



**SPMUD BOARD OF DIRECTORS
REGULAR MEETING: 4:30 PM
February 6, 2025**

SPMUD Boardroom
5807 Springview Drive, Rocklin, CA 95677

Zoom Meeting: 1 (669) 900-9128
Meeting ID: 816 8308 7541

The District's regular Board meeting is held on the first Thursday of every month. This notice and agenda are posted on the District's website (www.spmud.ca.gov) and the District's outdoor bulletin board at 5807 Springview Drive Rocklin, CA. Meeting facilities are accessible to persons with disabilities. Requests for other considerations should be made at (916) 786-8555.

The February 6, 2025 Regular Meeting of the SPMUD Board of Directors will be held in the District Board Room at 5807 Springview Drive in Rocklin, CA 95677 with the option for the public to join via teleconference using Zoom Meeting 1 (669) 900-9128, <https://us02web.zoom.us/j/81683087541>. Public comments can be made in person at the time of the meeting or emailed to board_secretary@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

AGENDA

I. CALL MEETING TO ORDER

II. ROLL CALL OF DIRECTORS

Director Jerry Mitchell	Ward 1
Director Will Dickinson	Ward 2
Director Christy Jewell	Ward 3
Director Michael Faria	Ward 4
Director Jack Arney	Ward 5

III. PLEDGE OF ALLEGIANCE

IV. PUBLIC COMMENTS

Items not on the Agenda may be presented to the Board at this time; however, the Board can take no action. Public comments can be made in person at the time of the meeting or emailed to board_secretary@spmud.ca.gov from the time the agenda is posted until the matter is heard at the meeting. Comments should be kept to 250 words or less.

V. CONSENT ITEMS

[pg 4 to 27]

Consent items should be considered together as one motion. Any item(s) requested to be removed will be considered after the motion to approve the Consent Items.

ACTION: (Roll Call Vote)

Motion to approve the consent items for the February 6, 2025 Regular Meeting.

1. MINUTES from the January 9, 2025, Special Meeting. [pg 4 to 8]
2. ACCOUNTS PAYABLE in the amount of \$2,856,424 through January 27, 2025. [pg 9 to 14]
3. QUARTERLY INVESTMENT REPORT in the total amount of \$82,494,755 [pg 15 to 17] through December 31, 2024.
4. RESOLUTION 25-01 REVISING BOARD POLICIES #3251 RECORDATION OF ASSETS FOR DEPRECIATION PURPOSES AND #4055 SELECTION OF OFFICERS AND ABOLISHING BOARD POLICY #3080 DOMESTIC SEWER OVERFLOWS [pg 18 to 27]

VI. BOARD BUSINESS

Board action may occur on any identified agenda item. Any member of the public may directly address the Board on any identified agenda item of interest, either before or during the Board's consideration of that item.

1. FUND BALANCE WORKSHOP

Staff will present a workshop on the District's three Proprietary Funds: the Operating Fund (100), the Capital Expansion Fund (300), and the Capital Renewal Fund (400).

No Action Requested: Informational Item

2. RESOLUTION 25-02 AMENDING RESOLUTION 24-19, AND APPROVAL OF MID-YEAR ADJUSTMENTS TO THE FISCAL YEAR 2024/25 BUDGET [pg 28 to 37]

Staff will report to the Board the mid-year budget adjustments recommended for Fiscal Year 2024/25.

Action Requested: Roll Call Vote

Staff recommends that the Board of Directors adopt Resolution 25-02, amending Resolution 24-19 and authorizing the following adjustments to the FY2024/25 Budget:

1. **Operating Budget (Fund 100)**
 - a. **Increase the Revenue Budget by \$209,500 from \$19.83M to \$20.04M.**
 - b. **Increase the General Expense Budget by \$1,567,565 from \$21.34M to \$22.91M.**
 - c. **Decrease the Capital Expense Budget by \$1,300,000 from \$1.66M to \$0.36M.**
2. **Capital Expansion Budget (Fund 300)**
 - a. **Increase the Revenue Budget by \$125,000 from \$2.46M to \$2.58M**
 - b. **No changes are being proposed to the Expense Budget.**
3. **Capital Renewal Budget (Fund 400)**
 - a. **Increase the Revenue Budget by \$100,000 from \$0.73M to \$0.83M.**
 - b. **Increase the Expense Budget by \$1,088,90: from \$7.62M to \$8.71M.**

3. **SENATE BILL (SB) 937 MITIGATION FEE ACT CHANGES**

General Counsel Brown will provide a report on SB 937 and how it impacts the collection of the District's Capacity Charge.

No Action Requested: Informational Item

4. **SOUTH PLACER WASTEWATER AUTHORITY (SPWA) BOARD MEETING REPORT** Verbal

There will be a brief update on the recent actions and activities of the SPWA Board.

No Action Requested: Informational Item

VII. REPORTS

[pg 38 to 53]

The purpose of these reports is to provide information on projects, programs, staff actions, and committee meetings that are of general interest to the Board and the public. No decisions are to be made on these issues.

1. Legal Counsel (A. Brown)
2. General Manager (E. Nielsen)
 - 1) ASD, FSD & TSD Reports
 - 2) Informational items
3. Director's Comments: Directors may make brief announcements or brief reports on their activities. They may ask questions for clarification, make a referral to staff, or take action to have staff place a matter of business on a future agenda.

VIII. ADJOURNMENT

If there is no other Board business the President will adjourn the meeting to the next regular meeting to be held on **March 6, 2025, at 4:30 p.m.**

ITEM 5.1 MINUTES

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

Meeting	Location	Date	Time
Special	SPMUD Boardroom Zoom Meeting	January 9, 2025	4:30 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 Vice President Jewell presiding at 4:30 p.m.

II. ISSUANCE OF OATH OF OFFICE

ASM Costan issued the Oath of Office for Director Jerry Mitchell of Ward 1, Director Chris M. Faria of Ward 4, and Director Jack Arney of Ward 5.

III. ROLL CALL OF DIRECTORS:

Present: Director Jerry Mitchell, Director Will Dickinson, Director Christy Jewell, Director Michael Faria, Director Jack Arney

Absent: None

Vacant: None

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

IV. PLEDGE OF ALLEGIANCE: Director Faria led the Pledge of Allegiance.

V. PUBLIC COMMENTS:

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

VI. CONSENT ITEMS:

1. MINUTES from the December 5, 2024, Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$676,051 through December 30, 2024.
3. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements for Whitney Ranch Unit #49 with an estimated value of \$1,697,871

No public comments were received.

