units (i.e., flushing), repairing and/or replacing defective portions of the above mentioned sewer system. JMC Homes shall perform such system maintenance, and any and all repairs associated therewith, at Owner’s sole cost and expense. In the event that a sanitary sewer overflow (SSO) has occurred, is imminent, or is suspected to occur, JMC Homes must shall notify the District.

Recommendation

Staff recommends that the Board of Directors approve Resolution No. 16-15, authorizing the General Manager to enter into the attached temporary sewer connection and use agreement for the JMC Homes Granite and Dominguez residential development project.

Strategic Plan Goals

This action supports the following Strategic Plan Goals.

Goal 2.3 - Prevent and mitigate Sewer System Overflows (SSO)

Goal 4.1- Eliminate SSO's using the most efficient and effective methods and procedures for maintenance of sewer main pipes.

Related District Ordinances and Policies

This action complies with the following District Ordinances and Policy:

Ordinance No. 09-02 – Sewer Use Ordinance

Policy No. 3370 – Sewer System Management Plan

Fiscal Impact

This action will not result in any net increase in District expenses as JMC Homes is liable for all the costs incurred while this agreement and temporary facilities are in use.

Enclosures

Resolution 16-15

Temporary Sewer Connection & Use Agreement - JMC Homes

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO: 16-15

**RESOLUTION FOR THE AUTHORIZATION TO ENTER INTO A TEMPORARY SEWER CONNECTION
AND USE AGREEMENT WITH JMC HOMES**

WHEREAS, JMC Homes intends to construct sewer infrastructure as part of its Granite and Dominguez residential development project; and

WHEREAS, JMC Homes intends to route the sewer line from an existing SPMUD customer (Lemke RV Center) through their constructed improvements to avoid the need for 24/7 sewer bypass for the duration of the project; and

WHEREAS, the District sees the value of avoiding extended sewer bypass because of the increased risk of mechanical failure of bypass pumps potentially causing a sanitary sewer overflow; and

WHEREAS, during this period of construction, sewer flows from an existing customer of the District will be routed through the new sewer line owned and operated by JMC Homes, until such time as such improvements may be accepted by the District; and

NOW, THEREFORE BE IT RESOLVED, that the South Placer Municipal Utility District Board of Directors authorizes the General Manager to enter into the attached temporary sewer connection and use agreement for the JMC Homes Granite and Dominguez residential development project.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 7th day of July 2016.

Signed: _____

William Dickinson, President of the Board of Directors

Attest: _____

Joanna Belanger, Board Secretary

TEMPORARY SEWER CONNECTION AND USE AGREEMENT

This Temporary Sewer Connection and Use Agreement (“Agreement”) is made and entered into to be effective as of the _____ day of _____, 2016 (the “Effective Date”) by and among the South Placer Municipal Utility District (“District”), a California Municipal Utility District and JMC Homes John Mourier Construction, Inc. (the “Owner”). The District and Owner may sometimes be referred to individually as “Party” or collectively as “Parties” throughout this Agreement.

RECITALS

WHEREAS, JMC Homes intends to construct sewer infrastructure as part of its Granite and Dominguez residential development project (APN 045-021-029-000, 045-021-030-000, and 045-021-031-000); and

WHEREAS, JMC Homes intends to route the sewer line from an existing SPMUD customer (Lemke RV Center, 4410 Granite Drive, Rocklin, CA) through their constructed improvements to avoid the need for 24/7 sewer bypass for the duration of the project; and

WHEREAS, the District sees the value of avoiding extended sewer bypass because of the increased risk of mechanical failure of bypass pumps potentially causing a sanitary sewer overflows; and

WHEREAS, during this period of construction, sewer flows from an existing customer of the District will be routed through the new sewer line owned and operated by JMC Homes, until such time as such improvements may be accepted by the District;

AGREEMENT

NOW, THEREFORE in consideration of the mutual covenants, conditions and promises herein contained, it is hereby agreed by and between the District and Owners as follows:

1. Owner shall be responsible for maintaining sewer service through the portion of the sewer system it is constructing as denoted in the attached Exhibit A (“Private Sewer Line”) until such time as the District, through duly authorized action of the Board of Directors, accepts a bill of sale for the sewer improvements.
2. Owner shall be solely responsible for the maintenance of sewer service on the Private Sewer Line, which includes, but is not limited to, all activities required to prevent sanitary sewer overflows (“SSOs”) and maintain effective service, such as monitoring flows, cleaning the system with high velocity vacuum cleaner units (i.e., flushing), repairing and/or replacing defective portions of the above mentioned sewer system. Owner shall perform such system maintenance, and any and all repairs associated therewith, at Owner’s sole cost and expense.
3. The Owner and/or its agent(s) shall be responsible to immediately notify the District in the event that a sanitary sewer overflow (SSO) has occurred, is imminent, or is suspected to occur.
4. The Owner and/or its agent(s) shall be responsible for the efforts and associated costs to respond to, contain, mitigate, and restore flow in the event of a SSO. The Owner shall be responsible to pay any and all fines and fees that may be assessed to the District as a result

of a SSO that occurs as a result of a blockage or activities within the portion of the sewer system not owned by the District as denoted in Exhibit A hereto.

5. The Owner and/or its agent(s) shall test all portions of the sewer system denoted in Figure A in accordance with the District Standards Specifications and Improvement Standards for Sanitary Sewers, prior to allowing sewer from existing SPMUD customers to flow through those portions.
6. The Owner and/or its agent(s) shall test all portions of the sewer system denoted in Exhibit A in accordance with the District Standards Specifications and Improvement Standards for Sanitary Sewers again prior to District acceptance thereof.
7. All fees, costs and expenses associated with the preparation, processing and approval of this Agreement by the District, including all legal expenses, shall be borne solely by the Owner.
8. Until such time as the District accepts the bill of sale conveying the Private Sewer Line to the District, the Private Sewer Line shall remain the property of Owner, who shall be solely responsible for its maintenance in compliance with District policies and ordinances, as well as state and federal law.
9. The District shall not be liable for any damages to the Private Sewer Line or any property of Owner or to any other property that may result from the installation, maintenance or use of the Private Sewer Line, which damages shall remain and be the sole responsibility of Owner.
10. Owner shall defend, indemnify and hold harmless the District, its directors, officers, employees and agents, against and from any and all claims, actions, lawsuits, fines, cease and desist orders, clean up and abatement orders or any type of regulatory activity brought by any persons as a result of the construction, installation, use, operation or maintenance of the Private Sewer Line, and Owner shall reimburse the District, and its directors, officers, employees and agents, for any and all costs and expenses, including reasonable attorney's fees, incurred in defending any such claim or action or enforcing the provisions of this Agreement
11. This Agreement shall remain in effect in perpetuity until the District has accepted the Private Sewer Line via a duly executed and approved Bill of Sale, and shall be binding on Owner and its successors and assigns, and any subsequent owner of the Private Sewer Line.
12. A copy of this Agreement shall be recorded in the Official Records of the County of Placer.
13. This Agreement (including the Exhibit hereto) constitutes the entire understanding and agreement of the Parties relating to the Private Sewer Line.
14. No waiver of any right or remedy by a Party with respect to any occurrence or event under this Agreement shall constitute a continuing waiver or be deemed a waiver of any right or remedy in respect to any other or subsequent occurrence or event.
15. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

16. If any term, provision, covenant, or condition set forth in this Agreement is held by the final judgment of a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions, covenants, and conditions shall continue in full force and effect to the extent that the basic intent of the Parties as expressed herein can be accomplished.
17. All amendments to this Agreement shall be in writing and, if approved, must be signed by all Parties.
18. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized officers as of the date first set forth above.

“DISTRICT”

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

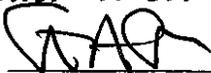
ATTEST:

By: _____
District Secretary

By: _____
General Manager

APPROVED AS TO FORM:

By: _____
District General Counsel

OWNER
JOHN MOURIER CONST. INC
A CALIFORNIA CORPORATION


STEVEN A. Schuable
LAND DEVELOPMENT MANAGER

CALIFORNIA ALL-PURPOSE 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 Placer)
On June 29, 2016 before me, Karen Headley, a notary public,
Date Here Insert Name and Title of the Officer
personally appeared Steven A. Schuable
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 Above

OPTIONAL

Though this section is 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: _____

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Joanna Belanger, Administrative Services Manager

Subject: Adoption of Resolution No 16-14
Amendment to Policy 1020 – Conflict of Interest.

Meeting Date: July 7, 2016

Overview

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation, the following provisions of this Policy 1020 and the attached Appendix A, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the South Placer Municipal Utility District (the "District").

Recommendation

Staff recommends that the Board of Directors:

1. Conduct a Public Hearing and receive comments; close the Public Hearing; and
2. After consideration of public comment, adopt Resolution 16-14 amending Policy 1020 – Conflict of Interest

Strategic Plan Goals

The development of a Conflict of Interest Policy is in compliance with State statues and supports the Key Areas of Focus & Desired Outcomes; Goals & Key Performance Indicators of the Strategic Plan Goal.

Related District Ordinances and Policies

This action complies with the following District Policy:

Policy No. 1020 – Conflict of Interest

Fiscal Impact

There is no fiscal impact associated with this action.

Enclosures

Resolution 16-14

Policy 1020

Policy 1020 – Redline copy

ITEM VI.1

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 16-14

AMENDMENT OF THE DISTRICT’S POLICY 1020 – CONFLICT OF INTEREST

WHEREAS, The South Placer Municipal Utility District (District) was formed in conformance with the Municipal Utilities District Act of California, and codified in the State of California Public Utilities Code § 11501, et seq; and

WHEREAS, The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes and the Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s code; and

WHEREAS, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference; and

WHEREAS, District policies are amended and adopted from time to time, and

WHEREAS, the following provisions of this Policy 1020 and the attached Appendix A, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the South Placer Municipal Utility District (the “District”).

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District that the attached Policy 1020 – Conflict of Interest, is adopted in its entirety.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 7th day of July 2016.

Signed: _____

Will Dickinson, President of the Board of Directors

Attest: _____
Joanna Belanger, Board Secretary

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	1020 – CONFLICT OF INTEREST		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	07/07/16
Resolution No	14-06, 15-23, 16-14	Revised:	

PURPOSE

The purpose of this policy is to provide reasonable assurance that all foreseeable conflict of interest situations will be disclosed or prevented, to provide to each affected person a clear and specific statement of his or her duties, and to adequately differentiate between designated employees with different powers and responsibilities. Specifically, the South Placer Municipal Utility District has adopted a Conflict of Interest Code, which shall provide for the disclosure of assets and income of designated employees which may be materially affected by their official actions, and, in appropriate circumstances, to provide that designated employees should be disqualified from acting in order that conflicts of interest may be avoided. Nothing contained herein is intended to modify or abridge the provisions of the California Political Reform Act of 1974, as amended (Government Code §81000 et seq.)

POLICY STATEMENT

Section 1. Incorporation of State Regulations by Reference.

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation, the following provisions of this Policy 1020 and the attached Appendix A, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the South Placer Municipal Utility District (the “District”).

Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). All statements will be retained by the District.

Section 2. Designated Persons and Positions.

The persons holding positions listed in Appendix A are designated persons under this Conflict of Interest Code. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

Section 3. Disclosure Categories.

The disclosure categories set forth in the second column of Appendix A specify which kinds of economic

interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in Appendix A. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.¹

Section 4. Statements of Economic Interest: Place of Filing.

All designated employees shall file an original statement of economic interest with the Secretary of the District, who shall in the case of directors and managers of districts make and retain a copy and forward the original to the Clerk of the Board of Supervisors (multi-county districts forward an original to FPPC.) (Government Code §81010 and 2 Cal. Code of Regs. §18115.) Disclosure statement forms will be supplied by the District.

Section 5. Statement of Economic Interest: Time of Filing

(A) Initial Statements. All designated employees employed by the District on the effective date of this Conflict of Interest Code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this Code. Thereafter, each person already in a position when it is designated by an amendment to this Code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this Code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1, disclosing reportable investments, business positions, interest in real property and income held or received at any time during the previous calendar year or since the date the designated employee took office if during the calendar year.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

Section 6. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

1. File a written resignation with the appointing officer; and

¹The Fair Political Practices Commission does not agree that "public generally" language is permitted with respect to disclosure requirements but does agree that it applies to the disqualifying conflict of interest provisions. If the official can establish that the reasonably foreseeable material financial effect on his or her economic interest is indistinguishable from the effect on the public generally, he or she does not have a conflict of interest within the meaning of the Political Reform Act. If the reasonably foreseeable material financial effect on the public official's economic interest is distinguishable from the effect on the public generally, he or she has a conflict of interest within the meaning of the Political Reform Act. (See 2 Cal. Code Regs. § 18707.)

2. File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

Section 9. Contents of and Period Covered by Statements of Economic Interest.

(A) **Contents of Initial Statements.** Initial statements shall disclose any reportable investments, interest in real property and business positions held on the effective date of the Code and income received during the 12 months prior to the effective date of the Code.

(B) **Contents of Assuming Office Statements.** Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) **Contents of Annual Statements.** Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code §87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. §18754.

(D) **Contents of Leaving Office Statements.** Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

Section 7. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the District, and shall contain the following information:

(A) **Investments and Real Property Disclosure.** When an investment or an interest in real property² is required to be reported,³ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

²For purposes of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

³Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

(B) Personal Income Disclosure. When personal income is required to be reported⁴, the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁵ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) Business Position Disclosure. When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) Acquisition or Disposal. During Reporting Period. In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Section 8. Prohibition on Receipt of Honoraria.

No member of a state board or commission, and no Designated Employee shall accept any honorarium from any source, if the member or Designated Employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

Government Code §89501 (a), (b) and (c) shall apply to the prohibitions in this section. This section shall

⁴A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁵Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code §89506.

Section 8.1 Prohibition on Receipt of Gifts In Excess of \$440.

No Designated Employee shall accept gifts with a total value of more than four hundred and forty dollars (\$440) in a calendar year from any single source, if the Designated Employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. Government Code §89503(e), (f), and (g) shall apply to the prohibitions in this section.

