

Item 5.1

REGULAR BOARD MINUTES SOUTH PLACER MUNICIPAL UTILITY DISTRICT

MEETING DATE & TIME: July 2, 2026 at 4:30 PM

MEETING LOCATION: SPMUD Boardroom

I. CALL MEETING TO ORDER

A 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: Director Jerry Mitchell (arrived at 4:31), Director Will Dickinson, Director Michael Faria, and Director Jack Arney

Absent: Director Christy Jewell

Vacant: None

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

III. PLEDGE OF ALLEGIANCE

GM Nielsen led the Pledge of Allegiance.

IV. PUBLIC COMMENTS ON MATTERS NOT ON THE AGENDA

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 June 4, 2026, Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$5,992,586.21 through June 22, 2026.

No public comments were received on the Consent Items.

Director Faria motioned to approve the Consent Items, a second was made by Director Arney; a voice vote was taken, and the motion carried 4-0.

VI. BOARD BUSINESS

1. RESOLUTION 26-28 ADOPTING THE FISCAL YEAR 2026/27 ANNUAL OPERATING AND CAPITAL BUDGET

ASM Costan presented the annual operating and capital budget for Fiscal Year 2026/27. She shared that the comments received from the Government Finance Officers Association (GFOA)

on the Fiscal Year 2025/26 budget book and the new Distinguished Budget Presentation Award program requirements have been addressed and incorporated into this year's budget book. The District will be submitting the budget book again for consideration for the award. The comments received from the Board during the June 4, 2026 Budget Workshop, including adding \$50,000 for a consultant to assist with rate and capacity charge analysis, were also incorporated into the final document.

ASM Costan spoke about the limited time that staff have historically had to prepare the budget book and incorporate recommendations and new program requirements. She shared that staff plans to hold the budget workshop one month earlier next year at the May board meeting.

President Dickinson asked about the potential for funding to come from both funds 300 and 400 for the Boyington Extension and Sierra College Trunk projects (Table 5.3), currently listed as expansion projects only, given their impact on existing facilities. GM Nielsen shared that these projects were identified in the System Evaluation and Capacity Assurance Plan (SECAP), and typically, the renewal fund has been for the replacement of existing sewer lines. He commented that the impact on existing facilities may allow for some portion of cost sharing between funds that can be further examined.

President Dickinson spoke about the South Placer Wastewater Authority (SPWA) projects and funding, including the District's balance in the rate stabilization fund and the number of new connections left in the District. Director Arney asked about the District's plan if the SPWA account is overfunded, and if that would create the potential for refunds. GM Nielsen shared that the SECAP is reviewed frequently to ensure that necessary projects are included and fees are set appropriately. The District is working with SPWA to understand the impact of proportionate shares, prior to the potential for over-collection or excess payment. The District's proportionate share of future projects may change, given the District's limited need for additional capacity. He also shared that the overall capacity needed is a moving number, impacted by regulations, processes, growth, and impact. GC Brown shared that the amount collected for capacity charges is prospective based upon the best information available at the time. While the District could see a reduced capacity and demand need in the future, the funds collected for capacity charges would remain in the rate stabilization account to be utilized to construct capacity as it becomes needed. No public comments were received.

Vice President Mitchell shared that he found the budget book to be clear, well-defined, and correlated to the District's 5-Year Strategic Plan. The document gives a comprehensive picture of the District and how funds are spent.

Vice President Mitchell motioned to approve Resolution 26-28 adopting the Annual Operating and Capital Budget for Fiscal Year 2026/27, a second was made by Director Arney; a roll call vote was taken, and the motion carried 4-0.

2. SOUTH PLACER WASTEWATER AUTHORITY EQUIVALENT DWELLING UNIT STUDY AND RELATED CORRESPONDENCE

GM Nielsen presented an informational item regarding the potential SPWA Equivalent Dwelling Unit (EDU) study. He shared that there was a discussion between the SPWA partners to develop the scope for the project and there are three questions currently posed by SPWA: (1) What is each partners' desire to participate in a local EDU study, (2) Do any agencies want to lead the

development of an agreement, and (3) How much of the study does each partner want to pursue. The letter and scope were received by the District on July 2nd and were included as supplemental information for the meeting.

The Board discussed the benefits and risks involved in participating in the EDU study, including the impacts on staff time, the possibility of alternate paths the District could take to study how it assigns EDUs, and how rates are calculated by EDU. The Board discussed and provided direction on postponing the District's response until after the August Board Meetings to allow time for SPWA to answer questions that have been sent to them by GM Nielsen and President Dickinson on this topic. The Board requested a Fee and Finance Committee meeting before the August meeting in order to discuss the findings in more detail, with a plan to bring back information at the August Board Meeting for further discussion. No public comments were received.

VII. DEPARTMENT REPORTS

Legal Counsel (A. Brown):

GC Brown had no report for this meeting.

General Manager (E. Nielsen):

President Dickinson asked DS Stites for an update on the SCADA project. DS Stites shared that the project is substantially completed, and the District and contractor are working through final punch list items.

President Dickinson asked DE Huff about the PCWA Old State Highway project. DE Huff shared that the project is nearing completion, and staff met with PCWA to negotiate some of the larger change orders. To date, all change orders are within the contingency budget.

President Dickinson asked if the District is finding any observable positive results from the FOG (Fats, Oils, and Grease) program. DE Huff shared that the amount of grease found in devices and pump outs has decreased. DS Stites added that FSD hasn't noticed any significant grease issues. President Dickinson asked staff to come back to the Board with additional information on the results of the FOG program. GM Nielsen shared that the District's Asset Management Plan, currently in development, will utilize CCTV footage to help monitor impacts over time.

VIII. DIRECTOR'S COMMENTS

Vice President Mitchell and Director Faria complimented the staff on a complete and comprehensive budget report. Director Arney wished everyone a Happy 4th of July. Director Faria congratulated staff on 9.8 years without a Lost Time Accident or Injury.

IX. ADJOURNMENT

The President adjourned the meeting at 5:31 p.m. to the next regular meeting to be held on August 6, 2026, at 4:30 p.m.



Emilie Costan, Board Secretary