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

VII. BOARD BUSINESS

1. SELECTION OF OFFICERS AND APPOINTMENTS TO THE TEMPORARY ADVISORY COMMITTEES AND SPWA BOARD

Vice President Jewell succeeded as the new Board President for 2025 in accordance with Board Policy 4055, Selection of Officers. No public comments were received.

Director Mitchell made a motion to nominate Director Dickinson to serve as Vice President, a second was made by President Jewell, a voice vote was taken, and the motion carried 5-0.

President Jewell dissolved the existing advisory committees, created new temporary advisory committees, and appointed Directors to serve as follows:

- Fee & Finance Committee: Director Dickinson & Director Arney
- Personnel Advisory Committee: Director Arney & Director Jewell
- Policy & Ordinance Advisory Committee: Director Faria & Director Mitchell
- Infrastructure Advisory Committee: Director Dickinson & Director Faria
- Loomis 2 x 2 Committee: Director Faria & Director Arney
- Rocklin 2 x 2 Committee: President Jewell & Director Mitchell

President Jewell appointed Vice President Dickinson as District representative to the South Placer Wastewater Authority Board of Directors with President Jewell serving as alternate.

2. BROWN ACT WORKSHOP

GC Brown conducted a workshop on the Ralph M. Brown Act, the open meeting law in California. He discussed the requirements and obligations of being a board member under the Brown Act. He emphasized the importance of transparency and avoiding closed-door discussions or deliberations. GC Brown clarified that board members can discuss matters with staff or constituents so long as the matter is not related to a closed session item. Board members can also discuss matters with one other board member as commonly occurs at temporary advisory committee meetings. All other discussions with board members must be held at a public meeting. GC Brown gave an overview of the structure of the District, sharing that the Board is responsible for setting policy, the General Manager is responsible for day-to-day operations, and he serves the Board as General Counsel. He encouraged the board members to review the detailed materials provided and to reach out to him if they have any questions.

Vice President Dickinson asked for GC Brown to review the rules regarding serial meetings. GC Brown shared that serial meetings are prohibited by the Brown Act and provided examples of the two main types of serial meetings, the “game of telephone” and the “hub and spoke” meeting.

GM Nielsen commented that these rules pertain to all types of communication including emails and text messages. He shared that staff typically blind copies board members on emails to prevent inadvertent Brown Act violations. No public comments were received.

3. POPULAR ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2024

ASM Costan presented the Popular Annual Financial Report (PAFR) for the fiscal year ending June 30, 2024. She shared that the report is designed for the District's constituents and is presented in an

easy-to-read format that makes the District's financial data easily digestible for the public. The report highlights the District's mission, vision, and values, strategic plan priorities, low monthly service rate, capital projects, and financial performance. The report was circulated to the District's customers and submitted to the Government Finance Officers Association (GFOA) for consideration of the PAFR award.

Director Mitchell asked about the timing of the issuance of the report. ASM Costan shared that the report is required to be submitted no later than six months after the end of the fiscal year. Vice President Dickinson provided suggested edits to the text on page 14 of the report that reads, "Capital Replacement and Rehabilitation projects are funded by accumulated depreciation." He commented that it would be more transparent to note that the projects are funded by contributions from the Operating Fund and in accordance with Board Policy 3251, Recordation of Assets for Depreciation Purposes, as the accumulated depreciation is not a funding source and the transfer has been shown to be insufficient over time with the District currently transferring 115% of the accumulated depreciation to fund these projects. He also asked for the District's balance in the South Placer Wastewater Authority Rate Stabilization account to be included in the report.

Director Faria commented that he appreciated the design of the report and found the report helpful in presenting the District's financial information. President Jewell commented that there will be an upcoming board workshop on the three funding mechanisms, their purpose, and how they are being utilized. No public comments were received.

Vice President Dickinson made a motion to receive and file the Fiscal Year 2023/24 Popular Annual Financial Report; a second was made by President Jewell; a voice vote was taken, and the motion carried 5-0.

4. GENERAL MANAGER GOALS FOR 2025

GM Nielsen presented the General Manager's Goals for 2025, which include completing the onboarding of the new District Superintendent, negotiating and restructuring the billing for Sierra College, updating the Sewer System Management Plan, obtaining the GFOA Triple Crown Award, and completing the amended and restated memorandum of understanding with employee groups.

President Jewell asked about the regularity of the employee MOUs. GM Nielsen shared that the MOUs typically cover a period of three years; however, the last MOU covered a two-year period. The shorter duration of the last MOU was a result of inflation and uncertain market conditions. Director Mitchell asked about the SCADA Systems Improvement Project, and GM Nielsen commented that the project will be one of the new Superintendent's goals. Vice President Dickinson asked about projects that will be completed in 2025. GM Nielsen shared that the Department Managers are still preparing their 2025 goals. He asked that the discussion on projects be part of the mid-year budget discussion at the February board meeting.

Director Mitchell commented on issues with grandfathered ten-foot easements throughout the District. He asked for a detailed easement layer on the public-facing web map. He highlighted the need for better visibility for future projects and the potential impact on the District's finances. GM Nielsen shared that there is an easement layer in the web map that staff will explore adding to the public-facing web map. He shared that one of the strategic plan work plan items is to develop a Tactical Asset Management Plan which will estimate the cost to replace all the District's sewer including the added

cost associated with replacing sewers in ten-foot easements. No public comments were received. The board agreed to the General Manager's goals for 2025, with the understanding that additional goals could be added in the future.

Director Mitchell made a motion to approve the General Manager's goals for calendar year 2025; a second was made by Director Faria; a voice vote was taken, and the motion carried 5-0.

5. MONTHLY SERVICE CHARGES AND CAPACITY CHARGES FOR WASTEWATER COLLECTION AND TREATMENT AT THE SIERRA COLLEGE ROCKLIN CAMPUS

GM Nielsen presented an update on the ongoing discussions with Sierra College regarding the monthly service charges and capacity charges for wastewater collection and treatment at the Sierra College campus. He shared that the District had an audit finding in 2024 regarding the unusual billing practices for the College and Del Oro High School. Staff met with the Placer Union High School District regarding Del Oro and entered into a new agreement in July of 2024 that moved Del Oro to the District's standard billing and fee structures in accordance with the District Sewer Code. GM Nielsen explained the difference between the monthly service charges and capacity charges. He shared that the College has consistently paid the monthly service charge based on water use, but the method for determining this charge is outdated and not in line with the District's standard billing practices. He shared that the college has not paid capacity charges since 1989. The District has met with the College several times over the last year and is currently in the process of scheduling a meeting to review the capacity calculations based on information that needs to be provided by the College with the goal of reaching a mutually acceptable agreement that addresses the audit finding and the outstanding charges.