Section 8.2 Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (C), (D), (E), (F), and (G) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (C), (D), (E), (F), and (G) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an

agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$ 500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

Section 8.3 Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of \$ 500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.

2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

Section 8.4 Personal Loans.

(A) Except as set forth in subdivision (b), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

a. The date the loan was made.

b. The date the last payment of \$ 100 or more was made on the loan.

c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision A, but on which the

creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision A, but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

Section 9. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

(A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;

(B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;

(C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;

(D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating four hundred and forty dollars (\$440) or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

Section 9.1. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

Section 9.2 Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

(A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or

(B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

Section 9.3. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she is disqualified under this section, the following steps shall be taken:

(A) The designated employee should immediately refrain from making or participating in the making of the decision; and

(B) For members of the Board of Directors, the fact that a disqualifying interest exists shall be announced and made a part of the District's official record, and in the case of other designated employees shall be reported in writing to his or her superior.

(C) After disqualification, a designated employee may make an appearance, submit information or express views on the same basis as any other citizen on matters related solely to his or her personal interest, provide that it is done in public and provided that the person clearly indicated he or she is acting in a private capacity.

Section 10. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code §83114 and 2 Cal. Code Regs. §18329 and §18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

No person who acts in good faith on an opinion issued to him or her by the Commission shall be subject to criminal or civil penalties for so acting, provided that the material facts are as stated in the opinion request.

Section 11. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code §81000 – §91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code §87100 or §87450 has occurred may be set aside as void pursuant to Government Code §91003.

Section 11.1. Statute of Limitations.

No action based on a disqualification provision of this Code shall be brought pursuant to Government Code §91003(b) to restrain the execution of or to set aside official action of the District unless the complaint or petition is filed and served upon the District within 90 days following the official action.

Section 12. Revisions to the District's Conflict of Interest Code.

No later than July 1 of each even-numbered year, the code reviewing body shall direct every local agency which has adopted a Conflict of Interest Code in accordance with the Political Reform Act to review its Conflict of Interest Code and, if a change in its code is necessitated by changed circumstances, submit an amended Conflict of Interest Code in accordance with subdivision (a) of §87302 and §87303 of the Government Code to the code reviewing body.

Upon review of its code, if no change in the code is required, the District shall submit a written statement to that effect to the code reviewing body no later than October 1, of the same year.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

APPENDIX A - RESOLUTION NO. 16-14

APPENDIX A

SECTION 1

PUBLIC OFFICIAL'S FUNCTION/TITLE

**TYPE OF BUSINESS ENTITY,
INVESTMENT, SOURCE OF INCOME, OR
REAL PROPERTY DISCLOSURE**

General Manager	1. Motor vehicles and specialty vehicles and parts therefore
Administrative Services Manager	2. Construction and building materials
Superintendent	3. Office equipment and supplies
Assistant Superintendent	4. Petroleum products
District Engineer	5. Pipes, valves, fittings, pumps, meters, tanks, lift station and other appurtenances
	6. Safety equipment and facilities
	7. Sewer collection chemicals
	8. Engineering and other Consulting Services
	9. Computer hardware and software
	10. Contracts
	11. Real property
Directors or candidates for Director	1. All of the above
Attorney	2. Insurance companies
	3. Public Utilities
	4. Audit agreements and contracts

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	1020 – CONFLICT OF INTEREST		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	Aug 7, 2014
Resolution No	14-06, 15-23	Revised:	

PURPOSE

The purpose of this policy is to provide reasonable assurance that all foreseeable conflict of interest situations will be disclosed or prevented, to provide to each affected person a clear and specific statement of his or her duties ~~under the Code~~, and to adequately differentiate between designated employees with different powers and responsibilities. Specifically, the South Placer Municipal Utility District has adopted a Conflict of Interest Code, which shall provide for the disclosure of assets and income of designated employees which may be materially affected by their official actions, and, in appropriate circumstances, to provide that designated employees should be disqualified from acting in order that conflicts of interest may be avoided. Nothing contained herein is intended to modify or abridge the provisions of the California Political Reform Act of 1974, as amended (Government Code §81000 et seq.)

POLICY STATEMENT

~~**Section 1.** — Definitions.~~

~~The definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission (2 Cal. Code Regs. §18100 et seq), and any amendments to the Act or regulations, are incorporated by reference into this Conflict of Interest Code.~~

Section 12. Incorporation of State Regulations by Reference.

The Political Reform Act (Government Code Section 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 California Code of Regulations Section 18730) that contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency’s code. After public notice and hearing, the standard code may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This regulation, the following provisions of this Policy 1020 and the attached Appendix A, designating positions and establishing disclosure categories, shall constitute the Conflict of Interest Code of the South Placer Municipal Utility District (the “District”).

Individuals holding designated positions shall file their statements of economic interests with the District, which will make the statements available for public inspection and reproduction (Gov. Code Sec. 81008). All statements will be retained by the District.

~~With the additions noted below, the terms of 2 Cal. Code Regs. §18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and made a~~

~~part of this Conflict of Interest Code.~~

~~**Section 3.** Purpose.~~

~~It is the purpose of this Code to provide for the disclosure of assets and income of designated employees which may be materially affected by their official actions, and, in appropriate circumstances, to provide that designated employees should be disqualified from acting in order that conflicts of interest may be avoided. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code §81000 et seq.)~~

Section 24. Designated ~~Employees~~Persons and Positions.

The persons holding positions listed in Appendix A are designated employees~~persons~~ under this Conflict of Interest Code. It has been determined that these persons make or participate in the making of decisions which may foreseeably have a material effect on economic interests.

Section 35. Disclosure Categories.

The disclosure categories set forth in the second column of Appendix A specify which kinds of economic interests are reportable. Such a designated employee shall disclose in his or her statement of economic interests those economic interests he or she has which are of the kind described in the disclosure categories to which he or she is assigned in Appendix A. It has been determined that the economic interests set forth in a designated employee's disclosure categories are the kinds of economic interests which he or she foreseeably can affect materially through the conduct of his or her office.¹

Section 46. Statements of Economic Interest: Place of Filing.

All designated employees shall file an original statement of economic interest with the Secretary of the District, who shall in the case of directors and managers of districts make and retain a copy and forward the original to the Clerk of the Board of Supervisors (multi-county districts forward an original to FPPC.) (Government Code §81010 and 2 Cal. Code of Regs. §18115.) Disclosure statement forms will be supplied by the District.

Section 57. Statement of Economic Interest: Time of Filing

(A) Initial Statements. All designated employees employed by the District on the effective date of this Conflict of Interest Code, as originally adopted, promulgated and approved by the code reviewing body, shall file statements within 30 days after the effective date of this Code. Thereafter, each person already in a position when it is designated by an amendment to this Code shall file an initial statement within 30 days after the effective date of the amendment.

(B) Assuming Office Statements. All persons assuming designated positions after the effective date of this Code shall file statements within 30 days after assuming the designated positions, or if subject to State Senate confirmation, 30 days after being nominated or appointed.

(C) Annual Statements. All designated employees shall file statements no later than April 1, disclosing reportable investments, business positions, interest in real property and income held or received at any time during the previous calendar year or since the date the designated employee took

¹The Fair Political Practices Commission does not agree that "public generally" language is permitted with respect to disclosure requirements but does agree that it applies to the disqualifying conflict of interest provisions. If the official can establish that the reasonably foreseeable material financial effect on his or her economic interest is indistinguishable from the effect on the public generally, he or she does not have a conflict of interest within the meaning of the Political Reform Act. If the reasonably foreseeable material financial effect on the public official's economic interest is distinguishable from the effect on the public generally, he or she has a conflict of interest within the meaning of the Political Reform Act. (See 2 Cal. Code Regs. § 18707.)

office if during the calendar year.

(D) Leaving Office Statements. All persons who leave designated positions shall file statements within 30 days after leaving office.

Section 68. Statements for Persons Who Resign Prior to Assuming Office.

Any person who resigns within 12 months of initial appointment, or within 30 days of the date of notice provided by the filing officer to file an assuming office statement, is not deemed to have assumed office or left office, provided he or she did not make or participate in the making of, or use his or her position to influence any decision and did not receive or become entitled to receive any form of payment as a result of his or her appointment. Such persons shall not file either an assuming or leaving office statement.

(A) Any person who resigns a position within 30 days of the date of a notice from the filing officer shall do both of the following:

1. File a written resignation with the appointing officer; and
2. File a written statement with the filing officer declaring under penalty of perjury that during the period between appointment and resignation he or she did not make, participate in the making, or use the position to influence any decision of the agency or receive, or become entitled to receive, any form of payment by virtue of being appointed to the position.

Section 9. Contents of and Period Covered by Statements of Economic Interest.

(A) Contents of Initial Statements. Initial statements shall disclose any reportable investments, interest in real property and business positions held on the effective date of the Code and income received during the 12 months prior to the effective date of the Code.

(B) Contents of Assuming Office Statements. Assuming office statements shall disclose any reportable investments, interests in real property and business positions held on the date of assuming office or, if subject to State Senate confirmation or appointment, on the date of nomination, and income received during the 12 months prior to the date of assuming office or the date of being appointed or nominated, respectively.

(C) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, income and business positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the code or the date of assuming office whichever is later, or for a board or commission member subject to Government Code §87302.6, the day after the closing date of the most recent statement filed by the member pursuant to 2 Cal. Code Regs. §18754.

(D) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, income and business positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

Section 79. Manner of Reporting.

Statements of economic interests shall be made on forms prescribed by the Fair Political Practices Commission and supplied by the District, and shall contain the following information:

(A) Investments and Real Property Disclosure. When an investment or an interest in real property² is required to be reported,³ the statement shall contain the following:

1. A statement of the nature of the investment or interest;
2. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
3. The address or other precise location of the real property;
4. A statement whether the fair market value of the investment or interest in real property equals or exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(B) Personal Income Disclosure. When personal income is required to be reported⁴, the statement shall contain:

1. The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
2. A statement whether the aggregate value of income from each source, or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
3. A description of the consideration, if any, for which the income was received;
4. In the case of a gift, the name, address and business activity of the donor and any intermediary through which the gift was made; a description of the gift; the amount or value of the gift; and the date on which the gift was received;
5. In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(C) Business Entity Income Disclosure. When income of a business entity, including income of a sole proprietorship, is required to be reported,⁵ the statement shall contain:

1. The name, address, and a general description of the business activity of the business entity;
2. The name of every person from whom the business entity received payments if the filer's pro

²For purposes of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.

³Investments and interests in real property which have a fair market value of less than \$2,000 are not investments and interests in real property within the meaning of the Political Reform Act. However, investments or interests in real property of an individual include those held by the individual's spouse and dependent children as well as a pro rata share of any investment or interest in real property of any business entity or trust in which the individual, spouse and dependent children own, in the aggregate, a direct, indirect or beneficial interest of 10 percent or greater.

⁴A designated employee's income includes his or her community property interest in the income of his or her spouse but does not include salary or reimbursement for expenses received from a state, local or federal government agency.

⁵Income of a business entity is reportable if the direct, indirect or beneficial interest of the filer and the filer's spouse in the business entity aggregates a 10 percent or greater interest. In addition, the disclosure of persons who are clients or customers of a business entity is required only if the clients or customers are within one of the disclosure categories of the filer.

rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(D) **Business Position Disclosure.** When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(E) **Acquisition or Disposal. During Reporting Period.** In the case of an annual or leaving office statement, if an investment or an interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Section 810. Prohibition on Receipt of Honoraria.

No member of a state board or commission, and no Designated Employee shall accept any honorarium from any source, if the member or Designated Employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

Government Code §89501 (a), (b) and (c) shall apply to the prohibitions in this section. This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code §89506.

Section 810.1 Prohibition on Receipt of Gifts In Excess of \$440.

No Designated Employee shall accept gifts with a total value of more than four hundred and forty dollars (\$440) in a calendar year from any single source, if the Designated Employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests. Government Code §89503(e), (f), and (g) shall apply to the prohibitions in this section.

Section 810.2 Loans to Public Officials.

(A) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the state or local government agency in which the elected officer holds office or over which the elected officer's agency has direction and control.

(B) No public official who is exempt from the state civil service system pursuant to subdivisions (C), (D), (E), (F), and (G) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any officer, employee, member or consultant of the state or local government agency in which the public official holds office or over which the public official's agency has direction and control. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical or manual.

(C) No elected officer of a state or local government agency shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the

lender's regular course of business on terms available to members of the public without regard to the elected officer's official status.

(D) No public official who is exempt from the state civil service system pursuant to subdivisions (C), (D), (E), (F), and (G) of Section 4 of Article VII of the Constitution shall, while he or she holds office, receive a personal loan from any person who has a contract with the state or local government agency to which that elected officer has been elected or over which that elected officer's agency has direction and control. This subdivision shall not apply to loans made by banks or other financial institutions or to any indebtedness created as part of a retail installment or credit card transaction, if the loan is made or the indebtedness created in the lender's regular course of business on terms available to members of the public without regard to the elected officer's official status. This subdivision shall not apply to loans made to a public official whose duties are solely secretarial, clerical, or manual.

(E) This section shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.
2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans from a person which, in the aggregate, do not exceed five hundred dollars (\$ 500) at any given time.
4. Loans made, or offered in writing, before January 1, 1998.

Section ~~810.3~~ 810.3 Loan Terms.

(A) Except as set forth in subdivision (B), no elected officer of a state or local government agency shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of \$ 500 or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(B) This section shall not apply to the following types of loans:

1. Loans made to the campaign committee of the elected officer.
2. Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.
3. Loans made, or offered in writing, before January 1, 1998.

(C) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

Section ~~810.4~~ 810.4 Personal Loans.

(A) Except as set forth in subdivision (b), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following

circumstances:

1. If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.
2. If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:
 - a. The date the loan was made.
 - b. The date the last payment of \$ 100 or more was made on the loan.
 - c. The date upon which the debtor has made payments on the loan aggregating to less than \$250 during the previous 12 months.

