

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

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Regular	District Office	August 4, 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  
Sam Rose, Superintendent  
Joanna Belanger, Administrative Services Manager

Others: Michael O'Hagan, Forsgren Associates Inc.  
Charley Howard, A1 Grease Trap Pumping and Cleaning Company

**III. PLEDGE OF ALLEGIANCE:** Director Markey led the Pledge of Allegiance.

**IV. CONSENT ITEMS:**

1. Minutes from the July 7, 2016 Regular Board Meeting.
2. Accounts Payable in the amount of \$423,045.14 through July 28, 2016.
3. Monthly Investment Report in the total amount of \$51,324,304.16 through July 28, 2016.
4. Bills of Sale Acceptance of the Bill of Sale for sewer improvements associated with Audit Rocklin.
5. Vehicle Purchase Approval of the purchase of a replacement Dump Truck in the amount of \$90,539.10.
6. KB Homes of Sacramento Temporary Sewer Connection & Use Agreement – Resolution #16-19 Approval of the temporary Sewer Connection & Use Agreement with KB Homes of Sacramento, as part of its Pebble Creek/Sunset at Stanford Ranch residential development.

Director Mitchell pulled items 2 & 5 from the consent calendar for further discussion. Director Williams made a motion to approve items 1, 3, 4, & 6 on the consent calendar, a second was made by Director Mitchell; the motion carried 5-0.

Director Mitchell asked for clarification on an item in the Accounts Payables, for a check paid to Tsakopoulos. Administrative Services Manager Belanger explained that the payment is for the Yankee Hill Refund Agreement with the development company owned by Mr. & Mrs. Tsakopoulos which was extended to 2022.

Director Mitchell asked for further information regarding the 10% additional charge for the Dump Truck item. Superintendent Rose responded that the charge was for additional items that are requested above the State CMAS contract pricing. Director Mitchell made a motion to approve items 2 & 5 on the consent calendar, a second was made by Director Markey; the motion carried 5-0.

**V. PUBLIC COMMENTS:**

President Dickinson opened the Public comments. Comments were received from Charley Howard who owns the A1 Grease Trap Pumping and Cleaning Company. He addressed the board regarding the Districts Ordinance related to Grease Trap cleaning. He explained his observations that he sees every day in Restaurant and Food Service establishments. Mr. Howard described a situation where he cleaned a grease trap at a Subway Restaurant. He stated that the trap hadn't been pumped or cleaned for over two years, he discovered cockroaches, grease packed solid, rusted baffle on the trap, and the owner had no knowledge on how to clean the trap. Another Pizza restaurant he visited in Loomis has an automatic grease trap, the owner did not know what to do with the grease, their trap was clogged up and they didn't know how to clean them. A lot of cities and counties require grease traps to be cleaned every thirty days and professionally emptied at least quarterly. He explained that he just wanted the board to know that food establishments are not cleaning out their grease traps.

General Manager explained that this is why the Board has approved a position for the source control inspector and further work to review food service establishments. Director Williams stated that strong education is necessary and he would like to hear more about steps staff are taking to educate food service establishments.

Hearing no further comments, public comments were closed.

**VI. BOARD BUSINESS:**

**1. Consideration & Approval of Resolution #16-17, authorizing the General Manager to sign & execute Credit & Reimbursement Agreements with Taylor Morrison service incorporated – Rocklin 60**

District Engineer Nielsen introduced the Credit & Reimbursement Agreements with Taylor Morrison for the Rocklin 60 area. He explained that the Rocklin 60 project will extend an 18 inch trunk sewer to the Southern end of Dias Lane. This project area is identified in the District's System Evaluation and Capacity Assurance Plan (SECAP) as a major facility. Taylor Morrison is requesting to enter into a credit and reimbursement agreement per Ordinance 15-01. A credit of \$52,500 will be applied uniformly to the 35 residential logs within the credit area. The reimbursement agreement in the amount of \$741,989.58 is determined by the construction contract which Taylor Morrison awarded by the competitive bid process.

Director Murdock made a motion to approve Resolution #16-17, a second was made by Director Williams; the motion carried 5-0.

**2. Consideration & Approval of Resolution #16-18 Out of Area Service Agreement (Berry – APN 032-171-019-000) Application to Placer County LAFCO**

District Engineer Nielsen provided a brief overview of the request for an out of area service agreement from the Berry family, with a residence located at 2258 Swetzer Road, Penryn. Their property has a failing septic tank and is being required by the Placer County Building Department to connect to the public sewer adjacent to their property. The property is within the Districts sphere of influence. As part of the process, if approved by the Board the agreement will be sent to LAFCO board for their approval. President Dickinson expressed concern that customers with these out of area service agreements would not have

an incentive or be motivated in proceeding with annexation into the District in the future. He asked that staff explore the options for annexation for this area into the District sooner rather than later.

Director Mitchell made a motion to approve Resolution #16-18 and authorize an Out of Area Service Agreement for APN 032-171-019-000, a second was made by Director Murdock; the motion carried 5-0.

**3. Consideration & Approval of a contract with Restoration Management Company for the reconstruction of the headquarters building**

GM Niederberger provided a brief update regarding the reconstruction of the headquarters building. He stated that due to the Department of Industrial Relations (DIR) Public Works Contract rules the District and Duarte Construction closed out their contract and has since received new bids for the project from eligible contractors registered with the DIR. He stated that SDRMA had approved moving forward with the contract for Restoration Management in the amount of \$105,147, pending SPMUD Board approval. Director Williams asked Legal Counsel Brown for his opinion of the Liability and Indemnification clause in Section 8 of the contract. Legal Counsel Brown stated that if something were to occur involving a third party, the District would likely end up in court. He stated that the owner indemnification language could be stricken out of the agreement if the board desired. GM Niederberger stated that a Faithful Performance Bond had been requested of the contractor.

Director Williams made a motion to strike the “owner indemnification” paragraph from the reconstruction of the headquarters building agreement with Restoration Management Company and provide discretion for the General Manager and Legal Counsel to execute the contract with any necessary changes; a second was made by Director Mitchell; the motion carried 5-0.

**VII. REPORTS:**

- 1. District General Counsel (A. Brown):** General Counsel Brown stated that there was a late development regarding the Godfrey case, and he would schedule a closed session for the next board meeting held in September.
- 2. General Manager (H. Niederberger):** GM Niederberger reported that staff had met with Bennett Engineering to begin the work for the NSD Master Plan.
  - A. ASD, FSD & TSD Reports:** Director Mitchell asked about the status of the encroachments made on District easements, and suggested that an updated report could be presented to the board later in the year. District Engineer Nielsen reported that he would be bringing an Agreement to the board for approval in September for the Caltrans – Hwy 65 Viaduct project. He stated that Caltrans will be paying for design and construction of the project.
  - B. Information Items:** No additional items were reported.
- 3. Directors Comments:** No additional Director comments were made.

**VIII. ADJOURNMENT**

The meeting was adjourned at 5:30 p.m. to the next Regular Meeting to be held on Thursday, September 1, 2016 at 5:40 p.m.