Director Mitchell asked if there would be a new agreement with the College. GC Brown shared that over the last year, a draft agreement has been exchanged between the parties with the goal of a new agreement that collects what is past due and simplifies the process moving forward. Director Arney asked if the past due balance is a result of calculations and recordkeeping by the College or the District. GM Nielsen shared that the numbers (i.e., average daily attendance and dorm residents) used to calculate the capacity charge are numbers used by the College that they are required to provide to the District per the existing agreement, but the District has not received them. Vice President Dickinson asked for a Fee and Finance Advisory Committee meeting to discuss the item further. No public comments were received.

VIII. REPORTS

1. District General Counsel (A. Brown):

General Counsel Brown shared that the dismissal in the Taylor litigation has been entered by the Court, and the District has been dismissed from the matter at no cost to the District.

2. General Manager (H. Niederberger):

A. ASD, FSD & TSD Reports:

Director Mitchell asked for additional information on the status of the easements for the Northwest Rocklin Sewer Annexation Construction Project. He asked questions about the projects that are and are not being allowed to connect due to the outstanding easement issue with the City of Rocklin. He commented that these are proposed businesses that will provide revenue for the City and the issue

needs to be resolved. The Board discussed the ongoing issue of securing easements from the City. The project was completed in 2022 but cannot be accepted by the District until all provisions of the agreement between the District and the City are fulfilled. While some previously approved development projects can proceed, no new development projects upstream of the Northwest Rocklin Sewer Annexation Construction Project will be approved until the easements are obtained. Director Mitchell asked for a Rocklin 2x2 meeting to discuss the matter further. Vice President Dickinson shared concern about the District being blamed for delaying development without acknowledgment of the City's failure to provide the required easements. The Board considered how to escalate the matter with City officials to resolve this bottleneck impacting future development. President Jewell asked that a Rocklin 2x2 meeting be scheduled in the next two to three weeks, and GC Brown offered that he would reach out to the Rocklin City Attorney.

Vice President Dickinson asked for an Infrastructure Advisory Committee meeting to discuss the Castle City Mobile Home Park project. Director Mitchell highlighted the installation of new hydro-mechanical grease control devices at Maverik Gas Station and Dutch Bros.

B. Information Items:

GM Nielsen congratulated Chad Stites for his promotion to District Superintendent and shared information on the experience that he brings to the position.

3. Director's Comments:

Director Faria and Director Arney shared comments regarding their new positions on the Board and expressed their gratitude for the opportunity to serve. Vice President Dickinson commented that while past board continuity has served the District well, he appreciates having new perspectives and welcomed the new board members.

President Jewell shared that she attended the swearing-in of Supervisor Anthony DeMattei who will be the Supervisor at the county level representing the District.

IX. ADJOURNMENT

The President adjourned the meeting at 5:46 p.m. to the next regular meeting to be held on February 6, 2025, at 4:30 p.m.



Emilie Costan, Board Secretary

ITEM 5.2 CHECK REPORT



South Placer M.U.D.

Check Report

By Check Number

Date Range: 12/31/2024 - 01/27/2025

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
Bank Code: AP Bank-AP Bank						
1240	Placer County Personnel	12/31/2024	Regular	0.00	3,609.24	17731
1775	CPS HR Consulting	01/02/2025	Regular	0.00	510.00	17732
1218	PCWA	01/02/2025	Regular	0.00	2,286.60	17733
1475	Petersen & Mapes, LLP	01/02/2025	Regular	0.00	672.00	17734
1221	PG&E	01/02/2025	Regular	0.00	1,516.38	17735
1253	Recology Auburn Placer	01/02/2025	Regular	0.00	395.04	17736
1327	US Bank Corporate Payment	01/08/2025	Regular	0.00	18,023.76	17737
	Void	01/08/2025	Regular	0.00	0.00	17738
	Void	01/08/2025	Regular	0.00	0.00	17739
	Void	01/08/2025	Regular	0.00	0.00	17740
	Void	01/08/2025	Regular	0.00	0.00	17741
1022	AT&T CalNet	01/09/2025	Regular	0.00	527.73	17742
1759	Bender Rosenthal Inc.	01/09/2025	Regular	0.00	992.50	17743
1795	Brower Mechanical	01/09/2025	Regular	0.00	1,068.00	17744
1742	Burrell Consulting Group	01/09/2025	Regular	0.00	11,915.00	17745
1652	Cintas Corporation	01/09/2025	Regular	0.00	1,143.59	17746
1068	City of Roseville	01/09/2025	Regular	0.00	2,294,162.00	17747
1068	City of Roseville	01/09/2025	Regular	0.00	-2,294,162.00	17747
1751	Comprehensive Medical Inc.	01/09/2025	Regular	0.00	125.00	17748
1086	Dataprose	01/09/2025	Regular	0.00	2,070.83	17749
1087	Dawson Oil Co.	01/09/2025	Regular	0.00	3,860.22	17750
1631	Instrument Technology Corporation	01/09/2025	Regular	0.00	1,607.38	17751
1564	Jensen Landscape Services, LLC	01/09/2025	Regular	0.00	1,068.00	17752
1891	Manhole Safety Covers LLC	01/09/2025	Regular	0.00	1,570.00	17753
1764	Network Design Associates, Inc.	01/09/2025	Regular	0.00	1,191.00	17754
1217	Owen Equipment	01/09/2025	Regular	0.00	733.79	17755
1762	PAC Machine Company	01/09/2025	Regular	0.00	4,677.25	17756
1218	PCWA	01/09/2025	Regular	0.00	1,600.52	17757
1221	PG&E	01/09/2025	Regular	0.00	9,010.77	17758
1889	RPM HVAC Service Inc.	01/09/2025	Regular	0.00	6,800.00	17759
1291	Special District Risk Management Authority (SD	01/09/2025	Regular	0.00	1,543.49	17760
1685	Streamline	01/09/2025	Regular	0.00	497.00	17761
1878	Universal Building Services & Supply Co.	01/09/2025	Regular	0.00	1,296.00	17762
1850	WYJO Services Corp	01/09/2025	Regular	0.00	2,482.38	17763
1068	City of Roseville	01/09/2025	Regular	0.00	2,294,162.00	17764
248	AT&T	01/16/2025	Regular	0.00	8.86	17766
1652	Cintas Corporation	01/16/2025	Regular	0.00	564.85	17767
1068	City of Roseville	01/16/2025	Regular	0.00	127,426.00	17768
1073	Consolidated Communications	01/16/2025	Regular	0.00	1,785.16	17769
1666	Great America Financial Services	01/16/2025	Regular	0.00	651.73	17770
1139	Hill Rivkins Brown & Associates	01/16/2025	Regular	0.00	7,780.00	17771
1599	MUN CPA's	01/16/2025	Regular	0.00	2,500.00	17772
1764	Network Design Associates, Inc.	01/16/2025	Regular	0.00	680.00	17773
1473	Pitney Bowes Purchase Power	01/16/2025	Regular	0.00	415.37	17774
1333	SPOK, Inc.	01/16/2025	Regular	0.00	30.94	17775
1325	Tyler Technologies, Inc.	01/16/2025	Regular	0.00	12,243.75	17776
1338	Verizon Wireless	01/16/2025	Regular	0.00	1,303.61	17777
1850	WYJO Services Corp	01/16/2025	Regular	0.00	542.68	17778
1021	ARC	01/24/2025	Regular	0.00	134.06	17779
1652	Cintas Corporation	01/24/2025	Regular	0.00	588.40	17780
1509	Crystal Communications	01/24/2025	Regular	0.00	311.64	17781
1086	Dataprose	01/24/2025	Regular	0.00	9,463.08	17782
1640	Joshua Pirhofer	01/24/2025	Regular	0.00	305.01	17783
1224	Paramount Awards	01/24/2025	Regular	0.00	18.23	17784

