

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

Meeting	Location	Date	Time
Regular	Zoom Meeting SPMUD Boardroom	May 5, 2022	4:30 p.m.

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

II. ROLL CALL OF DIRECTORS:

Present: Director Will Dickinson, Director John Murdock, Director James Durfee, Vice President Jim Williams
President Jerry Mitchell arrived at 4:32 p.m.

Absent: None

Vacant: None

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

III. PLEDGE OF ALLEGIANCE: Vice President Williams 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 April 7, 2022 Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$582,103 through April 25, 2022.
3. RESOLUTION 22-12 UPDATES TO THE DISTRICT RETENTION SCHEDULE, BOARD POLICY 3310.
4. RESOLUTION 22-13 A RESOLUTION OF THE SOUTH PLACER MUNICIPAL UTILITY DISTRICT DECLARING AN ELECTION BE HELD IN ITS JURISDICTION; REQUESTING THE BOARD OF SUPERVISORS TO CONSOLIDATE THIS ELECTION WITH ANY OTHER ELECTION CONDUCTED ON SAID DATE; AND REQUESTING ELECTION SERVICES BY THE COUNTY CLERK.

5. RESOLUTION 22-14 DECLARING AND RE-RATIFYING THE STATE OF EMERGENCY AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS DUE TO THE COVID-19 EMERGENCY.
6. RESOLUTION 22-15 CONSTRUCTION COOPERATION AND REIMBURSEMENT AGREEMENT WITH THE CITY OF ROCKLIN FOR THE 2022 MISSION HILLS ROAD RECONSTRUCTION PROJECT (PHASE 3).
7. RESOLUTION 22-16 DEFERRED PAYMENT OF PARTICIPATION FEES – GERWER PROPERTY AT 5465 RUHKALA ROAD
8. RESOLUTION 22-17 AUTHORIZING THE GENERAL MANAGER TO SURPLUS PROPERTY AND/OR EQUIPMENT
9. RESOLUTION 22-18 COMMENDING ROD PIERCE, LEAD WORKER, FOR HIS YEARS OF SERVICE WITH THE DISTRICT
10. RESOLUTION 22-19 COMMENDING MARK CERVANTES, LEAD WORKER, FOR HIS YEARS OF SERVICE WITH THE DISTRICT

Director Durfee made a motion to approve the consent items; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 5-0.

VI. BOARD BUSINESS

1. PUBLIC HEARING: ORDINANCE NO. 22-02 – AN ORDINANCE REVISING THE TIMELINE FOR REIMBURSEMENT AGREEMENTS AS CONTAINED IN THE DISTRICT SEWER CODE SECTION 4.04.001

GM Niederberger presented Ordinance 22-02 which, if adopted, would accelerate the timeline for developers to receive reimbursements for the construction of major trunk facilities as outlined in the District Sewer Code. The current timeline for obtaining reimbursement from the District has been a deterrent and has resulted in requests for phasing the construction of these facilities.

Director Dickinson commented that if the District were to complete the construction projects themselves, the District would have control over the timing and expenses. GM Niederberger shared that having the developer complete the work ensures that the project is completed at the time the pipe is needed for service.

Director Durfee made a motion directing staff to (1) Waive the full reading of the proposed Ordinance #22-02. (2) Introduce Ordinance No. 22-02 – An Ordinance revising the Timeline for Reimbursement Agreements as contained in the District Sewer Code Section 4.04.001. (3) Conduct a Public Hearing for the proposed Ordinance; and (4) Schedule the 2nd reading and adoption for the next regularly scheduled meeting of the Board of Directors on June 2, 2022; a second was made by Director Murdock; a roll call vote was taken, and the motion carried 4-1 with Director Dickinson voting no.

2. RESOLUTION 22-20 CREATING THE JOB DESCRIPTION FOR MAINTENANCE WORKER/ELECTRO-MECHANICAL TECHNICIAN

DS Nielsen presented the proposed Maintenance Worker/ Electro-Mechanical Technician position. He shared that staff has been discussing changes to the organizational structure of the Field Services Department. These changes were reviewed with the Personnel Advisory Committee. DS Nielsen shared that the new position will better match the District's positions to the working conditions in the department and provide redundancy in the SCADA, Lift Station, and Flow Recorder responsibilities. The organizational changes will also create a second lateral crew to help address the frequency of maintenance needs on the lower lateral pipes. These position changes will be included in the June Budget Workshop.

Director Murdock made a motion to approve the creation of the Maintenance Worker/Electro-Mechanical Technician Job Description for use by the District; a second was made by Director Durfee; a roll call vote was taken, and the motion carried 5-0.