(B) This section shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.
2. A loan that would otherwise not be a gift as defined in this title.
3. A loan that would otherwise be a gift as set forth under subdivision A, but on which the creditor has taken reasonable action to collect the balance due.
4. A loan that would otherwise be a gift as set forth under subdivision A, but on which the creditor, based on reasonable business considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection action was based on reasonable business considerations.
5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(C) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

Section 911. Disqualification.

No designated employee shall make, participate in making, or in any way attempt to use his or her official position to influence the making of any governmental decision which he or she knows or has reason to know will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the official or a member of his or her immediate family or on:

- (A) Any business entity in which the designated employee has a direct or indirect investment worth two thousand dollars (\$2,000) or more;
- (B) Any real property in which the designated employee has a direct or indirect interest worth two thousand dollars (\$2,000) or more;
- (C) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided to, received by or promised to the designated employee within 12 months prior to the time when the decision is made;
- (D) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management; or

(E) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating four hundred and forty dollars (\$440) or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision is made.

Section ~~911~~.1. Legally Required Participation.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that the vote of a designated employee who is on a voting body is needed to break a tie does not make his or her participation legally required for purposes of this section.

Section ~~911~~.2 Disqualification of State Officers and Employees.

In addition to the general disqualification provisions of section 9, no state administrative official shall make, participate in making, or use his or her official position to influence any governmental decision directly relating to any contract where the state administrative official knows or has reason to know that any party to the contract is a person with whom the state administrative official, or any member of his or her immediate family has, within 12 months prior to the time when the official action is to be taken:

- (A) Engaged in a business transaction or transactions on terms not available to members of the public, regarding any investment or interest in real property; or
- (B) Engaged in a business transaction or transactions on terms not available to members of the public regarding the rendering of goods or services totaling in value \$1,000 or more.

Section ~~911~~.3. Disclosure of Disqualifying Interest.

When a designated employee determines that he or she is disqualified under this section, the following steps shall be taken:

- (A) The designated employee should immediately refrain from making or participating in the making of the decision; and
- (B) For members of the Board of Directors, the fact that a disqualifying interest exists shall be announced and made a part of the District's official record, and in the case of other designated employees shall be reported in writing to his or her superior.
- (C) After disqualification, a designated employee may make an appearance, submit information or express views on the same basis as any other citizen on matters related solely to his or her personal interest, provide that it is done in public and provided that the person clearly indicated he or she is acting in a private capacity.

Section ~~1012~~. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code §83114 and 2 Cal. Code Regs. §18329 and §18329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

No person who acts in good faith on an opinion issued to him or her by the Commission shall be subject to criminal or civil penalties for so acting, provided that the material facts are as stated in the opinion request.

Section ~~113~~. Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are

subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code §81000 – §91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code §87100 or §87450 has occurred may be set aside as void pursuant to Government Code §91003.

Section 113.1. Statute of Limitations.

No action based on a disqualification provision of this Code shall be brought pursuant to Government Code §91003(b) to restrain the execution of or to set aside official action of the District unless the complaint or petition is filed and served upon the District within 90 days following the official action.

Section 124. Revisions to the District's Conflict of Interest Code.

No later than July 1 of each even-numbered year, the code reviewing body shall direct every local agency which has adopted a Conflict of Interest Code in accordance with the Political Reform Act to review its Conflict of Interest Code and, if a change in its code is necessitated by changed circumstances, submit an amended Conflict of Interest Code in accordance with subdivision (a) of §87302 and §87303 of the Government Code to the code reviewing body.

Upon review of its code, if no change in the code is required, the District shall submit a written statement to that effect to the code reviewing body no later than October 1, of the same year.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

APPENDIX A - RESOLUTION NO. ~~15-2316-14~~

APPENDIX A

SECTION 1

PUBLIC OFFICIAL'S FUNCTION/TITLE

**TYPE OF BUSINESS ENTITY,
INVESTMENT, SOURCE OF INCOME, OR
REAL PROPERTY DISCLOSURE**

General Manager

Administrative Services Manager

Superintendent

Assistant Superintendent

District Engineer

1. Motor vehicles and specialty vehicles and parts therefore

2. Construction and building materials

3. Office equipment and supplies

4. Petroleum products

5. Pipes, valves, fittings, pumps, meters, tanks, lift station and other appurtenances

6. Safety equipment and facilities

7. Sewer collection chemicals

8. Engineering and other Consulting Services

9. Computer hardware and software

10. Contracts

11. Real property

Directors or candidates for Directors

Attorney

1. All of the above

2. Insurance companies

3. Public Utilities

4. Audit agreements and contracts

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

STAFF REPORT

To: Board of Directors

From: Herb Niederberger, General Manager

Cc: Sam Rose, Superintendent
Eric Nielsen, District Engineer
Joanna Belanger, Administrative Services Manager

Subject: Adoption of Resolution No. 16-16 adopting a Fiscal Year 2016/17 Budget

Meeting Date: July 7, 2016

Overview

On June 2, 2016, the South Placer Municipal Utility District (District) Board of Directors conducted a workshop for the proposed Budget for the 2016/17 Fiscal Year (FY2016/17, beginning July 1, 2016 and ending June 30, 2017) outlining projected revenues and expenses for the General and Capital Funds. The Budget's primary use is as a fiscal planning tool to accomplish the District's strategic goals and objectives. District Policy 3105 states that the District will adopt, by resolution, an annual budget that provides the Board with the upcoming fiscal year revenues and expenses for the General and Capital Funds conforming to policies previously adopted by the Board. All Board comments have been incorporated into the Budget Report attached as Exhibit "A" to Resolution 16-16 being presented to the Board for adoption.

Recommendation

Staff recommends that the Board of Directors approve Resolution No. 16-16, adopting the Budget for FY2016/17 and the proposed spending plan therein.

Strategic Plan Goals

The FY 2016/17 Budget continues to support the Key Areas of Focus & Desired Outcomes; Goals & Key Performance Indicators of the Strategic Plan Goal.

Related District Ordinances and Policies

This action complies with the following District Policy:
Policy No. 3105 – Budget Preparation

Fiscal Impact

The total budget recommendation for FY 2016/17 is \$15.25 Million which can be broken down to \$11.69 Million in Annual Expenses and \$3.56 Million in Capital Construction.

Revenues - FY 2016/17 General Fund revenues are projected to be \$11.84 Million (85% of total), and Capital Fund revenue is projected to be \$2.15 Million (15% of total).

Expenses - FY 2016/17 General Fund expenses are projected to be \$11.69 Million and include \$5.92 Million in expected charges from the South Placer Wastewater Authority for wastewater treatment.

Capital Projects -FY 2016/17 Capital Projects are projected to be approximately \$3.56 Million. This can be broken down into the following categories: R&R - \$1,049,000; CIP – \$2,061,000; GF - \$445,500.

Fund Balances – The current year end balances are projected to be \$11.16 Million (22% of total funds) in the Fund 100 - General), \$19.87 Million (39% of total funds) in Fund 300 - CIP & Expansion, and \$19.47 Million (39% of total funds) in the Fund 400 - Capital Replacement and Rehabilitation.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 16-16

ADOPTING THE BUDGET FOR FISCAL YEAR 2016/17

WHEREAS, the South Placer Municipal Utility District (District) Policy 3105 states that the District will adopt an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds conforming to policies previously adopted by the Board of Directors; and

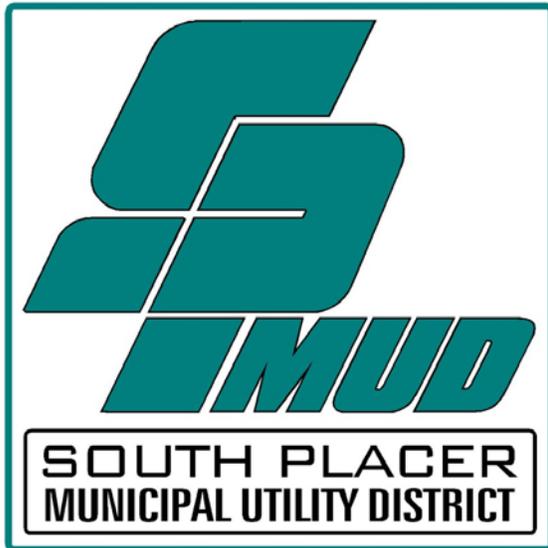
WHEREAS, the Budget for the 2016/17 Fiscal Year (FY 2016/17, beginning July 1, 2016 and ending June 30, 2017), attached as Exhibit "A" to this resolution and incorporated herein, outlines projected revenues, expenses and spending plan for the General and Capital Funds and is the fiscal planning tool to accomplish the District's strategic goals and objectives.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the South Placer Municipal Utility District hereby adopting the Budget for FY 2016/17 and the proposed spending plan therein stated.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 7th day of July 2016.

Signed: _____
Will Dickinson, President of the Board of Directors

Attest: _____
Joanna Belanger, Board Secretary



Fiscal Year
2016/2017

Budget Report

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

Telephone: 916-786-8555
Fax: 916-786-8553
www.spmud.ca.gov

Table of Contents

Board of Directors and Staff	1
Section 1 General Manager's Report	2
1.0 Introduction	2 - 4
1.1 Revenue Analysis	4
1.2 Operations Expense Analysis	5
1.3 Capital Outlay	5
1.4 Personnel	6
1.5 Fund Balances and Reserves	6 - 9
1.6 Growth and Projections	9 - 11
1.7 Summary	11
Schedule 1 – Revenues and Investment	12
Schedule 2 – General Fund Expenses	13
Schedule 3 – Capital fund Expenses	14
Schedule 4A – Capital Outlay Justification - Replacement & Rehab	15 - 19
Schedule 4B – Capital Outlay Justification - General Fund Capital Outlay	20 - 23
Schedule 4C – Capital Outlay Justification - Capital Improvement & Expansion Outlay	24 - 25
Schedule 5 – Personnel Classifications	26
Schedule 6 – Schedule of Salary Ranges	27

MISSION

We are a customer owned Utility dedicated to:

PROTECT public health and water environment.

PROVIDE efficient and effective sanitary sewer service.

PREPARE for the future.

VISION

Our vision is to be the most reliable, innovative operations and maintenance organization that preserves and prolongs the life of our assets, resulting in sustainable, efficient, cost-effective customer service.

VALUES

Our Core Values are:

INTEGRITY: We will be trustworthy, truthful and honest.

STEWARDSHIP: We will be accountable and committed to responsible management and respect our environment.

SERVICE: We will be responsive, reliable and respectful; putting the needs of the District and customers first.

QUALITY: We will be dedicated to continuous improvement.

South Placer Municipal Utility District

Operating Budget – Fiscal Year 16/17

BOARD OF DIRECTORS

Gerald Mitchell **WARD 1:** Southwest central area of the City of Rocklin lying north of Interstate 80, including the Woodside, Five Star/Fairway Heights, south Stanford Ranch, and Sunset neighborhoods, as well as the west parts of old Rocklin.

William Dickinson **WARD 2:** Northwest part of the City of Rocklin lying on the east side of Highway 65 in the Sunset West and north central Stanford Ranch neighborhoods.

John Murdock **WARD 3:** Southeast Rocklin lying south of Interstate 80 in the vicinity of Sierra Community College. Also includes south Loomis and a stretch of land extending into Granite Bay in the Joe Rogers Road area.

Victor Markey **WARD 4:** Community of Penryn, the Town of Loomis lying north of King Road, extending west into the north part of the City of Rocklin in the Whitney Ranch and north Whitney Oaks neighborhoods.

James Williams **WARD 5:** West and central part of the Town of Loomis lying between Interstate 80 and King Road, extending west into the City of Rocklin into the east Stanford Ranch and south Whitney Oaks neighborhoods, as well as the east part of old Rocklin.

STAFF

Herb Niederberger	General Manager
Joanna Belanger	Board Secretary and Administrative Services Manager
Sam Rose	Superintendent
Eric Nielsen	District Engineer

SECTION 1 General Manager's Budget Report

SECTION 1.0 INTRODUCTION

Purpose

This budget report provides the South Placer Municipal Utility District (SPMUD or District) Board of Directors with the upcoming fiscal year revenues and expenses for the General and Capital Funds. The Budget's primary use is as a fiscal planning tool to accomplish the District's strategic goals and objectives. The budget is a management tool and not a legal requirement, and therefore not a legal document.

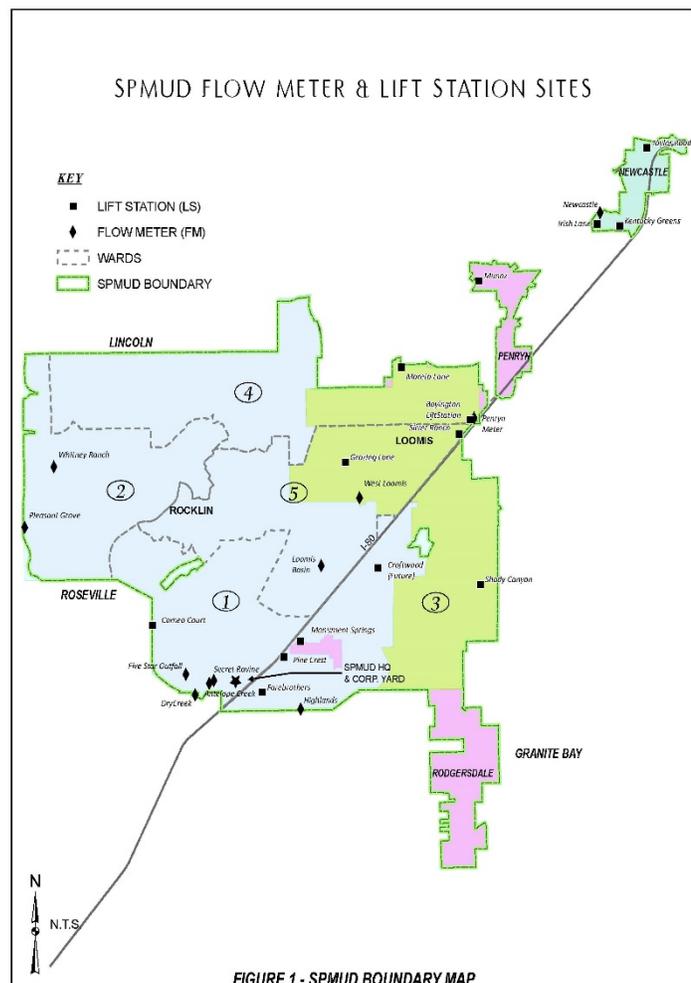
Report Organization

This Annual Budget is intended to provide the Board with an overview of the District's fiscal plan of action, including revenue and expense details for the upcoming fiscal year (FY16/17). This report is organized into a General Manager's report with revenue, expenditures, capital outlays and personnel schedules.

