

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

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Special	SPMUD Boardroom Zoom Meeting	November 7, 2024	2:30 p.m.

**I. CALL MEETING TO ORDER:** A Special Meeting of the South Placer Municipal Utility District Board of Directors was called to order with President Durfee presiding at 2:31 p.m.

**II. ROLL CALL OF DIRECTORS:**

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

Absent: Director Jim Williams

Vacant: None

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

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

**IV. PUBLIC COMMENTS:**

ASM Costan confirmed that no eComments were received. Hearing no other comments, the public comments session was closed.

**V. CONSENT ITEMS:**

1. MINUTES from the October 2, 2024, Special Meeting.
2. MINUTES from the October 3, 2024, Regular Meeting.
3. ACCOUNTS PAYABLE in the amount of \$885,664 through October 29, 2024.
4. BILL OF SALE Acceptance of the Bill of Sale for the Maverik Rocklin Sewer Improvements with an estimated value of \$249,172.
5. QUARTERLY INVESTMENT REPORT in the total amount of \$82,013,020 through September 30, 2024.
6. ANNUAL INVESTMENT REPORT for the fiscal year ended June 30, 2024.
7. RESOLUTION 24-29 PROFESSIONAL SERVICES AGREEMENT WITH WATERWORKS ENGINEERS TO UPDATE THE DISTRICT'S WASTEWATER COLLECTION SYSTEM HYDRAULIC MODEL AND COMPLETE THE 2025 SYSTEM EVALUATION AND CAPACITY ASSURANCE PLAN (SECAP)

8. RESOLUTION 24-30 AUTHORIZING THE GENERAL MANAGER TO EXECUTE AN ADDENDUM TO THE PROFESSIONAL SERVICES AGREEMENT WITH CPS HR CONSULTING FOR HUMAN RESOURCES (HR) SERVICES

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

**VI. BOARD BUSINESS**

**1. PUBLIC HEARING: INTRODUCTION OF ORDINANCE 24-01 AN ORDINANCE REVISING THE DISTRICT SEWER CODE**

GM Niederberger presented the proposed revisions to the District Sewer Code. He reviewed the proposed changes to each chapter of the Code which primarily consisted of changing the term participation fee to capacity charge to align with the language used in California Government Code Section 66013 and creating a separate appendix for the definitions.

President Durfee thanked the Policy and Ordinance Committee and Management Analyst Lindholm for their work on this item. Director Dickinson asked about the addition of wipes and flushable wipes to Section 2.02.050 Prohibited Discharges and if there would be enforcement or education when a violation occurred. DE Huff commented that there would be enforcement for repeat or egregious incidents that result in a spill. DS Nielsen commented that there is work being done in the industry to improve education and messaging regarding wipes that are marked as flushable. Vice President Jewell asked for more information about recreation vehicles (RV) discharging on private property locations. DE Huff shared that due to the chemicals that are often contained in the RV tanks and spills that have occurred, a special connection is required to discharge waste from an RV.

President Durfee opened the public hearing. No public comments were received.

Director Mitchell made a motion to (1) Waive the full reading of the proposed Ordinance #24-01, (2) Introduce Ordinance No. 24-01 –An Ordinance revising the District Sewer Code, (3) Conduct a Public Hearing and consider all testimony regarding said revisions, and (4) Close the Public Hearing and schedule the 2nd reading and adoption for the next regularly scheduled meeting of the Board of Directors on December 5, 2024; a second was made by Vice President Jewell; a roll call vote was taken, and the motion carried 4-0.

**2. RESOLUTION 24-31 REVISING BOARD POLICIES #3130 DISTRICT RESERVE POLICY, 3160 BILLING RECONCILIATION AND PAYMENT POLICY, #3350 DEFERRED CAPACITY CHARGES, AND #4041 DELEGATION TO THE GENERAL MANAGER**

GM Niederberger presented the proposed revisions to the four board policies. He shared that policies 3130, 3160, and 3350 were being updated to change the term participation fee to capacity charge to be consistent with the revisions proposed for the District Sewer Code. Policy 4041 was being updated to allow the General Manager the authority to author, prepare, and sign letters of

support or opposition to legislation on behalf of the District when the position is consistent with the recommendation of the California Special Districts Association (CSDA) or prior positions of the Board of Directors. No public comments were received.

Vice President Jewell made a motion to approve Resolution 24-31 revising Board Policies #3130, #3160, #3350, and #4041; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 4-0.