3. QUARTERLY INVESTMENT REPORT (JANUARY 1, 2022 TO MARCH 31, 2022)

ASM Costan presented the First Quarter Investment Report. She shared that in preparation for the June Budget Workshop, the quarterly investment report was moved off of the consent calendar to review the performance of the CalTRUST investments, the performance of the CalPERS CERB and CEPP Trusts, and the General and Capital Fund balances. ASM Costan shared that the CalTRUST, CERBT, and CEPPT accounts have all had recent investment losses. The allocation of the District's investment funds can be modified in the future if desired by the Board to potentially reduce losses and achieve the best returns for the District. ASM Costan also shared that the General Fund balance is approximately \$20 million. The fiscal year 22/23 budget will include proposed spending on the Corporation Yard Addition and Tenant Improvement Project, an additional payment towards the District's Unfunded Liability with CalPERS, and spending on the Newcastle Master Plan Improvements and Fire Station.

Vice President Williams asked why the Corporation Yard Addition and Tenant Improvement Project is not paid for out of the Capital Fund. GM Niederberger shared that the Capital Improvement Fund 300 is used exclusively for major sewer expansion or enlargement projects and that it is more appropriate to use the General Fund 100 to finance the Corporation Yard Addition and Tenant Improvements.

Vice President Williams made a motion to accept the First Quarter Investment Report in the total amount of \$73,323,296 through March 31, 2022; a second was made by Director Durfee; a voice vote was taken, and the motion carried 5-0.

4. RESOLUTION 22-21 AWARD OF THE CONTRACT FOR THE 2022 CORPORATION YARD ADDITION AND TENANT IMPROVEMENT PROJECT TO LANDMARK CONSTRUCTION

DS Nielsen presented the Award of the Contract for the 2022 Corporation Yard Addition and Tenant Improvement Project. He shared that Landmark Construction was the lowest responsible bidder.

Director Dickinson asked whether the District is past the bid protest period. DS Nielsen shared that the District is past the protest period, and no protests were received. Vice President Williams asked why the project is being awarded for more than the bid amount. DS Nielsen shared that the project had contingencies due to unseen conditions that were quantified and removed from the bid. Vice President Williams highlighted that Landmark Construction is a local contractor with offices in Rocklin.

Vice President Williams made a motion directing staff to (1) Find that, pursuant to Section 15300.4 of the California Environmental Quality Act (CEQA) Guidelines, the 2022 Corporation Yard Building Addition and Tenant Improvement Project is categorically exempt; and (2) Adopt Resolution 22-21 authorizing the General Manager to award the attached construction contract to Landmark Construction to construct the Building Addition and Tenant Improvements in the amount of \$3,838,000.00, execute any change order for an amount up to and including \$50,000.00, consistent with the existing SPMUD Purchasing Policy (3150), and execute change orders up to a cumulative amount not to exceed 10% of the awarded construction contract amount (i.e., \$383,800.00); a second was made by Director Murdock; a roll call vote was taken, and the motion carried 5-0.

5. STRATEGIC PLANNING WORKSHOP: STRATEGIC PRIORITIES

Vice President Williams made a motion to continue the Strategic Planning Workshop on Strategic Priorities to the June Board Meeting; a second was made by Director Dickinson; a voice vote was taken, and the motion carried 5-0.

VII. REPORTS

1. District General Counsel (A. Brown):

General Counsel Brown had no report for this meeting.

2. General Manager (H. Niederberger):

A. ASD, FSD & TSD Reports:

Director Dickinson shared that he received negative feedback about Cured in Place Pipe (CIPP) Liners, and asked staff about the impact of the lining completed at the District. DS Nielsen shared that the District is specific about requiring structural lining of the pipes and shared other details with the Board about the District's CIPP Program.

President Mitchell thanked staff for 2,039 days without a lost-time incident.

B. Information Items: No additional items.

3. Director's Comments:

President Mitchell commented that the need for future replacement of pipe and the uncertainty in the economy creates hesitancy to spend funds on anything other than the District's essential functions.

VIII. CLOSED SESSION READOUT

The Board met in Closed Session at 5:24 p.m. to consider two items:

1. Pending litigation, Joanna Belanger et al. vs. California Public Employees Retirement System and South Placer Municipal Utility District, the Board heard a report from Counsel on the status of pending settlement discussions and the Board gave direction to Counsel to continue discussions and provide the settlement agreement for consideration at the June Board meeting.
2. The Board heard a report from staff regarding the consideration of an amendment to the MOU with Employees. Direction was provided to staff and no action was taken.

The Board adjourned the closed session at 5:44 p.m.

IX. ADJOURNMENT

The President adjourned the meeting at 5:46 p.m. to the next regular meeting to be held on June 2, 2022, at 4:30 p.m.



Emilie Costan, Board Secretary