Check Report

Date Range: 12/31/2024 - 01/27/2025

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1218	PCWA	01/24/2025	Regular	0.00	392.07	17785
1475	Petersen & Mapes, LLP	01/24/2025	Regular	0.00	600.00	17786
1244	Preferred Alliance Inc	01/24/2025	Regular	0.00	217.95	17787
1253	Recology Auburn Placer	01/24/2025	Regular	0.00	395.04	17788
1268	Rocklin Windustrial Co.	01/24/2025	Regular	0.00	2,457.31	17789
1848	Uborra Engineering & Planning	01/24/2025	Regular	0.00	22,850.00	17790
1848	Uborra Engineering & Planning	01/24/2025	Regular	0.00	-22,850.00	17790
1850	WYJO Services Corp	01/24/2025	Regular	0.00	1,873.88	17791
1848	Uborra Engineering & Planning	01/24/2025	Regular	0.00	2,400.00	17792
1240	Placer County Personnel	01/27/2025	Regular	0.00	3,465.67	17793
1045	Cal Pers 457 Plan (EFT)	01/03/2025	Bank Draft	0.00	27,954.53	DFT0009617
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	765.57	DFT0009618
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	1,299.29	DFT0009619
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	5,018.16	DFT0009620
1098	EDD (EFT)	01/03/2025	Bank Draft	0.00	817.10	DFT0009621
1098	EDD (EFT)	01/03/2025	Bank Draft	0.00	485.63	DFT0009622
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	1,173.60	DFT0009623
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	1,853.19	DFT0009624
1045	Cal Pers 457 Plan (EFT)	01/03/2025	Bank Draft	0.00	3,740.00	DFT0009625
1045	Cal Pers 457 Plan (EFT)	01/03/2025	Bank Draft	0.00	500.00	DFT0009626
1045	Cal Pers 457 Plan (EFT)	01/03/2025	Bank Draft	0.00	104.75	DFT0009627
1135	Empower (EFT)	01/03/2025	Bank Draft	0.00	225.00	DFT0009629
1135	Empower (EFT)	01/03/2025	Bank Draft	0.00	5,291.00	DFT0009630
1135	Empower (EFT)	01/03/2025	Bank Draft	0.00	691.56	DFT0009631
1042	CA State Disbursement (EF	01/03/2025	Bank Draft	0.00	510.46	DFT0009632
1015	American Fidelity Assurance	01/03/2025	Bank Draft	0.00	512.05	DFT0009633
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	49.13	DFT0009634
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	1,029.07	DFT0009635
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	2,060.71	DFT0009636
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	1,784.44	DFT0009637
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	3,028.46	DFT0009638
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	5,190.56	DFT0009639
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	5,270.95	DFT0009640
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	13,626.38	DFT0009641
1098	EDD (EFT)	01/03/2025	Bank Draft	0.00	3,574.60	DFT0009642
1098	EDD (EFT)	01/03/2025	Bank Draft	0.00	1,291.25	DFT0009643
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	3,186.82	DFT0009644
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	9,060.33	DFT0009645
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	-581.13	DFT0009648
1229	Pers (EFT)	01/03/2025	Bank Draft	0.00	-590.12	DFT0009649
1098	EDD (EFT)	01/03/2025	Bank Draft	0.00	59.45	DFT0009651
1149	Internal Revenue Service	01/03/2025	Bank Draft	0.00	86.93	DFT0009654
1015	American Fidelity Assurance	01/01/2025	Bank Draft	0.00	427.28	DFT0009655
1586	Principal Life Insurance Company	01/01/2025	Bank Draft	0.00	686.43	DFT0009656
1230	Pers (EFT)	01/01/2025	Bank Draft	0.00	8,148.70	DFT0009657
1230	Pers (EFT)	01/01/2025	Bank Draft	0.00	40,954.71	DFT0009658
1230	Pers (EFT)	01/01/2025	Bank Draft	0.00	10,963.70	DFT0009659
1230	Pers (EFT)	01/01/2025	Bank Draft	0.00	144.16	DFT0009660
1230	Pers (EFT)	01/01/2025	Bank Draft	0.00	3,950.00	DFT0009661
1230	Pers (EFT)	01/01/2025	Bank Draft	0.00	91.90	DFT0009662
1045	Cal Pers 457 Plan (EFT)	01/17/2025	Bank Draft	0.00	3,740.00	DFT0009663
1045	Cal Pers 457 Plan (EFT)	01/17/2025	Bank Draft	0.00	500.00	DFT0009664
1045	Cal Pers 457 Plan (EFT)	01/17/2025	Bank Draft	0.00	104.75	DFT0009665
1135	Empower (EFT)	01/17/2025	Bank Draft	0.00	225.00	DFT0009667
1135	Empower (EFT)	01/17/2025	Bank Draft	0.00	5,591.00	DFT0009668
1135	Empower (EFT)	01/17/2025	Bank Draft	0.00	691.56	DFT0009669
1042	CA State Disbursement (EF	01/17/2025	Bank Draft	0.00	510.46	DFT0009670
1015	American Fidelity Assurance	01/17/2025	Bank Draft	0.00	512.05	DFT0009671
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	49.13	DFT0009672
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	1,051.17	DFT0009673
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	2,104.96	DFT0009674