Background

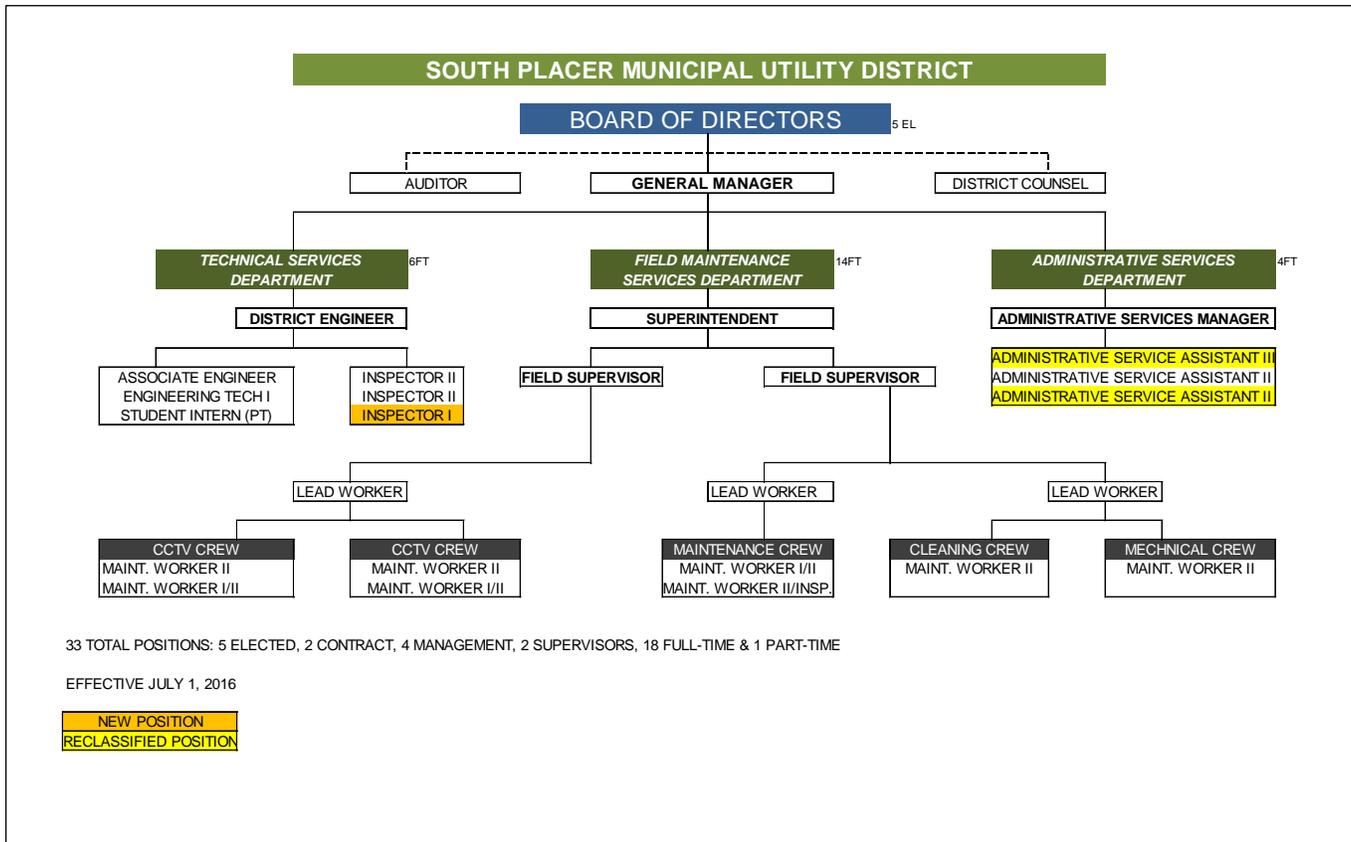
The Rocklin-Loomis MUD was created in 1956 to provide sanitary sewer service to Rocklin and Loomis. The District is divided into five wards and governed by an elected five member Board of Directors whom establish policy and oversee the General Manager, who manages the day-to-day operations. The SPMUD boundaries are shown in Figure 1.

In the 1970's the District decommissioned its sewage treatment facilities and began using the City of Roseville (City) Dry Creek Wastewater Treatment Plant (DCWWTP). In the 1980's, the name changed to South Placer Municipal Utility District to reflect its larger service area. In 2000, the District, the City of Roseville and Placer County (PC) created the South Placer Wastewater Authority (SPWA) to finance the construction of the Pleasant Grove Wastewater Treatment Plant (PG WWTP). In 2008, SPMUD boundaries expanded to match the incorporated town limits of Loomis, and in 2010, annexed the Newcastle Sanitary District (NSD) area.



SPMUD is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments, Field Services, Technical Services and Administrative Services as shown in Figure 2.

Figure 2 – District Organizational Chart



Statistics

The SPMUD service area covers 31 square miles as shown in Figure 1 and includes all of the incorporated limits of the City of Rocklin and Town of Loomis, plus portions of southern Placer County around the unincorporated communities of Penryn, Newcastle and the Rodgersdale area of Granite Bay. Rocklin makes up 88%, Loomis is 9%, and 3% is in unincorporated Placer County. The District provides service to 21,658 customers (80% residential and 20% commercial); this equates to 31,834 Equivalent Dwelling Units (EDU) or an equivalent population of about 75,000 people. Our customers discharge an average sewer flow of about five million gallons per day. The District collects the sewage through customer owned sewer laterals (the pipe connecting their building sewer to the sewer mainlines) and transports this via 266.9 miles of District owned and operated sewer mains (from 4” to 42” diameter). The District maintains an additional 123.1 miles of customer owned lower laterals (their sewer pipe within our easement or public right-of-way). Other assets include our Headquarters, Maintenance and Corporation Yard facilities, 6083 manholes, 13 lift stations, 12 metering sites, and related buildings, facilities and equipment.

Figure 3 – District Statistics

STATISTICS	UNIT	TOTAL
Service Area	Square Miles	31
Equivalent Population	Each	75,000
Equal Dwelling Units	EDU	31,834
Customers Connected	Each	21,658
Annual Flow to WWTP	Million Gallons	1,410.6
Sewer Mains	Miles	266.9
Lower Service Laterals	Miles	123.1
Manhole/Flushing Branch	Each	6,083
Lift Stations	Each	13
Force Mains	Miles	6.8
Flow Meter Stations	Each	12
Easements	Miles	21

SECTION 1.1 REVENUE ANALYSIS

The following discussion highlights the major changes in the Fiscal Year 16/17 budget as compared to the current FY 15/16 budget in support of the detailed line items presented in **Schedule 1 - Revenue Budget**. The General Fund Revenue Budget is made up of service charges, property taxes, miscellaneous revenues and interest revenue. The Capital Outlay Revenue Budget is made up of sewer participation charges, depreciation transfers, investment interests, loan repayments and interest from NSD.

Operating Revenues

General Fund operating revenues are comprised of monthly service charges, service fees collected during the year property taxes and interest revenues. For FY16/17, the District’s operating revenues are projected to increase by \$0.11M (approximately 0.9%) to \$11.84M, due to an estimated additional 500 new EDU service connections during the upcoming year. The District still has the lowest monthly customer service fees in the region and does not project to increase the \$28/per EDU/per month service charge for the fourth consecutive year.

Non-Operating Revenues

Non-operating Capital Outlay funds are made up of sewer participation charges, investment interest income, loan repayments and interest from NSD, Capital non-operating revenue is projected to be \$2.15M, an increase of approximately 2.1%. In previous budgets non-operating revenues had included depreciation transfers, but this flow of funds is also included in the Operating Expenses and will be eliminated from future revenue analysis.

Total Revenues

The District's total revenues for FY16/17 are projected to be approximately \$13.98M, an increase by \$0.15M or 1.1% over last year based upon projected additional EDUs of 500.

SECTION 1.2 OPERATIONS EXPENSE ANALYSIS

The following discussion provides a summary of the FY16/17 operational expenses, in support of the detailed line items presented in **Schedule 2 - Expense Budget** of this report. The operating expenses are those District wide costs for goods and services and are comprised of employee, administrative, operational costs and capital projects less than \$5,000.

Salary & Benefits

The SPMUD is under the direction of a five-member elected board and managed by the General Manager. The District is organized into three departments, Field Services, Technical Services and Administrative Services as shown in Figure 3. Due to a proposed increase and reclassification in personnel, discussed later in this report, as well as negotiated salary increases in the employee contracts, Salary and Benefits in FY 16/17 projected to increase from approximately \$3.03M to \$3.21M, an increase of approximately 6%

Operations & Maintenance Including Regional Wastewater Treatment

Total Operation and Maintenance expenses, including regional wastewater treatment and depreciation expense for FY16/17 are projected to be \$11.69M, an increase of \$0.71M over last year's budget.

Included in these expenses are costs paid to the City of Roseville, who own and operate the two RWWTP (Dry Creek and Pleasant Grove) providing sewage treatment for the regional partners. SPMUD pays for its share of the RWWTP Operation & Maintenance (O&M) and Rehabilitation & Replacement (R&R) costs based on the District's proportional share of total flows (currently around 25%). For FY 16/17 the RWWTP costs are projected to be \$5.92M, an increase of about \$0.2M from FY15/16. These costs include O&M costs of \$4.60M and R&R costs of \$1.32M.

The breakdown of FY16/17 the General Fund Budget of \$11.69M is as follows: \$3.21M - Salaries & Benefits, \$1.21M - Local SPMUD General Fund expenses, \$5.92M - RWWTP expenses and \$1.35M - Depreciation expense.

SECTION 1.3 CAPITAL OUTLAY ANALYSIS

FY16/17 Programmed Capital Outlays

Schedule 3 – Capital Fund Expenses in this report includes a listing of the proposed capital outlays for the upcoming 16/17 Fiscal Year. Section 5 provides written justifications and estimated costs that total \$3,555,500.

Capital Replacement & Rehabilitation Outlays for FY16/17 - \$1,049,000

Various items such as replacement of two vehicles, a Bypass pump, jet-rodder, preliminary design of the High-Risk-Facilities and Creek Crossings, replacement of various computers, software upgrades and System Rehabilitation.

General Fund Capital Outlays for FY16/17 - \$445,500

Easement Roadway Replacements, Development of a Disaster Preparedness Plan, the addition of a new vehicle for the Source Control/FOG Inspectors, Improvements at the Irish Lane Station, System Rehabilitation, and District Participation in Regional Projects.

Capital Improvement & Expansion Outlays for FY16/17 - \$2,061,000

Final Design, Right of Way Acquisition and Construction the Loomis Diversion Trunk Sewer, Construction of the Foothill Trunk Project and design of the Lower Clover Valley Trunk.

SECTION 1.4 PERSONNEL

Schedule 5 - Personnel Classification Positions, and **Schedule 6 - Employee Salary Ranges and Steps**, were developed in accordance with the current Employee/Employer MOU. These schedules are presented for the Board's review as a part of the Budget process. The FY 16/17 Budget contains the following changes to personnel: 1) Add 1 new Inspector position to Technical Services to oversee Source Control and FOG Prevention; and 2) Reclassified 2 positions in Administrative Services ASA II to ASA III and PT ASA to FT ASA. These reclassifications are to account for changes in complexity in the Tyler Accounting and Billing Software and to provide clerical support for technical services in advancing the FOG Prevention program. There are classifications that remain listed, but are scheduled to be unfunded for this fiscal year.

SECTION 1.5 FUND BALANCES AND RESERVES

Cash and Investment Balances

Cash balances are invested in accordance with District's Investment Policy 3120 in: i) the Local Agency Investment Fund (LAIF); ii) the Placer County Treasury; iii) CalTrust; and iv) Other Fixed -Income Securities. The breakdown of these investments is shown in **Schedule 1 - Revenue Budget**. Last fiscal year the District implemented accounting of fund balances in accordance with the source of funds, i.e. General Fund Balance (Fund 100), Capital Improvements & Enlargement Fund Balance (Fund 300) and Capital Replacements & Rehabilitation Fund Balance (Fund 400). The year end balances of each fund are projected to be \$11.16 M in the Fund 100 (22%), \$19.87M in the Fund 300 (39%). And \$19.47 Million in Fund 400 (39%). These fund balances are shown in **Table 1 – Fund Balance Breakdown** and **Figure 4 – Investment Summary**.