**3. RESOLUTION 24-32 AWARDING THE CONSTRUCTION CONTRACT FOR THE SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) SYSTEMS IMPROVEMENT PROJECT TO TELSTAR INSTRUMENTS**

DS Nielsen presented the proposed construction contract awarding the SCADA Systems Improvement Project to Telstar Instruments. He shared that a mandatory pre-bid meeting was held on August 28<sup>th</sup> and at the request of several of the contractors, the public bid opening was pushed back and held on October 1<sup>st</sup> to allow greater time to complete and submit bids. One bid was received from Telstar Instruments. The bid amount was 9.5% greater than the engineer's estimate, which wasn't entirely unexpected given the rising cost of work and materials. DS Nielsen went over the bid received, services to be provided, and the basis for staff recommending that the Board award the contract to Telstar Instruments, including Telstar being able to complete the varied phases of the project and the positive reviews they received.

Director Dickinson asked about the process for change orders. DS Nielsen clarified that all change orders will be reported to the Board, but not every change order will need to be taken back to the Board for approval if they are within the parameters set by the Board. He advised that the language is similar to the recommendations contained in previous construction contracts. Director Dickinson also asked if a budget adjustment would be needed. DS Nielsen advised that the funds budgeted for the project in the current fiscal year are anticipated to be adequate, but the amount to be budgeted next year will need to be increased. The total project cost is expected to be approximately \$3.1 million.

Director Dickinson inquired why so few bids had been received. DS Nielsen indicated that the mandatory pre-bid meeting potentially limited the number of bidders, but that it was held to make sure all bidders had a full understanding of the various aspects of the project and was done at the recommendation of the District's consultant. DS Nielsen shared other potentially limiting factors including the scope and nature of the project itself and potential bids from other contractors. A meeting was scheduled with one contractor who chose not to bid to gain feedback for future projects. No public comments were received.

Director Dickinson made a motion finding that, pursuant to Section 15300.4 of the California Environmental Quality Act (CEQA) Guidelines, the SCADA System Improvements Project is categorically exempt and adopting Resolution 24-32 to (1) Award the attached construction contract to Telstar Instruments to construct and integrate the SCADA System Improvements in the amount of \$2,738,000, (2) Execute any change order for an amount up to and including \$50,000, consistent with the existing District Purchasing Policy (3150), and (3) Execute change orders up

to a cumulative amount not to exceed 10% of the awarded construction contract amount (i.e., \$273,800); a second was made by Vice President Jewell; a roll call vote was taken, and the motion carried 4-0.

#### **4. RESOLUTION 24-33 SETTING AN APPEALS FEE**

GM Niederberger provided updated information regarding the recommendation to set an appeals fee. He shared that the District Sewer Code is being revised by Ordinance 24-01 presented to the Board earlier, to read that an appeal fee “may” be adopted by Board Resolution from the original language which stated that an appeal fee “shall” be adopted by Board Resolution. He added that while the appeal fee is intended to cover the cost of hearing the appeal, the proposed fees would only be sufficient to cover minor administrative costs. GM Niederberger discussed the findings of the review of other local agencies’ appeals processes. There was no consistent fee or process found; each agency handles appeals differently. He invited the Board to discuss setting an appropriate fee.

Vice President Jewell commented that the fee amount would be nominal and would not cover the staff time involved in auditing or working on the appeal. She shared that she would like the Board to have the ability to refund the fee if they find that the appeal is justified. She asked what an appropriate fee would be to cover staff time, GM Niederberger indicated it would likely have to be in excess of \$1,000; however, staff is recommending a more nominal fee amount.

Director Mitchell commented that his first preference would be no fee. He shared his belief that the appeal process should be used as an opportunity to work with customers to improve processes. His second preference would be to have the ability to refund the appeal fee. Should the appeal process be abused in the future, he would support adding an appeal fee. Director Mitchell commended staff on the good service being provided to customers.

Director Dickinson commented that he believes there needs to be some small fee to deter unfounded or retaliatory appeals. He commented that he doesn’t want a refund to be based on winning an appeal, since the outcome is usually a compromise. He suggested the Board consider refunding the fee at the Board’s discretion.

President Durfee commented that he was initially not in favor of an appeal fee but does support a nominal fee that is less than other local agencies to deter frivolous appeals. He shared support for the inclusion of the Board’s ability to waive or refund a fee. No public comments were received.

Director Dickinson made a motion to approve Resolution 24-33 establishing an Appeals Fee of \$50 in accordance with Chapter 1.15.020 of the Sewer Code and allowing the Board to refund the fee at their discretion; a second was made by Vice President Jewell; a roll call vote was taken, and the motion carried 4-0.