Check Report

Date Range: 12/31/2024 - 01/27/2025

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	1,784.44	DFT0009675
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	3,028.46	DFT0009676
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	5,148.42	DFT0009677
1229	Pers (EFT)	01/17/2025	Bank Draft	0.00	5,228.15	DFT0009678
1149	Internal Revenue Service	01/17/2025	Bank Draft	0.00	13,859.44	DFT0009679
1098	EDD (EFT)	01/17/2025	Bank Draft	0.00	3,528.82	DFT0009680
1098	EDD (EFT)	01/17/2025	Bank Draft	0.00	1,298.01	DFT0009681
1149	Internal Revenue Service	01/17/2025	Bank Draft	0.00	3,241.34	DFT0009682
1149	Internal Revenue Service	01/17/2025	Bank Draft	0.00	8,975.65	DFT0009683
1015	American Fidelity Assurance	01/15/2025	Bank Draft	0.00	29,183.75	DFT0009694
1015	American Fidelity Assurance	01/15/2025	Bank Draft	0.00	29,283.75	DFT0009695

Bank Code AP Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	97	58	0.00	4,872,522.76
Manual Checks	0	0	0.00	0.00
Voided Checks	0	6	0.00	-2,317,012.00
Bank Drafts	62	62	0.00	284,076.91
EFT's	0	0	0.00	0.00
	159	126	0.00	2,839,587.67

Check Report

Date Range: 12/31/2024 - 01/27/2025

Vendor Number	Vendor Name	Payment Date	Payment Type	Discount Amount	Payment Amount	Number
1645	Aspire Retirement Solutions	01/03/2025	Bank Draft	0.00	686.60	DFT0009628
1645	Aspire Retirement Solutions	01/17/2025	Bank Draft	0.00	783.03	DFT0009666

Bank Code PY Bank Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	0	0	0.00	0.00
Manual Checks	0	0	0.00	0.00
Voided Checks	0	0	0.00	0.00
Bank Drafts	2	2	0.00	1,469.63
EFT's	0	0	0.00	0.00
	2	2	0.00	1,469.63

All Bank Codes Check Summary

Payment Type	Payable Count	Payment Count	Discount	Payment
Regular Checks	97	58	0.00	4,872,522.76
Manual Checks	0	0	0.00	0.00
Voided Checks	0	6	0.00	-2,317,012.00
Bank Drafts	64	64	0.00	285,546.54
EFT's	0	0	0.00	0.00
	161	128	0.00	2,841,057.30

Fund Summary

Fund	Name	Period	Amount
100	GENERAL FUND	12/2024	3,609.24
100	GENERAL FUND	1/2025	2,837,448.06
			2,841,057.30

Account Number	Name	Date	Type	Amount	Reference
102-0008250-01	Schlossberg, Alan	1/15/2025	Refund	\$492.50	Check #: 17765
102-0002501-01	Taylor, Linda C	1/27/2025	Refund	\$117.42	Check #: 17794
102-0003105-02	Roberson, Gregory and Sabryna	1/27/2025	Refund	\$99.80	Check #: 17795
102-0003161-03	Pontarolo, Kash Alexander	1/27/2025	Refund	\$114.76	Check #: 17796
102-0003487-01	Signes, Dianne L	1/27/2025	Refund	\$4,722.08	Check #: 17797
102-0004964-02	Taylor Road 24 LLC	1/27/2025	Refund	\$3,926.13	Check #: 17798
102-0009392-01	Ilanit, Gill	1/27/2025	Refund	\$5.02	Check #: 17799
102-0011439-02	Johnson, Blake and Julie	1/27/2025	Refund	\$19.53	Check #: 17800
106-0014123-01	Beene, Reagan H Jr	1/27/2025	Refund	\$411.35	Check #: 17801
106-0015189-03	Sac Platinum Realty Inc	1/27/2025	Refund	\$8.53	Check #: 17802
106-0017170-01	Parenti, Ivan	1/27/2025	Refund	\$649.02	Check #: 17803
106-1025661-00	Sakaguchi, Sandra	1/27/2025	Refund	\$19.77	Check #: 17804
112-1023176-02	LLC, HP California I	1/27/2025	Refund	\$117.85	Check #: 17805
112-1024580-04	Open Door Property LLC	1/27/2025	Refund	\$120.57	Check #: 17806
112-1026797-02	Redlam, Sirisha Gadam and Rao	1/27/2025	Refund	\$5.44	Check #: 17807
112-1028713-01	Hitchen, Frances	1/27/2025	Refund	\$110.69	Check #: 17808
112-1029222-00	JMC HOMES INC	1/27/2025	Refund	\$1,252.99	Check #: 17809
112-1029222-01	Charles, Andrew and Lee	1/27/2025	Refund	\$54.41	Check #: 17810
112-1029224-00	JMC HOMES INC	1/27/2025	Refund	\$1,354.35	Check #: 17811
112-1029367-00	JMC HOMES INC	1/27/2025	Refund	\$122.08	Check #: 17812
112-1029367-01	Kane, Thomas	1/27/2025	Refund	\$1,441.45	Check #: 17813
112-1030267-00	John Mourier Construction	1/27/2025	Refund	\$201.14	Check #: 17814
		TOTAL REFUNDS		\$15,366.88	

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Eric Nielsen, General Manager

Subject: 2nd Quarter Investment Report
(October 1, 2024 through December 31, 2024)

Board Date: February 6, 2025

Overview

In accordance with Section 53646 of the California Government Code, this report provides the Board with a quarterly investment report.

The investments held by the District on December 31, 2024, are shown in Attachment 1 and totaled \$82.49 million. The portfolio is in compliance with the Board's adopted Policy #3120 regarding District investments and has the ability to meet the next six months of cash flow requirements. As of December 31, 2024, the District's investment portfolio had an average annualized quarterly rate of return of 1.17 percent.