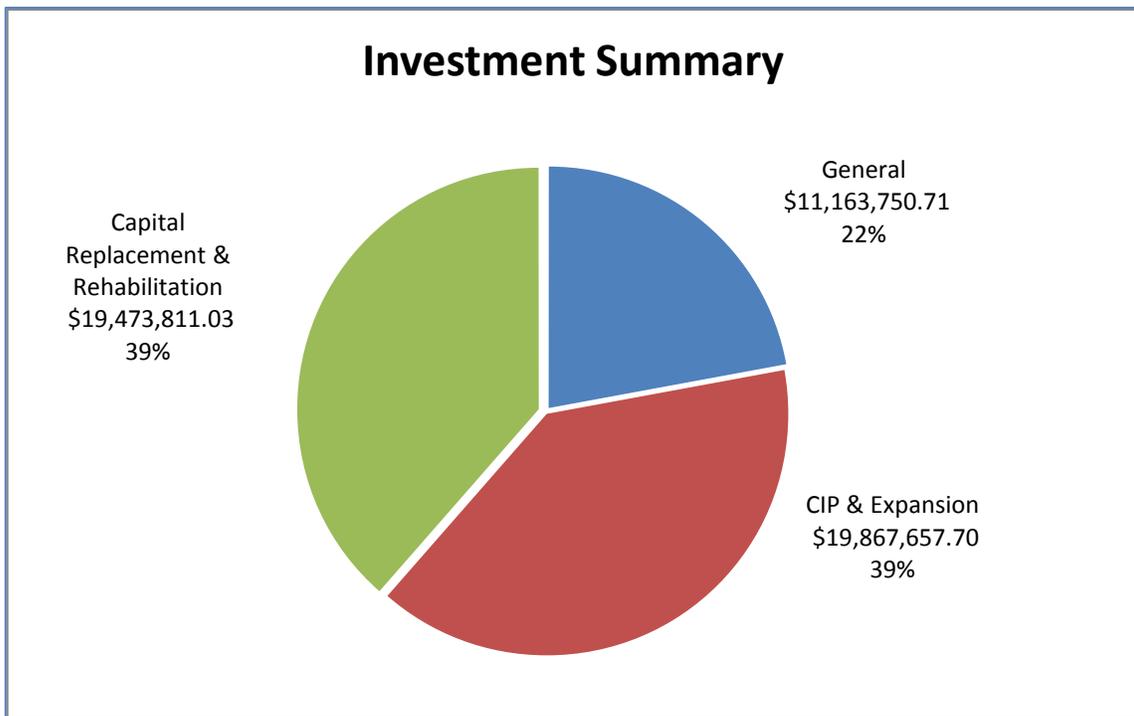
District Reserves

Reserve funds are accumulated and maintained in a manner that allows the funding of costs and capital investments consistent with the District's Capital and Financial Plans while avoiding significant rate fluctuations due to changes in cash flow requirements. In accordance with Section 3 of the District's Reserve Policy #3130, the General Fund Assigned Fund Balance Reserves consists of three parts: i) Operation and Maintenance Reserve; ii) Rate Stabilization Reserve; and iii) Emergency Reserve; discussed in more detail below and as shown in **Table 2 – General Fund Reserve Requirements**: The classification of these reserve fund balances are in conformance with Government Accounting Standards Board (GASB) Statement No.54 (Fund balance reporting and governmental fund type definitions).

Table 1– Fund Balance Breakdown

INVESTMENT	TOTAL FUNDS	Fund 100	Fund 300	Fund 400
		General	CIP & Expansion	Capital Replacement & Rehabilitation
CalTRUST				
TOTAL	\$ 18,989,480.68	\$ 4,197,463.76	\$ 7,470,049.76	\$ 7,321,967.16
Wells Fargo - Fixed Income Securities				
TOTAL	\$ 18,000,000.00	\$ 3,978,747.44	\$ 7,080,809.52	\$ 6,940,443.03
LAIF (Local Agency Investment Fund)				
TOTAL	\$ 4,997,810.00	\$ 1,104,723.54	\$ 1,966,030.04	\$ 1,927,056.42
Placer County Treasury				
TOTAL	\$ 5,015,721.76	\$ 1,108,682.79	\$ 1,973,076.13	\$ 1,933,962.84
SUB-TOTAL	\$ 47,003,012.44	\$ 10,389,617.53	\$ 18,489,965.45	\$ 18,123,429.46
Checking Account Balance	\$ 3,502,207.00	\$ 774,133.18	\$ 1,377,692.26	\$ 1,350,381.57
GRAND TOTAL	\$ 50,505,219.44	\$ 11,163,750.71	\$ 19,867,657.70	\$ 19,473,811.03

Figure 4 – Investment Summary



A. Assigned General Fund Balance Reserves

1. Operations and Maintenance Reserve:

The purpose of the District Operation and Maintenance (O&M) Reserve Fund is to ensure that the district will have sufficient funding available at all times to meet its operating obligations. Operating revenue is flat rate and consistent over the year. Delinquencies are trued up through tax liens which are recoverable twice a year. Operating expenses are generally incurred uniformly over the year; however, work can be planned or deferred during the year to accommodate minor fluctuations in revenue. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain an O&M Reserve Fund equivalent to 6 months O&M expenses.

2. Rate Stabilization Reserves:

The purpose of the District Rate Stabilization Reserve Fund is to establish a means to provide more stable sewer service charges to the District's customers. This fund buffers the impacts of unanticipated fluctuations or revenue shortfalls in sewer revenues and should be capable of defraying the need for an immediate rate increase to cover the cost of an unanticipated rise in expenses. Unexpected fluctuations can include, but are not limited to natural disasters, an economic downturn, and unanticipated increases in other utility expenses and/or other extraordinary circumstances. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain a Rate Stabilization Reserve Fund equivalent to 10% of the annual revenue.

3. Emergency Reserves:

The purpose of the Emergency Reserve Fund is to provide funds for emergency response for potential repair or replacement of capital facilities due to damage from a natural disaster or unanticipated failure. The Emergency Reserve would be used when capital improvement funds have otherwise been purposefully spent down to a preset limit on planned projects. The source of funding for this reserve shall be from Sewer Service Charges. The District shall maintain an Emergency Reserve of \$3 Million.

Compliance with Policy #3130

The General Fund Assigned Fund Balance Reserves; and are shown in **Table 2 – General Fund Reserve Requirements.**

Table 2 - General Fund Reserve Requirements

Reserve Fund	Description	Amount
Operation & Maintenance	6 months O&M expenses	50% (\$11.69M) = \$5,845,000
Rate Stabilization	10% of the annual revenue	10% (\$11.84M) = \$1,184,000
Emergency Reserve	\$3 Million	\$3,000,000
Total		\$10,029,000

As indicated in **Table 1**, the District currently maintains a General Fund Reserve balance of \$11.38M which exceeds the minimum requirement of \$10.029M. The adoption of this budget allows the District to have demonstrated compliance with the Reserve Policy #3130.

Regional Wastewater Treatment Plants (RWWTP) & Rate Stabilization Reserve Fund (RSF)

As previously mentioned, the District, the City of Roseville and Placer County (PC) are participants in the South Placer Wastewater Authority (SPWA) with the intended purpose to finance the construction of the Pleasant Grove Wastewater Treatment Plant (PG WWTP). The District collects and transports about 1.5 billion gallons of raw sewage annually to either of two RWWTP in Roseville for treatment (Dry Creek and Pleasant Grove). Together the two RWWTP and infrastructure used by all three partners make up the regional facilities. SPMUD pays its share of annual O&M costs for the RWWTP's based on our proportional flows to the other partners and is approximately 25% of total flows into the RWWTP.

The SPWA Funding Agreement established a Rate Stabilization Account to be used for the payment of debt service on the Bonds and other costs of the Authority. Monthly contributions of regional connection fees are deposited into the Rate Stabilization Account, and SPWA pays the debt service and other costs from the Account, based on each member's proportionate share. As of April 30, 2016, the District maintained a balance of \$ 43,730,927 in the Rate Stabilization Account on deposit with the Authority. Per the last approved financial statement accepted by the SPWA, the annual SPWA Debt assigned to SPMUD was \$2,075,623. Without any changes, the District currently has approximately 21 years' worth of debt service on account with SPWA.

In accordance with the SPWA debt indenture, SPMUD has covenanted to prescribe and collect rates and charges sufficient to yield net revenues at least equivalent to 110% of its share of debt service. The source of funding for this reserve can be accounted for from all SPMUD revenues and are expected to provide Debt Coverage Ratio (DCR) of 110% over the lives of the Bonds.

$$\begin{aligned} \text{DCR} &= [\text{All revenues} - \text{All O\&M (before dep)}] / \text{SPWA Debt} > 1.1. \\ \text{All SPMUD Revenues} &= \$ 13,983,228 \\ \text{All SPMUD Expenses (before depreciation)} &= \$ 10,341,800 \\ \text{DCR} &= (\$ 13,983,228 - \$ 10,341,800) / \$ 2,075,623 = \mathbf{1.75} > \mathbf{1.1} \end{aligned}$$

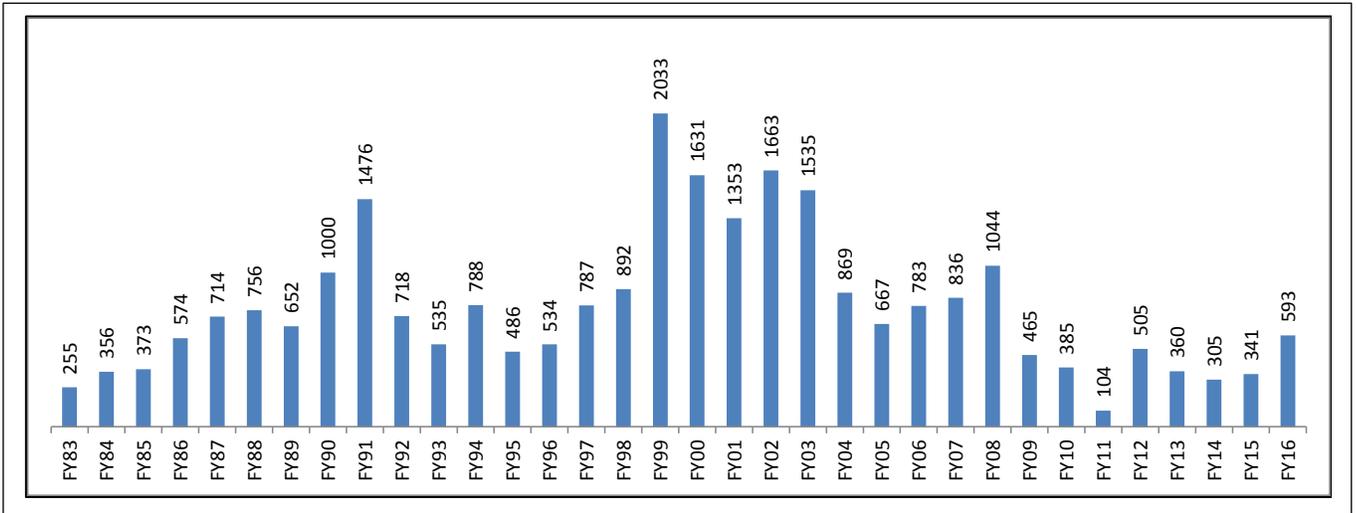
The adoption of this budget allows the District to have demonstrated compliance with the required Debt Coverage Ratio required by the SPWA Bond Indenture.

SECTION 1.6 GROWTH AND PROJECTIONS

Past Growth Trends:

Figure 5 – SPMUD Historical Growth shows how the growth varies greatly from year to year. Based upon an analysis performed in the Sewer Evaluation and Capacity Assurance Plan (SECAP) the District is forecasting growth of 500 EDU's each year for the next five years.

Figure 5 – SPMUD Historical Growth



General Fund Projections

The annual growth is based on the projected annual service fees and that expenses will increase 4% per year during this period. The District will maintain its reserve balances through this analysis period. If the assumptions used prove accurate and the current economic factors remain the same, Sewer Service charges in FY16/17 are projected to remain at \$28/per month. **Figure 6 – Monthly Sewer Rate Comparison Placer County** - shows a comparison of other local agencies service fees. **Figure 7 – Five Year General Fund Projections**, indicates General Fund Budget projections for the next five years based upon the current year service charges and fees and the assumption of 500 additional EDU connections for each year. It is projected that with no increase in rates, that the District will start drawing from reserves to meet anticipated expenses beginning in FY 17/18.

Figure 6 - Monthly Sewer Rate Comparison Placer County

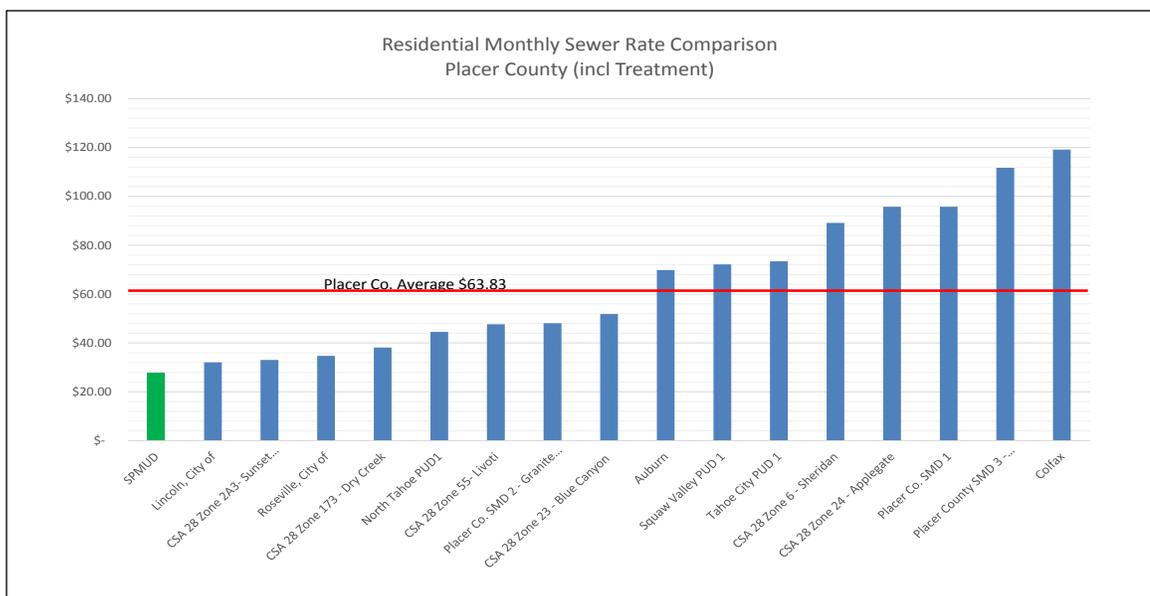


Figure 7 - FIVE-YEAR GENERAL FUND PROJECTIONS

ITEM	AUDITED 14/15	CURRENT 15/16	BUDGET 16/17	ESTIMATE* 17/18	ESTIMATE* 18/19	ESTIMATE* 19/20	ESTIMATE* 20/21	ESTIMATE* 21/22
TOTAL EDU	31,241	31,834	32,334	32,834	33,334	33,834	34,334	34,834
NEW EDU PROJECTIONS	593	500	500	500	500	500	500	500
MONTHLY SERVICE CHRG	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>	<u>\$ 28.00</u>
ANNUAL SERVICE CHRG								
REVENUES	10,758,026	10,625,000	10,864,224	11,032,224	11,200,224	11,368,224	11,536,224	11,704,224
OTHER FEES	<u>274,971</u>	<u>350,000</u>	<u>385,000</u>	<u>423,500</u>	<u>465,850</u>	<u>512,435</u>	<u>563,679</u>	<u>620,046</u>
OPER. REVENUES	11,032,997	10,975,000	11,249,224	11,455,724	11,666,074	11,880,659	12,099,903	12,324,270
OTHER REVENUES	<u>766,726</u>	<u>752,308</u>	<u>789,923</u>	<u>829,420</u>	<u>870,891</u>	<u>914,435</u>	<u>960,157</u>	<u>1,008,165</u>
TOTAL REVENUES	11,799,723	11,727,308	12,039,147	12,285,144	12,536,965	12,795,094	13,060,059	13,332,435
EXPENSES	<u>10,716,986</u>	<u>10,979,362</u>	<u>11,418,536</u>	<u>11,875,278</u>	<u>12,350,289</u>	<u>12,844,301</u>	<u>13,358,073</u>	<u>13,892,396</u>
NET REVENUES	1,082,737	747,946	620,611	409,866	186,675	(49,207)	(298,013)	(559,961)
GF CAPITAL PROJECTS	<u>106,503</u>	<u>97,500</u>	<u>445,500</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
NET TRANSFER TO GF RESERVE	976,234	650,446	175,111	(90,134)	(313,325)	(549,207)	(798,013)	(1,059,961)

*Estimate based upon current years' service charges & fees. Assumes 4%/year increase in expenses.

