

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

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Regular	District Office	November 3, 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, Jim Williams

Absent: John Murdock

Vacant: None

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

Others: Michael O’Hagan, Forsgren Associates Inc.  
Mr. Mike Izadjou, 3595 Bankhead Rd. Appellant

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

**IV. CONSENT ITEMS:**

1. Minutes from the October 6, 2016 Regular Board Meeting.
2. Accounts Payable in the amount of \$3,302,448.29 through October 27, 2016.
3. Monthly Investment Report in the total amount of \$52,808,032.46 through October 27, 2016.
4. Bills of Sale Acceptance of the Bill of Sale for sewer improvements associated with the Spring Valley Phase 1 Village 2 Subdivision – 89 EDUs/\$210,175.
5. Bill of Sale Acceptance of the Bill of Sale for sewer improvements associated with the Goddard School in Rocklin – 3.11 EDUs/\$10,500.

President Dickinson requested that item #3 – monthly investment report was pulled for further discussion. Director Williams made a motion to approve all remaining items on the consent calendar, a second was made by Director Markey; the motion carried 4-0. A discussion followed regarding the revisions made to the investment report. President Dickinson suggested that the report include the annualized rate of return to be able to compare the investments from one to the other. Director Williams made a motion to approve the investment report a second was made by Director Markey; the motion carried 4-0.

**V. PUBLIC COMMENTS:**

President Dickinson opened the Public comments. Hearing no comments, public comments were closed.

## **VI. BOARD BUSINESS:**

### **1. Appeal of Ordinance #09-02, Izadjou – Participation Fees for Secondary Unit on Residential Property located 3595 Bankhead Avenue, Loomis**

General Manager Niederberger reported that an appeal of Ordinance #09-02 had been made by Mr. Izadjou, for his property located at 3595 Bankhead, Loomis. The appeal addressed sewer participation fees related to the addition of a secondary unit on his property. GM Niederberger introduced District Associate Engineer Carie Huff, who provided a report to the Board regarding the property appeal.

Mr. Izadjou addressed the Board and provided information regarding the addition of a 1500 sq. ft. granny flat on his property, which currently has an existing 1350 sq. ft. 2 Bedroom/1 Bathroom home on site. After he had provided his testimony a lengthy discussion followed. The discussion included information and the application of new state law – Senate Bill 1069 which goes into effect in January 2017, this law eases restrictions on granny units.

Director Williams asked if Mr. Izadjou could wait until January to allow legal counsel and staff to address the effects of SB1069 and assess if this type of addition would be exempt from additional fees and service charges. Mr. Izadjou agreed that he could wait until January if he might be allowed to lay the pipe and cover the open trench on his property. The Board concurred that Mr. Izadjou could lay the pipe, pay his inspection fees and have it inspected by District staff, without connecting to the system. The appeal would then be revisited for further review at the January 5, 2017 Board meeting.

Director Williams made a motion to continue the appeal item to the January 5, 2017 Board meeting, a second was made by Director Mitchell, the motion carried 4-0.

### **2. Discussion Lower Lateral Program**

General Manager Niederberger reported that this item was taken to the Policy & Ordinance Committee who recommended that staff provide a presentation to the full board. Superintendent Rose presented a PowerPoint slideshow to the Board, showing the application of Ordinance #09-02 and the area that the District is responsible for maintaining. The slides demonstrated current practices and explained that the lower lateral is typically located in the public right-of-way or in an easement.

GM Niederberger asked the Board review alternatives and decide whether the current interpretation of Ordinance #09-02 should be reconsidered and revert back to the operations under Ordinance #01-01. He asked whether the current definition of Lower Lateral designated as “privately owned and District maintained” should be revisited.

President Dickinson stated that there is a trade-off for maintenance verses actually fixing the pipelines, and taking ownership for all necessary repairs. Particularly since most residents or homeowners will not be able to take on the expense of repairs. Director Mitchell stated that the

Committee didn't think it is realistic to go on as we are, and that the District should remember its mission statement. He said that the responsibility of the pipe under the street should be the Districts all the way up to the Upper Lateral where the customer should be responsible. He stated that the District is the sewer department and we therefore should maintain the sewer lines well, protect the environment and prevent Sewer spills.

General Manager Niederberger said that the process will be for staff to bring back an Ordinance change to the Board to clarify responsibilities. At a future meeting a full codification of District Ordinances will be brought for approval in the form of one Sewer Code. Staffing changes to support these changes will be included in the next year's budget. The possibility of raising rates to cover the added costs will be considered in 2017.

### **3. Consideration & Approval of Resolution #16-23 Creating Policy 3225 for Joint Use of District Easements and Roads**

General Manager Niederberger reported that the District currently owns and maintains many miles of easements. The District has had some discussions with the City of Rocklin for shared uses of easements. If a joint use is approached, each instance would be brought back to the board for discussion and approval. This policy is the mechanism which would allow the District to sign agreements for such opportunities.

Director Mitchell made a motion to approve Resolution #16-23 creating Policy 3225 for Joint Use of District Easements and Roads, a second was made by Director Markey; the motion carried 4-0.

## **VII. REPORTS:**

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

**2. General Manager (H. Niederberger):** GM Niederberger reported that pre-funding of pension obligations may be brought back to the Fee & Finance committees for review. Director Williams asked if an update of FOG outreach could be brought back to the Fee & Finance Committee. Director Mitchell asked when the Loomis 2 x 2 meeting would be held. GM Niederberger stated that the Board would be moving forward with a meeting at some point after the election, and after the new Town of Loomis Council were in place.

**A. ASD, FSD & TSD Reports:** President Dickinson stated that Engineering was doing a great job on their plan review, with 99% success rate. Director Mitchell asked if there would be a need for construction support for both the Foothill Trunk and Loomis Diversion projects. DE Nielsen stated that there would be some assistance provided for the projects.

**B. Information Items:** No additional items were reported.

**3. Directors Comments:** Director Williams stated that Ed Horton had provided him with a copy of a Loomis News article from 1957 which included members of the Board including his father, which might be used for the Districts 60 year press release article.

Director Mitchell posed the question of whether an insert could be included with District Utility Bills for a non-profit entity. Indicating that there would be no costs associated to the

District. A short discussion followed regarding setting precedence and discretion for content, along with use of public funds. Director Mitchell opted for the board to ignore his request.

**The Board convened into Closed Session at 6:14 p.m.**

**VIII. CLOSED SESSION**

Closed Session: Per Government Code Section 54957  
Public Employment – General Manager Performance Evaluation

The form and method of the GM evaluation was discussed. It was decided to hold a Special Closed Session Meeting of the Board of Directors on November 17, 2016.

**IX. ADJOURNMENT**

The meeting was adjourned at 6:37 p.m. to a Special Meeting to be held on Thursday, November 17, 2016 at 4:30 p.m.

A handwritten signature in black ink that reads "Joanna Belanger". The signature is written in a cursive, flowing style.

Joanna Belanger, Board Secretary