Recommendation

Staff recommends that the Board of Directors receive and file the 2nd Quarter Investment Report.

Strategic Plan Priorities

This action is consistent with SPMUD Strategic Plan Priorities:

- Prepare for the future and foreseeable emergencies.
- Provide exceptional value for the cost of sewer service.

Related District Ordinances and Policies

This action is in conjunction with the following District Policies:

- Policy 3120 – Investment of District Funds

Fiscal Impact

There is no direct fiscal impact associated with the preparation of this report.

Attachments:

1. 2nd Quarter South Placer Municipal Utility District Investment Report
2. Allocation by Fund, Allocation by Investment Type, and Historical Performance

Attachment 1 - 2nd Quarter South Placer Municipal Utility District Investment Report

Investment	Account Balance Prior Year Oct 23 -Dec 23	Account Balance Previous Quarter Jul 24 - Sept 24	Market Value Oct 24 - Dec 24	Quarterly Rate of Return	% of Portfolio
CA CLASS	\$ 10,221,511	\$ 12,677,170	\$ 12,831,481	1.31%	16%
CALTRUST - Short Term	\$ 6,615,467	\$ 6,893,985	\$ 6,952,977	1.16%	8%
LAIF (Local Agency Investment Fund)	\$ 26,053,485	\$ 26,933,463	\$ 27,246,707	1.12%	33%
PLACER COUNTY TREASURY	\$ 20,336,691	\$ 5,622,709	\$ 5,675,684	0.91%	7%
WELLS FARGO - Fixed Income*	\$ -	\$ 15,554,785	\$ 15,428,320	1.34%	19%
FIVE STAR - Money Market	\$ 5,399,545	\$ 6,390,002	\$ 7,976,209	1.12%	10%
CASH	\$ 3,315,863	\$ 4,268,726	\$ 2,831,682	0.13%	3%
RESTRICTED - CEPPT	\$ 3,328,455	\$ 3,672,181	\$ 3,551,695	1.68%	4%
TOTAL/AVERAGE	\$ 75,271,016	\$ 82,013,020	\$ 82,494,755	1.17%	100%

*The Wells Fargo Fixed Income Securities pay accrued interest semi-annually in Sept/Oct and Mar/Apr.

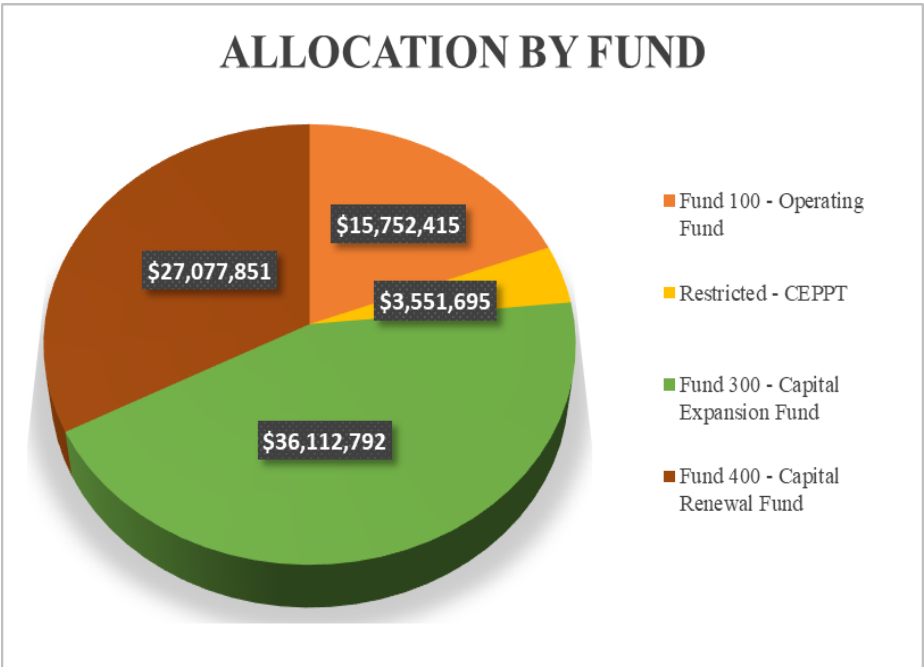
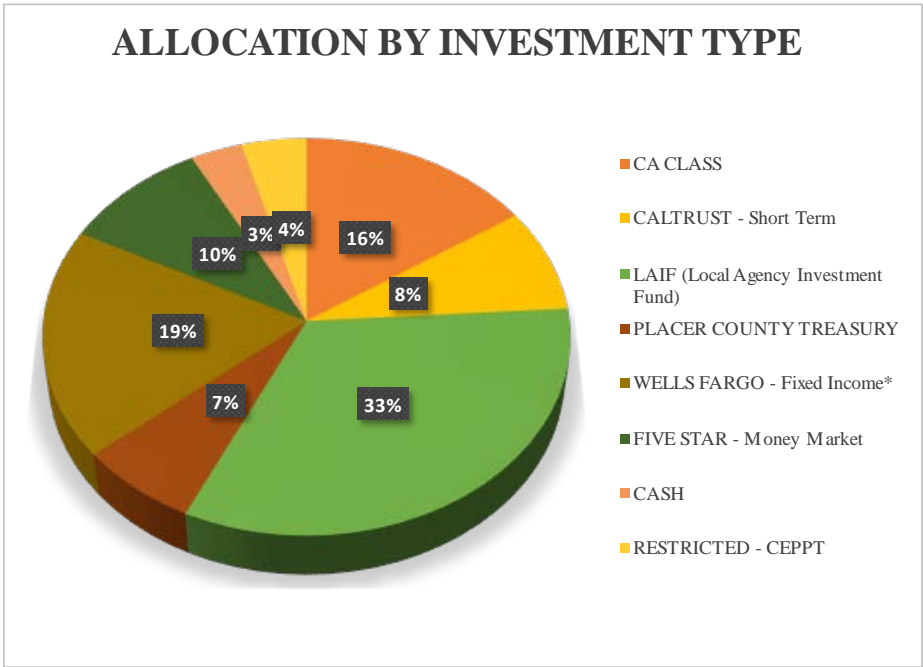
QUARTERLY TRANSFERS