SECTION 1.7 SUMMARY

The total FY16/17 revenues from all sources are projected to increase by \$0.15M from FY15/16. This increase is attributable to additional service connections. General Fund expenses for FY16/17 are projected to increase by \$0.71M (\$10.98M to \$11.69M) from FY15/16. Capital Improvement costs for FY16/17 are anticipated to be \$3.555M.

Personnel and salary schedules are shown in **Schedules 5 and 6**. The District has 31 approved positions comprised of 24 full-time, 1 part-time, five Elected, one part-time Attorney and one contracted Auditor. The District employee and management MOU's are in effect through the end of FY 16/17; MOU adjustments are reflected in this budget. **Schedules 1, 2 & 3** chart the District Budget distribution for FY16/17.

The proposed budget represents an expenditure plan designed to accomplish the Districts Strategic Plan Goals and Objectives and meets the needs of both present and future customers in the South Placer Municipal Utility District service area, while keeping the District's vision and mission in focus.

Schedule 1

FY16/17 Budget Distribution

REVENUES & INVESTMENTS

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
REVENUE BUDGET FY 16/17**

GENERAL FUND	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 13/14	FISCAL YR 14/15	FISCAL YR 15/16	FISCAL YR 16/17
SEWER SERVICE CHARGES REVENUES	\$ 10,202,898	\$ 10,758,026	\$ 10,625,000	\$ 10,730,000
PERMITS, PLAN CHECK FEES & INSPECTIONS	\$ 538,228	\$ 274,971	\$ 350,000	\$ 357,000
PROPERTY TAXES	\$ 893,954	\$ 686,237	\$ 642,308	\$ 655,154
INTEREST	\$ 64,757	\$ 62,489	\$ 64,000	\$ 65,280
GAIN ON SALE FIXED ASSET DISPOSAL	\$ -	\$ -	\$ -	\$ -
OTHER REVENUES	\$ 14,544	\$ 18,000	\$ 46,000	\$ 30,000
TOTAL GENERAL FUND	\$ 11,714,381	\$ 11,799,723	\$ 11,727,308	\$ 11,837,434
CAPITAL OUTLAY FUND				
SEWER PARTICIPATION FEES	\$ 1,005,529	\$ 888,198	\$ 1,779,197	\$ 1,814,780
INTEREST	\$ 480,439	\$ 451,475	\$ 387,527	\$ 395,277
LOAN REPAYMENT NSD - PRSC	\$ 357,240	\$ 65,706	\$ 66,000	\$ 66,000
DEPRECIATION TRANSFER FROM GENERAL FUND	\$ 1,088,844	\$ 1,163,361	\$ 1,200,000	\$ 1,200,000
INTEREST & INVESTMENT RETURN FROM LOAN REPAYMENT NSD - PRSC	\$ (128,417)	\$ (129,039)	\$ (130,263)	\$ (130,263)
TOTAL CAPITAL OUTLAY FUND	\$ 1,714,791	\$ 1,276,340	\$ 2,102,461	\$ 2,145,794
TOTAL SPMUD REVENUE	\$ 13,429,172	\$ 13,076,063	\$ 13,829,769	\$ 13,983,228

Investments Projected for Year End FY15/16

INVESTMENT	TOTAL FUNDS	Fund 100	Fund 300	Fund 400
		General	CIP & Expansion	Capital Replacement & Rehabilitation
Beginning Balances 07/01/15	\$ 46,933,367	\$ 10,374,223	\$ 18,462,568	\$ 18,096,576
CalTRUST	\$ 18,989,481	\$ 4,197,464	\$ 7,470,050	\$ 7,321,967
Wells Fargo - Fixed Income Securities	\$ 18,000,000	\$ 3,978,747	\$ 7,080,810	\$ 6,940,443
LAIF (Local Agency Investment Fund)	\$ 4,997,810	\$ 1,104,724	\$ 1,966,030	\$ 1,927,056
Placer County Treasury	\$ 5,015,722	\$ 1,108,683	\$ 1,973,076	\$ 1,933,962
Checking	\$ 3,502,207	\$ 774,133	\$ 1,377,692	\$ 1,350,381
TOTAL INVESTMENT FUNDS	\$ 50,505,219	\$ 11,163,751	\$ 19,867,657	\$ 19,473,809

Schedule 2

FY16/17 Budget Distribution

GENERAL FUND EXPENSES

South Placer Municipal Utility District General Fund Expenditure Budget FY 16/17				
GENERAL FUND EXPENDITURES	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 13/14	FISCAL YR 14/15	FISCAL YR 15/16	FISCAL YR 16/17
Salaries/Wages	\$ 1,618,011	\$ 1,891,189	\$ 1,718,050	\$ 1,800,000
FICA - Social Security	\$ 127,270	\$ 148,117	\$ 131,626	\$ 138,200
CalPERS Retirement	\$ 371,688	\$ 378,230	\$ 475,843	\$ 466,000
457 Retirement	\$ 36,850	\$ 44,150	\$ 41,444	\$ 44,600
Insurance Benefits	\$ 393,690	\$ 486,146	\$ 487,969	\$ 540,000
Pers OPEB	\$ 183,883	\$ 185,421	\$ 174,669	\$ 225,000
Sub Total Salaries & Benefits	\$ 2,731,392	\$ 3,133,253	\$ 3,029,601	\$ 3,213,800
Property & Liability Insurance	\$ 95,021	\$ 93,933	\$ 91,570	\$ 110,000
Professional Services	\$ 333,250	\$ 360,800	\$ 109,385	\$ 120,000
Vehicle Repair and Maintenance	\$ 68,410	\$ 64,329	\$ 52,072	\$ 56,000
Professional Development	\$ 38,688	\$ 47,595	\$ 26,625	\$ 48,000
Legal Services	\$ 109,765	\$ 63,679	\$ 69,900	\$ 100,000
Utility Billing/Banking Expense	\$ 50,339	\$ 147,194	\$ 130,943	\$ 140,000
Other Operating Expense	\$ 23,439	\$ 658,518	\$ 34,442	\$ 154,500
General Operating Supplies & Maintenance	\$ 150,014	\$ 155,007	\$ 105,000	\$ 126,000
Gas & Oil Expenses	\$ 46,584	\$ 42,487	\$ 29,000	\$ 35,000
Utilities	\$ 78,802	\$ 97,376	\$ 118,000	\$ 104,000
Repair/Maintenance Agreements	\$ 34,623	\$ 42,396	\$ 50,650	\$ 73,000
Regulatory Compliance/Government Fees	\$ 22,987	\$ 28,396	\$ 38,174	\$ 40,000
Lift Station & Flow Recorder Programs	\$ 30,288	\$ 27,145	\$ 29,600	\$ 35,000
Building & Grounds Maintenance	\$ -	\$ -	\$ -	\$ 41,500
Asphalt Paving	\$ -	\$ -	\$ -	\$ 25,000
Sub Total Local SPMUD General Fund Expenses	\$ 1,082,210	\$ 1,828,855	\$ 885,361	\$ 1,208,000
RWWTP Maintenance & Operations	\$ 3,404,043	\$ 3,614,539	\$ 4,393,800	\$ 4,600,000
RWWTP Rehab & Replacement	\$ 1,204,220	\$ 976,978	\$ 1,320,000	\$ 1,320,000
Sub Total SPWA O&M + R&R Expenses	\$ 4,608,263	\$ 4,591,517	\$ 5,713,800	\$ 5,920,000
Total Operations Expense before Depreciation	\$ 8,421,865	\$ 9,553,625	\$ 9,628,762	\$ 10,341,800
Depreciation expense	\$ 1,088,844	\$ 1,163,361	\$ 1,350,600	\$ 1,350,600
Total General Fund Expenses	\$ 9,510,709	\$10,716,986	\$ 10,979,362	\$ 11,692,400

Schedule 3

FY16/17 Budget Distribution

CAPITAL FUND EXPENSES

South Placer Municipal Utility District				
CAPITAL INVESTMENT FY16/17				
	AUDITED FINANCIALS		PROJECTED	PROPOSED
	FISCAL YR 13/14	FISCAL YR 14/15	FISCAL YR 15/16	FISCAL YR 16/17
TOTAL GENERAL FUND CAPITAL IMPROVEMENTS	\$ 31,330	\$ 106,503	\$ 97,500	\$ 445,500
TOTAL CIP & EXPANSION	\$ 593,000	\$ 619,872	\$ 720,000	\$ 2,061,000
TOTAL REPLACEMENT & REHABILITATION	\$ 1,039,575	\$ 738,490	\$ 330,000	\$ 1,049,000
TOTAL CAPITAL INVESTMENT	\$ 1,663,905	\$ 1,464,865	\$ 1,147,500	\$ 3,555,500

		PROPOSED FISCAL YR 16/17		
		FUND 100	FUND 300	FUND 400
		General Fund Capital	CIP & Expansion	Capital Replacement & Rehabilitation
CAPITAL IMPROVEMENTS				
Board Room Audio/Visual upgrades	\$ 5,000			\$ 5,000
Easement Weed Spraying System	\$ 6,500	\$ 6,500		
Lateral Camera	\$ 6,500	\$ 6,500		
Software Upgrades/Programming SCADA	\$ 7,000			\$ 7,000
Software Upgrades/Tyler	\$ 10,000			\$ 10,000
HQ Security	\$ 15,000	\$ 5,000		\$ 10,000
Computers/Office Furniture	\$ 14,000	\$ 14,000		
Irish Lane Lift Station Upgrades	\$ 18,000			\$ 18,000
HQ Front Office/Reception Area	\$ 10,000			\$ 10,000
Welding Area Upgrades	\$ 18,500			\$ 18,500
Corp Yard Master Plan	\$ 20,000			\$ 20,000
Energy Upgrades	\$ 25,000	\$ 25,000		
Archiving/Disaster Development Plan	\$ 30,000	\$ 30,000		
Irish Lane Lift Station Paving	\$ 30,000	\$ 30,000		
Vehicle Addition (x1)	\$ 30,000	\$ 30,000		
Easement Roadway Replacements	\$ 35,000	\$ 17,500		\$ 17,500
HRF Creek Crossings - Design	\$ 40,000			\$ 40,000
Software/Data Acquisition	\$ 41,000	\$ 41,000		
Newcastle Master Plan	\$ 50,000			\$ 50,000
System Improvements	\$ 55,000	\$ 55,000		
Foothill Trunk Project - Design	\$ 60,000		\$ 60,000	
Lower Clover Valley Trunk - Design	\$ 61,000		\$ 61,000	
Bypass Equipment	\$ 84,000			\$ 84,000
Lateral Jet Rodder	\$ 85,000			\$ 85,000
Vehicle Replacement (x2)	\$ 139,000			\$ 139,000
District Participation in Regional Projects	\$ 185,000	\$ 185,000		
Lower Loomis Diversion Sewer - Design	\$ 410,000		\$ 410,000	
System Rehabilitation	\$ 535,000			\$ 535,000
Foothill Trunk Project - Construction	\$ 550,000		\$ 550,000	
Lower Loomis Diversion Sewer - Construction	\$ 980,000		\$ 980,000	
Total Capital Improvements	\$ 3,555,500	\$ 445,500	\$ 2,061,000	\$ 1,049,000

Schedule 4A – Capital Replacement & Rehabilitation Outlay - \$1,049,000 FY16/17 Capital Outlay Justifications

Fund 400 - Capital Replacement & Rehabilitation Outlay		
ITEM #	TITLE/DESCRIPTION	BUDGET
1	<p>Board Room Audio/Visual Upgrades The Audio-Visual equipment in the board room is outdated and does not operate properly. New technology exists to provide better quality graphic resolutions for visual presentations at board meetings and for training sessions held in the board room. The audio equipment is failing and in need of replacement with upgrades to sound quality. All board meetings are recorded and the quality of sound from the recordings needs to be improved for quality minutes to be documented.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 8.2 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes.</p>	\$5,000
2	<p>SCADA Software Upgrades and Programming The operating system (software) upgrade will allow more functionality and has enhanced security. The programming will allow staff to monitor lift station pump performance and flow rates and will be used as a predictive maintenance tool.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$7,000
3	<p>Software Upgrades/Tyler Software The District completed a software conversion to Tyler Technologies in FY14/15. As business practices continue to be improved it may be necessary to create specific upgrades to the program. There is a possibility that this allocation will not be used in the upcoming fiscal year.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 1.4 – Improve Communications Goal 8.3 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes.</p>	\$10,000