#### **5. EMERGENCY MESSAGING APPLICATION DEMONSTRATION**

DS Nielsen presented the District’s new Emergency Messaging Application. He shared that the original emergency notification plan was to utilize a group text message to alert staff to emergent

situations, but the District has decided to instead use the Catapult Emergency Management System, often used in schools, due to the additional features that it provides. This system allows the District to quickly release information, customize the application to District needs, and use preset messaging. DS Nielsen indicated that the system is very cost-effective. He discussed the “WeTip” feature which allows for the anonymous reporting of safety concerns or suggestions, has components for staff to report workplace violence incidents, and allows the District to report as legally required and follow up as necessary. DS Nielsen indicated that the configuration of the system is still ongoing, after configuration is completed, there will be training and then the program will be released to District staff and Board Members.

Director Mitchell asked if this was a separate device and who was responsible for installation; DS Nielsen explained that it was an application to be installed on existing District devices and the District would be responsible for updates and setup, with the assistance of the application team. Director Mitchell asked about communicating through the application, DS Nielsen confirmed that there was a communication portion of the application that is controlled and allows for a streamlined application. Director Mitchell asked about SCADA integration, DS Nielsen confirmed that there is no integration with SCADA.

President Durfee asked if the application triggered a 911 call. DS Nielsen confirmed that it does not and would be used in conjunction with other District safety processes. Ongoing training on the application will be included in the District’s annual safety training.

Vice President Jewell asked about the cost and if the price was dependent on the number of users. DS Nielsen replied that it costs \$1,600 a year and the cost is not dependent on the number of users. Vice President Jewell asked about any existing processes the application would replace. DS Nielsen confirmed that it would replace or supplement the manual submission of safety concerns. Director Mitchell confirmed the price was per year, not per month.

President Durfee asked about the timeframe for implementation, DS Nielsen responded that it is anticipated to be in place within the next month. No public comments were received, and no action was taken.

## **VII. REPORTS**

### **1. District General Counsel (A. Brown):**

General Counsel Brown shared that his report will be covered in closed session.

### **2. General Manager (H. Niederberger):**

#### **A. ASD, FSD & TSD Reports:**

GM Niederberger shared that he will be out of the office on several dates in November.

Director Dickinson asked DE Huff about the refund agreement with the City of Rocklin related to the Monument Springs Drive Bridge Project and if the City of Rocklin was in support of the agreement. DE Huff confirmed that they were. GM Niederberger added that this project was

originally a developer-funded project, but the City was involved and very interested in efforts to move the project forward. President Durfee asked where the City's funding was coming from, DE Huff advised that this was an outstanding question she had for the City. Director Dickinson also asked if the City of Rocklin had come to an agreement with the District regarding the Atherton Trunk Project, DE Huff confirmed that the City Council granted the authority to purchase the sewer easements.

Director Mitchell commended staff on performance and work on long-standing projects, including safety. Vice President Jewell asked DE Huff about the variance and snack bar issue with the Little League teams. DE Huff commented that the variance would allow each league to proceed without a grease control device and associated fees, as long as they adhere to best practices. No friers would be allowed, but other appliances that don't require grease mitigation through the sewer would be allowed. The District is still waiting for submittal of best practices plans, but the District plans to work with each league individually to meet their needs. Director Mitchell asked about the documentation of these plans, DE Huff explained the approval of the best practices plans through the Fat's, Oils, and Greases (FOG) permitting process, at no cost to the leagues.

**B. Information Items:**

GM Niederberger spoke about moving the January Board Meeting from January 2, 2025, to January 9, 2025, given the proximity to the January 1, 2025, holiday. President Durfee suggested a query be sent to new Board Members as well, given that this meeting would be the swearing-in meeting.

**3. Director's Comments:**

Director Dickinson suggested the new board members meet with the Board President or Vice President to find out about the new members' interests prior to advisory committee assignments. Director Mitchell spoke about the experience of some of the potential incoming Board Members. Vice President Jewell agreed with the suggestion of a meeting with new members. GM Niederberger spoke about the fact that the election has not yet been finalized and the new Board Member orientation with District staff.

**VIII. CLOSED SESSION READOUT**

The Board met in Closed Session at 3:30 p.m. to discuss pending litigation. No action was taken. The Board adjourned the closed session at 3:44 p.m.

**IX. ADJOURNMENT**

The President adjourned the meeting at 3:45 p.m. to the next regular meeting to be held on November 7, 2024, at 4:30 p.m.



Emilie Costan, Board Secretary