CalTRUST: None
 CA CLASS: None
 LAIF: None
 PLACER COUNTY: None
 WELLS FARGO: None
 FIVE STAR MM: \$1.5M from Cash

QUARTERLY REGIONAL TREATMENT PAYMENT

Oct 1 to Dec 31, 2024 \$2,294,162 Pending as of Jan 9, 2025
 Jul 1 to Sept 30, 2024 \$2,294,162 Cleared Oct 29, 2024
 Apr 1 to Jun 30, 2024 \$0
 Jan 1 to Mar 31, 2024 \$2,606,750 Cleared Apr 4, 2024
 Oct 1 to Dec 31, 2023 \$2,606,750 Cleared Jan 17, 2024

Attachment 2 - Allocation by Fund, Allocation by Investment Type, and Historical Performance



Historical Performance					
	3 months	6 months	1 year*	3 year*	5 year*
CA Class	1.31%	2.63%	5.26%	-	-
CalTRUST Short Term	1.16%	2.39%	4.96%	3.61%	2.41%
LAIF	1.12%	2.29%	4.47%	2.93%	2.04%
Placer County	0.91%	1.81%	3.62%	2.38%	1.68%
Wells Fargo	1.34%	2.67%	-	-	-
Five Star MM	1.12%	2.29%	4.47%	2.93%	2.04%
CEPPT	1.68%	3.36%	6.71%	4.80%	5.09%

*Annualized

ITEM 5.4 BOARD POLICY REVISIONS

**SOUTH PLACER MUNICIPAL UTILITY DISTRICT
STAFF REPORT**

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Eric Nielsen, General Manager

Subject: Resolution 25-01 Revising Board Policies #3251 Recordation of Assets for Depreciation Purposes and #4055 Selection of Officers, and Abolishing Board Policy #3080 Domestic Sewer Overflows

Meeting Date: February 6, 2025

Overview

The South Placer Municipal Utility District (District) adopted a Policy Handbook per Resolution 15-23. Included in this Policy Handbook are the District’s Board Policies #3251 Recordation of Assets for Depreciation Purposes, #4055 Selection of Officers, and #3080 Domestic Sewer Overflows. Staff has determined that these policies need revision to remain current or are duplicative in nature and are no longer needed in the District’s Policy Handbook.

#3251 Recordation of Assets for Depreciation Purposes. In 2023, the District adopted a Five-Year Cost of Service and Rate Study. The new rate study modified the requirements for moving operating funds to the Capital Renewal Fund (400). The District Reserve Policy was modified in June 2023, to align with the reserve requirements in the newly adopted rate study. Policy #3251 Recordation of Assets for Depreciation Purposes contains outdated language on moving operating funds to Fund 400 that does not match the adopted rate study and current District Reserve Policy. The proposed policy revisions update the language to match the new reserve requirements.

#4055 Selection of Officers. The District Board of Directors selects a Board President and Vice President at the first board meeting of the calendar year. At the same meeting, the Board President considers dissolving or creating temporary advisory committees and makes appointments to the committees. The proposed policy revisions clarify the process for the selection of officers and appointments to the temporary advisory committees and eliminate language that is outdated after the District transitioned from At-Large/From-District elections to By-District/From-District elections in 2022 (Ordinance 22-01).

#3080 Domestic Sewer Overflows. The District adopted Board Policy #3080 on May 6, 2021. The policy sets requirements for responding to domestic sewer overflows where untreated or partially untreated wastewater from the District’s system overflows into a customer’s home. Much of the language contained in this policy is already present in Board Policy #1040 Claims Against the District adopted on September 3, 2015. To eliminate duplicative language and ensure consistent practices when responding to overflows, staff is recommending the abolishment of Board Policy #3080 with future amendments to Board Policy #1040 being presented to the Board for consideration as needed.

The Policy and Ordinance Advisory Committee met on January 24, 2025, to review the proposed revisions and policy abolishment as described above and recommended that the policy changes be forwarded to the Board of Directors for consideration. Included with this staff report are redlines and final versions of the revised policies for the Board's consideration.

Recommendation

Staff recommends that the Board of Directors adopt Resolution 25-01 Revising Board Policies #3251 Recordation of Assets for Depreciation Purposes and #4055 Selection of Officers and Abolishing Board Policy #3080 Domestic Sewer Overflows.

Strategic Plan Priorities

- Maintain an excellent regulatory compliance record
- Prepare for the future and foreseeable emergencies
- Provide exceptional value for the cost of sewer service

Fiscal Impact

There is no fiscal impact related to the revision of the attached policies and the abolishment of an existing policy.

Attachments:

1. Resolution 25-01 Revising Board Policies #3251 Recordation of Assets for Depreciation Purposes and #4055 Selection of Officers and Abolishing Board Policy #3080 Domestic Sewer Overflows
2. Policy #3251 Recordation of Assets for Depreciation Purposes (redline)
3. Policy #3251 Recordation of Assets for Depreciation Purposes (final)
4. #4055 Selection of Officers (redline)
5. Policy #4055 Selection of Officers (final)
6. Policy #3080 Domestic Sewer Overflows (abolished)

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

RESOLUTION NO. 25-01

REVISING BOARD POLICES #3251 RECORDATION OF ASSETS FOR DEPRECIATION PURPOSES AND #4055 SELECTION OF OFFICERS AND ABOLISHING BOARD POLICY #3080 DOMESTIC SEWER OVERFLOWS

WHEREAS, the South Placer Municipal Utility District (District) created a District Policy Handbook adopted by Resolution 15-23 on September 3, 2015; and

WHEREAS, Section 1 of Policy 1010 – Adoption or Amendment of Policies, allows for policies to be added, eliminated, or modified from time to time by Resolution of the Board; and

WHEREAS, Staff is proposing revisions to Board Policy #3251 Recordation of Assets for Depreciation Purposes to update the language to align with the reserve requirements in the last adopted rate study and revised Board Policy #3130 District Reserve Policy; and

WHEREAS, Staff is proposing revisions to Board Policy #4055 Selection of Officers to clarify the process for the annual selection of Board Officers and appointments to the temporary advisory committees and to eliminate language that is outdated after the District transitioned from At-Large/From-District elections to By-District/From-District elections with Ordinance 22-01; and

WHEREAS, Staff is proposing to abolish Board Policy #3080 Domestic Sewer Overflows to eliminate duplicative language and ensure consistent practices when responding to overflows under Board Policy #1040 Claims Against the District.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the South Placer Municipal Utility District that the attached Policies #3251 Recordation of Assets for Depreciation Purposes and #4055 Selection of Officers are adopted in their entirety and are to be included in the District Policy Handbook, and Policy #3080 Domestic Sewer Overflows is hereby abolished and removed from the District Policy Handbook.