Schedule 4A (cont'd)

FY16/17 Capital Outlay Justifications

4	<p>HQ Security/Front Office-Reception Headquarters Lobby Partition: This item is for the construction of a barrier to prevent customers from entering into the back office areas.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies</p>	\$10,000
5	<p>Office Furniture Replacement of office furniture components within both the Technical & Administrative Services Departments.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life</p>	\$10,000
6	<p>Easement Road Upgrades A continuation of access road reconstruction from previous budgets. This line item will cover materials and equipment rental. Work will be performed by District forces.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$17,500
7	<p>Irish Lane Lift Station Upgrades (Newcastle) <u>Building</u> The District utilized an existing CMU and wood-framed building/composition roofs when the Treatment plant was abandoned and the lift station was constructed. One of the buildings currently houses the controls and instrumentation for the lift station. The roof needs to be replaced and some dry rot damage needs to be repaired. These upgrades will include a metal raised seam roof, new siding, hollow metal doors and frames and paint.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$18,000
8	<p>Welding Area Upgrades – Existing welding area requires upgraded exhaust system and lighting; replace the wood-framed welding table with a metal table; install materials rack to store metal stock; add storage cabinet, pipe stands, vices, Personal Protective Equipment (PPE), Paint.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$18,500

Schedule 4A (cont'd)

FY16/17 Capital Outlay Justifications

9	<p>Corporation Yard (Ten-Year) Master Plan – Staff has recognized the need to develop a plan that will allow us to best utilize the space we have today and to accommodate future growth. Staff will work with professional services to develop the plan.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$20,000
10	<p>Vehicle Purchase <u>Field Supervisor Truck</u> The truck being replaced is a 12 year old light duty, 2004 model that has been identified on the vehicle replacement schedule having served its useful life. This replacement vehicle will be a medium duty, four wheel drive truck capable of pulling the District’s heavier trailers.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$29,000
11	<p>HRF Creek Crossings - design The results of the High Risk Facilities (HRF) analysis and prioritization was used to identify District assets that need to be rehabilitated. A number of high-risk creek crossings were identified as projects during the HRF analysis. Preliminary design and cost estimates will be prepared for the various creek crossings for use in the preparation of the 5-year financial and Capital Improvement Plans. The results of the pre-design work will be used as a basis for the design and permitting of the various creek crossings.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$40,000
12	<p>Newcastle Master Plan The Newcastle system is old and much of it was not built to District standards. Staff is suggesting this system be brought up to District standards over a period of time. This plan will provide the framework to prioritize the work and project necessary funding to be incorporated in long term Financial and Capital Improvement Planning.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$50,000

Schedule 4A (cont'd)

FY16/17 Capital Outlay Justifications

<p>13</p>	<p>Emergency Response & Bypass Equipment - 6" Dry-Prime Trailered Pump: The District currently does not have a portable pump capable of bypassing the flows of the large diameter lines. This pump can be used for maintaining lower flow lines as well. It will replace an existing 4" pump (Tier 1) that was purchased in 2002 and will soon be out of compliance with State Air Board regulations - currently, diesel motors are required to be Tier 4/FINAL. This equipment includes suction and discharge piping, fittings, traffic ramps, storage for the discharge pipe on the corp. yard grounds and lighting for night work.</p> <p><i>Strategic Plan Goals</i> Goal 2.3 - Prevent and mitigate Sewer System Overflows (SSO) Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$84,000</p>
<p>14</p>	<p>Lateral Jet Rodder The District's (1989) jet rodder was pulled from the fleet as it no longer meets Air Board emission requirements. This jet rodder had a small diameter rodding system that could be used in 4" pipes. The proposed lateral jet rodder will have a TIER4/FINAL diesel engine and will be trailer-mounted equipment designed to be utilized in small diameter pipes (4" to 15"). It out performs the traditional rodding method (snakes) and can be deployed long distances, which will be of benefit in Newcastle where there are many 4" mainline pipes as well as for any of the longer service lines in the District. NOTE: Staff needs time to evaluate options.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$85,000</p>
<p>15</p>	<p>Vehicle Purchase <u>Dump Truck</u> The truck being replaced is a 22 year old, five-yard dump truck, 1994 model. Its engine is undersized and it has difficulty pulling the trailer/backhoe combination. Diesel engines of this vintage no longer meet State Air Board emission requirements. The replacement vehicle will have a larger engine and a larger dump bed capacity that will better suit the needs of the construction crew.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$110,000</p>

Schedule 4A (cont'd)
FY16/17 Capital Outlay Justifications

<p>16</p>	<p>System Rehabilitation The District plans to rehabilitate a number of assets based on the analysis of inspection, condition assessment, and work order history data. The planned improvements include rehabilitation of 21 mainline pipes with CIPP liners, rehabilitation of connections between mainline pipe and service laterals with inserts, rehabilitation of 22 manholes with calcium aluminate mortar lining.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$535,000</p>
	<p>Total Capital Replacement & Rehabilitation Outlay</p>	<p>\$1,049,000</p>

Schedule 4B – General Fund Capital Outlays - \$445,500
FY16/17 Capital Outlay Justifications

Fund 100 - General Fund Outlay		
ITEM #	TITLE/DESCRIPTION	BUDGET
1	<p>HQ Security Headquarters Lobby Partition: This item is for the construction of a barrier to prevent customers from entering into the back office areas.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies</p>	\$5,000
2	<p>Easement Weed Spraying System Truck-Mounted Weed Sprayer - This is for our easement maintenance program. The spraying tank system we purchased with the Kubota tractor is inadequate for our needs. The tank is 50 gallons and it is compatible with the Kubota tractor only. Using the tractor requires a truck to pull the Kubota on a trailer from location to location. This proposed system can easily be installed in a truck bed requiring only one vehicle and one person to operate.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$6,500
3	<p>Lateral Camera (Inspector) This is standard equipment for District inspectors. This camera will be utilized by the (proposed) additional Inspector position included in this budget.</p> <p><i>Strategic Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$6,500
4	<p>Computers/Office Furniture Replacement of various computers and office furniture components within both the Technical & Administrative Services Departments.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life</p>	\$14,000
5	<p>Easement Roadway Replacements A continuation of access road reconstruction from previous budgets. This line item will cover materials and equipment rental. Work will be performed by District forces.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	\$17,500

Schedule 4B – (cont'd)
FY16/17 Capital Outlay Justifications

<p>6</p>	<p>Energy UpgradesThis budget item provides for the installation and upgrades for energy usage in District buildings, to include lighting and battery back-ups. Also the installation of a natural gas/propane generator will be completed as a backup power supply to both buildings.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 8.3 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes</p>	<p>\$25,000</p>
<p>7</p>	<p>Archiving/Disaster Development Plan As a continuation of best business practices, the effective retention of informational assets is important. Utilization of Archiving software will allow ease of access to scanned, indexed District records, maps, Resolutions, Ordinances and historical items. This will ensure that should a disaster occur, there would be minimal impact to the Districts operation.</p> <p><i>Strategic Plan Goals</i> Goal 1.3 – Build Business Efficiencies Goal 1.4 – Improve Communications Goal 8.3 – Evaluate available technology and databases Goal 8.4 – Continuously evaluate available technology to ensure efficient programs and processes</p>	<p>\$30,000</p>
<p>8</p>	<p>Vehicle Purchase Inspector Vehicle – It is proposed in this budget that an additional inspector position be approved. This will require an additional vehicle be added to the fleet. This vehicle will be a light duty, four-wheel drive pickup. (\$30,000). Included in this item are the accessories needed to properly outfit the truck – warning lights, arrow board, bed-style tool box, miscellaneous tools. (Code 100)</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$30,000</p>

Schedule 4B – (cont'd)
FY16/17 Capital Outlay Justifications

<p>9</p>	<p>Asphalt Paving - Irish Lane Irish Lane is paved from Taylor Road to a point 550 feet from the entrance gate to the lift station property, where it turns to aggregate base surface. Once inside the gate the surface is aggregate base up to the lift station site. The existing aggregate base is sufficient to receive the asphalt. The asphalt is to establish an all-weather access road in accordance with District standards. In addition to ensuring reliable ingress/egress to the lift station site, it will eliminate the mud tracked onto Irish Lane during the winter months.</p> <p><i>Strategic Plan Goals</i> Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$30,000</p>
<p>10</p>	<p>Software/Data Acquisition Staff continues to improve the databases (i.e., Lucity, GIS, CCTV) that support the key functions of the District. Staff plans to purchase aerial imagery for use with the Lucity and GIS maps that are accessed from desktops in the District offices and on the tablets used by crews in the field.</p> <p>Staff will evaluate a module available from the District’s CCTV inspection software provider (Infrastructure Technologies) that integrates the Lucity and ITPipes databases to facilitate the work flow between the creation and completion of work orders in Lucity with the CCTV inspections performed with ITPipes. Staff plans to complete the scanning of the collection of record drawings of its assets (i.e., pipes, manholes, lift stations).</p> <p><i>Strategic Plan Goals</i> Goal 8.2 – Evaluate and Select Available Technology and Databases Goal 8.3 – Implement and Integrate Databases Goal 8.4.C – Establish an IT Support Program</p>	<p>\$41,000</p>
<p>11</p>	<p>System Improvements The District coordinates with regional agencies to protect District assets during the construction of other agency improvements. The cost of CCTV inspection before and after the agency’s project to ensure damage caused from construction is repaired and the cost to adjust District assets to conform to new finished grades are born by the District.</p> <p><i>Strategic Plan Goals</i> Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District Goal 4.2 – Operate and maintain sewer appurtenances to provide functional, reliable, efficient and effective service life.</p>	<p>\$55,000</p>

Schedule 4B – (cont'd)
FY16/17 Capital Outlay Justifications

<p>12</p>	<p>District Participation in Regional Projects As projects are submitted to the District for review, opportunities occur where modifications to the proposed plans for work on the sewer system may provide additional direct benefit and minimization of lifecycle costs to the District (e.g., extension of a mainline to eliminate the need for an existing lift station, elimination of a hot spot). This budget item is to fund additional sewer work as a part of non-District projects.</p> <p>The District currently has construction cooperation agreements with the City of Rocklin for two City projects (i.e., Front Street Improvements and Lost Avenue Widening) for sewer improvements.</p> <p><i>Strategic Plan Goals</i> Goal 1.4 – Improve Communications Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program</p>	<p>\$185,000</p>
	<p>TOTAL - Fund 100 General Fund Capital Outlay</p>	<p>\$445,500</p>

Schedule 4C – Capital Improvement & Expansion Outlays - \$2,061,000 FY16/17 Capital Outlay Justifications

Fund 300 - Capital Improvement Programs & Expansion Outlay		
ITEM #	TITLE/DESCRIPTION	BUDGET
1	<p>Foothill Trunk Project - Design The Foothill Trunk Sewer Replacement Project was identified in the recent System Evaluation and Capacity Assurance Plan (SECAP) as a section of the collection system that would have insufficient capacity for the anticipated growth in accordance with the various general plans from the communities served by the District. Phase 1 of the Foothill Trunk Sewer design which included 60% plans and preparation of the Initial Study/Mitigated Negative Declaration was completed in FY 2014/2015. Phase 2 will be completed in FY 2016/2017 and includes 100% design, permitting, and right-of-way acquisition.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets</p>	\$61,000
2	<p>Lower Clover Valley Trunk - Design The results of the High Risk Facilities (HRF) analysis and prioritization was used to identify District assets that need to be rehabilitated. The Lower Clover Valley Trunk is one of the identified projects. Preliminary design and cost estimates will be prepared for the project. The results of the pre-design work will be used as a basis to prepare a RFP for the design and permitting of the project.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets</p>	\$60,000
3	<p>Lower Loomis Diversion Sewer - Design and R/W Acquisition The Route Study for the Loomis Diversion Line was completed in FY 2014/2015 and the Town of Loomis completed the environmental documents for the project. The District is finishing final design, permitting, and right-of-way acquisition for the project in the 2016/2017 fiscal year. Construction of the Loomis Diversion Line will allow for future growth in the upstream sewer shed and allow for the eventual abandonment of two lift stations.</p> <p><i>Strategic Plan Goals</i> Goal 3.2 – Provide Engineering and Design to optimize the Capital Improvement Program Goal 3.2.A – Design Capital Improvement Projects to Minimize Lifecycle Costs of District Assets</p>	\$410,000

Schedule 4C – (cont'd)
FY16/17 Capital Outlay Justifications

4	<p>Foothill Trunk Project - Construction Construction of the Foothill Trunk Sewer Replacement Project will commence following the completion of the final design and right-of-way acquisition. The budget for this line item includes construction costs, anticipated monitoring to comply with environmental permits, and construction management services. The Foothill Trunk Sewer Replacement Project was identified for construction in the 2015 System Evaluation and Capacity Assurance Plan (SECAP). <i>Strategic Plan Goals</i>Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District</p>	\$550,000
5	<p>Lower Loomis Diversion Sewer - Construction Construction of the Lower Loomis Diversion Line Project will commence following the completion of the final design and right-of-way acquisition. The budget for this line item includes construction costs, anticipated monitoring to comply with environmental permits, and construction management services. Construction of the Loomis Diversion Line will allow for future growth in the upstream sewer shed and allow for the eventual abandonment of two lift stations.</p> <p><i>Strategic Plan Goals</i> Goal 3.3 – Provide Construction Management to Ensure the Best Possible Facilities for the District</p>	\$980,000
TOTAL - Capital Improvement Program & Expansion		\$2,061,000

Schedule 5

FY16/17 PERSONNEL CLASSIFICATIONS

JOB TITLES	ID	Approved	Filled
BY DEPARTMENTS	CODE	Positions	Positions
<u>Administrative Services</u>			
General Manager	GM	1	1
Administrative Services Manager/Board Secretary	ASM	1	1
Administrative Services Assistant III	ASA 3	1	1(a)
Administrative Services Assistant II	ASA 2	2	2
Administrative Services Assistant I	ASA 1	1	0
Project Manager	PM	1	0
ASD Total		7	5
<u>Technical Services</u>			
District Engineer	DE	1	1
Associate Engineer	AE	1	1
Engineering Technician II	ET2	0	0
Inspector II	INSP2	1	1
Inspector I	INSP1	2	2
Student Intern I/II/III	INT	1(b)	1
Engineering Technician I	ET1	2	1
Project Manager	PM	1	0
TSD Total		9	7
<u>Field Services</u>			
Superintendent	SUP	1	1
Assistant Superintendent	AS	1	0
Field Services Manager	FSM	0	0
Field Supervisor	FS	2	2
Leadworker	LW	3	3
Maintenance Worker II/Inspector	MW2/Insp	1	1
Maintenance Worker II	MW2	5	5
Maintenance Worker I	MW1	3	3
FSD Total		16	15
Regular Positions		32	27
<u>Miscellaneous (Elected/Contract)</u>			
Board of Directors	EO	5	5
District Legal Counsel	DC	1	1
Contract Auditor	CA	1	0
Total Miscellaneous Positions		7	6
Total Approved & Authorized Positions		46	33
(a) Promotional			
(b) one part-time (up to 20 hours per week/without benefits)			

Schedule 6

FY16/17 SCHEDULE OF SALARY RANGES

FY 16/17 SCHEDULE OF SALARY RANGE/STEPS - effective 07/01/16 (1.3% COLA)									
SALARY - MONTHLY/HOURLY RATES									
RANGE	ID	POSITION	STEPS (\$/MO)						
			A	B	C	D	E	F	
9	TL I/SI I	Laborer I / Student Intern I	12.64	13.27	13.93				
15	TL II/SI II	Laborer II / Student Intern II	14.66	15.39	16.16				
21	TL III/SI III	Laborer III / Student Intern III	17.00	17.85	18.74				
22	ASA I	Admin Svc. Asst I	3059	3212	3373	3541	3718	3811	
		Hrly	17.65	18.53	19.46	20.43	21.45	21.99	
29	MW1	Maint. Worker I	3636	3818	4009	4210	4420	4531	
		Hrly	20.98	22.03	23.13	24.29	25.50	26.14	
33	ASA II	Admin Svc. Asst II	4014	4215	4425	4647	4879	5001	
		Hrly	23.16	24.32	25.53	26.81	28.15	28.85	
34	MW2	Maint. Worker II	4114	4320	4536	4763	5001	5126	
		Hrly	23.74	24.92	26.17	27.48	28.85	29.57	
35	ET1	Eng'r. Tech. I	4217	4428	4649	4882	5126	5254	
		Hrly	24.33	25.55	26.82	28.16	29.57	30.31	
38	INS1	Inspector I	4541	4768	5007	5257	5520	5658	
		Hrly	26.20	27.51	28.89	30.33	31.85	32.64	
36	MW/INS	Maint. Worker II/Inspector	4322	4539	4766	5004	5254	5385	
		Hrly	24.94	26.18	27.49	28.87	30.31	31.07	
41	INS2	Inspector II	4891	5135	5392	5661	5944	6093	
		Hrly	28.21	29.63	31.11	32.66	34.30	35.15	
42	ASA III	Admin Svc. Asst III	5013	5263	5527	5803	6093	6245	
		Hrly	28.92	30.37	31.88	33.48	35.15	36.03	
43	LW	Lead Worker	5138	5395	5665	5948	6245	6402	
		Hrly	29.64	31.13	32.68	34.32	36.03	36.93	
44	ET2	Eng'r. Tech. II	5267	5530	5806	6097	6402	6562	
		Hrly	30.38	31.90	33.50	35.17	36.93	37.86	
50	FS	Field Supervisor	6108	6573	6734	7070	7424	7609	
		Hrly	35.24	37.92	38.85	40.79	42.83	43.90	
53	AE	Associate Engineer	6577	6906	7251	7614	7995	8194	
		Hrly	37.95	39.84	41.84	43.93	46.12	47.28	
<u>Salaried Employees</u>			<u>Annual</u>						
General Manager			\$153,318						
Superintendent			\$114,521						
District Engineer			\$110,552						
Administrative Services Manager			\$92,704						

ITEM VII.2 GENERAL MANAGER REPORT

To: Board of Directors

From: Herb Niederberger, GM

Date: July 7, 2016

Subject: General Manager Monthly Staff Report – June 2016

1) DEPARTMENT REPORTS

Attached are the monthly status reports for the Boards information:

- A. Facility Services Department
- B. Administrative Service Department, and
- C. Technical Services Department

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

2) INFORMATION ITEMS

- A. The majority of the month was spent finalizing the budget report and coordinating the building reconstruction. It was determined that Duarte Construction could not comply with the Department of Industrial Relations registration process as a Public Works Contractor. Due to this, Duarte finished the emergency demolition work and are in the process of final billing and contract revision. We will solicit Public Works bids from contractors registered with DIR.
- B. On June 2, 2016, the General Manager met with the President of Duarte Construction to discuss the status of the building reconstruction project and to determine the firm's capacity for registration with the DIR as a Public Works Contractor.
- C. The General Manager was out of the office June 13 and 14, 2016 to attend the CSDA General Manager Leadership Summit.
- D. On June 17, 2016, the General Manager met with the District Legal Counsel to discuss District legal needs. Among some of the items that were discussed:
 - a. Keller Court Sewer Connection Agreement
 - b. JMC By-pass agreement bonding
 - c. SB272, PRA, Inventory of Enterprise Software
 - d. MUD Design-Build
 - e. SCIP 2016
 - f. Building Reconstruction - Emergency Contract, Re-Contracting
 - g. Godfrey Update and the need for a Closed Session Item on the July agenda
- E. On June 23, 2016 the General Manager and the District Engineer, Eric Nielsen, participated in an ASCE webinar on Tactical Asset Management Planning.

- F. On June 27, 2016, the General Manager and the District Engineer, Eric Nielsen, met with Kenny Gowan of the Loomis Basin Brewery to determine the final participation fee and the possibility of a 12-month deferred payment agreement.
- G. Also on June 27th, the General Manager and District Superintendent, Sam Rose, did a walk-through with the estimator from Restoration Management Company regarding the building reconstruction
- H. On June 29, 2016, the General Manager met with representatives from Sierra College and the City of Roseville to discuss the short-and long-term sewer needs of Sierra College in light of their planned campus expansion.
- I. On June 30, 2016, the General Manager and Director Mitchell attended the meeting of the Board of Directors of the South Placer Wastewater Authority. The majority of the meeting concerned the District's current finances and debt as well as an overview of the capital Improvement projects and Pleasant Grove Wastewater Treatment Plant expansion. The Board approved a direct placement financing with US Bank, the 2017 Investment Policy, FY2016/17 CIP Budget and the FY2016/17 Operating budget.
- J. Advisory Committee Meetings:
 - a. There were no advisory committee meetings during June.

3) **LONG RANGE AGENDA**

August 2016

- SSE resolution for Rocklin
- CalTrans Advance Engineering Services Agreement

September 2016

- Strategic Plan Report Card

October 2016

- FY15/16 Audit
- HRF Preliminary Design Contracts for Creek Crossings and Lower Clover Valley Trunk

To: Board of Directors
From: Sam Rose, Superintendent
Cc: Herb Niederberger, General Manager
Subject: Field Services Department Monthly Report
Meeting Date: July 7, 2016

Overview

This report provides the Board with an overview of Field Services operations from 05/25/2016 through 06/24/2016. The work listed is not all inclusive.

1. Recordable Accidents/Injuries (OSHA 300)

- a. Zero (0)
 - i. 161 days without a Recordable Injury

2. Service Calls / Sanitary Sewer Overflows (SSOs)

- a. Service Calls
 - i. Twenty (20)
 - A. 20 - Customer's Responsibility
 - B. 0 - SPMUD Responsibility
- b. Lift Station Calls
 - i. Four (4)
- c. Sanitary Sewer Overflows (SSOs)
 - i. Zero (0) 102 Days since last SSO

3. Safety/Training/Professional Development

- a. All Field employees participated in:
 - i. Traffic Safety Training
 - ii. Five (5) "Tailgate" safety sessions were held.

4. Maintenance

Feet

a. CCTV Mainline Segments	133 Segments	28,064'
b. CCTV Service Laterals	21 Laterals	750'
c. Hydro-Clean Mainline Segments	70 Segments	18,460'
d. Manhole Inspections	141 Manholes	
e. Rodded/Cleaned Service Laterals	17 Laterals	
f. Double Wye Assessments	00 Laterals	
g. Creek-Crossing Inspections	00 Crossings	
h. Chemical Root Treatment	00 Segments	
i. Easement Maintenance	Corp Yard Haul Road	

5. Construction

a. Service Taps	0 Taps	
b. Lateral Installs	0 Laterals	
c. Property Line Cleanout Work		
i. Repaired	01 Cleanouts	
ii. Installed	00 Cleanout	
d. Mainline Repair	03 Mainline point repair	
e. Service Lateral Repair	04 Lateral point repair	
f. Service Cap-Off	00	
g. Manhole Rehabilitation	06 Manholes	
h. Manhole Install	01 Manhole	
i. Easement Reconstruction	1,800 L.F.	

6. Facilities

a. Lift Station Operations Checks	52 Operation Checks	
b. Lift Station Repair	03 Repairs Performed	
c. Lift Station Wet Well Cleaning	12 Wet Wells	
d. Lift Station Site Maintenance	00 Site	
e. Corp Yard Water Treatment Facility	04 Operational Checks	
f. Vehicle/Equip Maintenance	05 Work Orders	

7. Miscellaneous

- a. Break-in at Corp Yard Equipment Building
 - i. Cut perimeter fence at two locations
 - ii. Cut two padlocks
 - iii. Damaged Security Camera
 - iv. Damaged Sprinkler Timer Rain Gauge
 - v. Damaged Motion Sensor Light
 - vi. Stole Socket Set
 - vii. District has enhanced security measures
 - A. Added additional cameras
 - B. Add camera tamper alarms
 - a) Cost: \$5,647
- b. Retrieval of weir boards in system (caused by contractor)
- c. Vector Control (cockroaches) at 11 manholes

ITEM VII. ASD REPORT

To: Board of Directors

From: Joanna Belanger, Administrative Services Manager

CC: Herb Niederberger, General Manager

Subject: Administrative Services Department Monthly Report

Board Mtg. Date: July 7, 2016

Senate Bill 272

A new Public Records Act requirement is SB 272 requires that state and local agencies create a catalog of technology enterprise systems, and make the catalog publicly available upon request along with posting the catalog on the agency website. The catalog will contain information regarding the system vendor, product, and type of records retained in the databases/systems. Administrative Services staff completed the catalog to meet the requirement and place a link to the document on the District website by the June 30, 2016 deadline.

Audit Preparation

The District Accountant and Administrative Services Manager are preparing for the Annual Audit for Fiscal Year 2015/16. It is anticipated that the Districts Auditor will be in the offices to start his field review in the last week of July. Staff anticipates bringing the Audit Report to the Board for review in October.

District Investments

Staff continues to improve upon the investment report to the Board following the addition of investments with CalTRUST and Wells Fargo Fixed Income Securities, and the added reporting requirements for unrealized or realized gains & losses. The investment report demonstrates the breakdown of District investments and balances within funds 100 – General Fund, 300 – CIP & Expansion & 400 – Capital Replacement & Rehabilitation.

ITEM VII. TSD REPORT

To: Board of Directors
From: Eric Nielsen, District Engineer
Cc: Herb Niederberger, General Manager
Subject: Technical Services Department Monthly Report
Board Date: July 7, 2016

IT Master Plan

Staff continues to work towards implementation of the Lucity database. Staff is awaiting the final migration of legacy data from WWMS to the Lucity databases by the Lucity implementer. Training of District employees on the use of Lucity is ongoing.

Foothill Trunk Sewer Replacement Project

The project is now in the final design, permitting, and right-of-way acquisition phase. Contact with residents along the alignment continues in order to obtain easements, gain right of entry during construction, and to obtain required signatures for the City of Rocklin tree permit. The coordination of the other required permits is ongoing. Construction of this project is planned for the spring of 2017.

Loomis Diversion Trunkline Project

The project is now in the final design, permitting, and right-of-way acquisition phase. The project team is currently preparing easement documentation and conducting environmental permitting. Construction of this project is anticipated to start in the spring of 2017.

High Risk Facilities (HRF) Program

Requests for proposals (RFPs) for preliminary engineering and cost estimates for the projects identified in the HRF report are being prepared. One RFP will be distributed for the Lower Clover Valley Trunk Sewer Replacement and another RFP will be distributed for the Critical Creek Crossings.

Relocation of 42-inch Trunk Sewer for Caltrans I80/SR65 Interchange Improvements

Caltrans provided SPMUD with the Conflict Letter for its I80/SR65 Interchange Improvements project, which outlines the schedule for deliverables. Staff has begun preparing the relocation plan to submit to Caltrans and anticipates bringing the Advance Engineering Agreement to the Board in August for reimbursement of expenses. The Utility Agreement between Caltrans and SPMUD is anticipated to be brought to the Board in December or January.

District Easements

Staff is scheduling the field verification of the potential easement encroachments identified during records research to develop a list of owners to send notification letters.

FOG Program

SPMUD staff continue meeting with food service establishments to inform them of the District’s FOG program and permit the establishments according to Ordinance 09-01. The number of FOG Permits collected to date compared to the goal is shown in the performance indicators below.

Jack in the Box on 4410 Rocklin Road submitted plans for improvements this month which were approved. A pre-construction meeting was held and at the time this report was prepared, it appears that the July 1 deadline in the Notice of Violation will be met.

Loomis Basin Brew Pub on 3640 Taylor Road met with SPMUD staff to discuss the payment of fees and the process to schedule a final sewer inspection with the anticipation of opening in July.

Department Performance Indicators

The following charts depict the efforts and performance of the department in four areas as of June 27. Additional charts may be added in the future for other areas of work in the department.