PASSED and ADOPTED at a regular meeting of the Board of Directors of the South Placer Municipal Utility District in Rocklin, California this 6th day of February 2025.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

Christy Jewell, President of the Board of Directors

ATTEST

Emilie Costan, Board Secretary

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	3251 – RECORDATION OF ASSETS FOR DEPRECIATION PURPOSES		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	11/02/17
Resolution No.	17-34, <u>25-01</u>	Revised:	<u>02/06/25</u>

PURPOSE

The purpose of this policy is to provide a mechanism for the recordation of developer installed and contributed sewer assets, capitalization, and depreciation of said assets as part of the District’s financial management process.

POLICY STATEMENT

Section 1: General

In accordance with Policy 3250 - SEWER SYSTEM CONTRIBUTIONS AND BILLS OF SALE, the District may accept from a Developer property contributed to the District to provide for the expansion, improvement, or replacement of the District’s sewer collection system. After acceptance, the contributed assets will be added to the District’s fixed assets and depreciated in accordance with Generally Accepted Accounting Principles (GAAP). It has been determined that the stated value of these contributed assets does not recognize that the replacement costs of these assets by the District in the future will include additional costs associated with prevailing wage requirements of the California Labor Code, as well as costs associated with competitive bidding requirements of the California Procurement Code.

Section 2: Depreciation Accumulation and Replacement/Rehabilitation of Assets

The District intends to depreciate assets over time in accordance with a schedule associated with sewer industry standards. This depreciation schedule will be reviewed from time to time to determine its appropriateness and reported annually as part of the Examination of Accounts required by California Public Utilities Code §11889 of the MUD Act. ~~at California Public Utilities Code §11889, and the Annual Financial Statement, as required by §11938 of the California Public Utilities Code. An amount of 115% of annual calculated depreciation shall be accumulated in Fund 400 – Capital Replacement and Rehabilitation, for the sole purpose of funding the future replacement or rehabilitation of retired assets. The District shall maintain a Capital Renewal Reserve to accumulate the probable replacement cost of equipment each year over the life of the asset so it can be replaced readily when it becomes obsolete, or replacement is needed. The Reserve shall comply with Board Policy #3130, District Reserve Policy.~~

Section 3: Methodology for Recordation of Assets for Depreciation purposes

The Board will adopt annually a schedule of values that represents the new cost of construction of various sewer system assets. This schedule will be used to determine the book value of developer-installed and contributed sewer assets and will also be used to determine the value of developer-installed trunk facilities eligible for credit or reimbursement under Ordinance 15-01 – Credit and Reimbursement Agreements. This book value will be recorded in the financial management system and depreciated in accordance with industry standards.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	3251 – RECORDATION OF ASSETS FOR DEPRECIATION PURPOSES		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	11/02/17
Resolution No.	17-34, 25-01	Revised:	02/06/25

PURPOSE

The purpose of this policy is to provide a mechanism for the recordation of developer installed and contributed sewer assets, capitalization, and depreciation of said assets as part of the District’s financial management process.

POLICY STATEMENT

Section 1: General

In accordance with Policy 3250 - SEWER SYSTEM CONTRIBUTIONS AND BILLS OF SALE, the District may accept from a Developer property contributed to the District to provide for the expansion, improvement, or replacement of the District’s sewer collection system. After acceptance, the contributed assets will be added to the District’s fixed assets and depreciated in accordance with Generally Accepted Accounting Principles (GAAP). It has been determined that the stated value of these contributed assets does not recognize that the replacement costs of these assets by the District in the future will include additional costs associated with prevailing wage requirements of the California Labor Code, as well as costs associated with competitive bidding requirements of the California Procurement Code.

Section 2: Depreciation Accumulation and Replacement/Rehabilitation of Assets

The District intends to depreciate assets over time in accordance with a schedule associated with sewer industry standards. This depreciation schedule will be reviewed from time to time to determine its appropriateness and reported annually as part of the Examination of Accounts required by California Public Utilities Code §11889 of the MUD Act. The District shall maintain a Capital Renewal Reserve to accumulate the probable replacement cost of equipment each year over the life of the asset so it can be replaced readily when it becomes obsolete, or replacement is needed. The Reserve shall comply with Board Policy #3130, District Reserve Policy.

Section 3: Methodology for Recordation of Assets for Depreciation purposes

The Board will adopt annually a schedule of values that represents the new cost of construction of various sewer system assets. This schedule will be used to determine the book value of developer-installed and contributed sewer assets and will also be used to determine the value of developer-installed trunk facilities eligible for credit or reimbursement under Ordinance 15-01 – Credit and Reimbursement Agreements. This book value will be recorded in the financial management system and depreciated in accordance with industry standards.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	4055 – SELECTION OF OFFICERS		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	01/09/03
Resolution No.	03-02, 16-24, <u>25-01</u>	Revised:	12/01/16 <u>02/06/25</u>

Purpose

The purpose of this policy is to conform to Section 11882 of the California Municipal Utility District Act, regarding the selection of the Board President and Vice President.

Policy Statement

Section 1: General

During the first meeting of each calendar year the Board of Directors shall chooses a President and Vice—President. ~~At the same meeting, the President shall also as well as~~ consider dissolving or creating anys appointments to the temporary Advisory Committees and making appointments to such committees.

Section 2: Selection of Officers and Succession Plan

- The Vice President shall become President.
- A new Vice President shall be chosen by a majority vote of the Board.
- ~~The three (3) remaining Board members will serve At Large.~~

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	4055 – SELECTION OF OFFICERS		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	01/09/03
Resolution No.	03-02, 16-24, 25-01	Revised:	02/06/25

Purpose

The purpose of this policy is to conform to Section 11882 of the California Municipal Utility District Act, regarding the selection of the Board President and Vice President.

Policy Statement

Section 1: General

During the first meeting of each calendar year the Board of Directors shall choose a President and Vice-President. At the same meeting, the President shall also consider dissolving or creating any temporary Advisory Committees and making appointments to such committees.

Section 2: Selection of Officers and Succession Plan

- The Vice President shall become President.
- A new Vice President shall be chosen by a majority vote of the Board.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT POLICIES

Policy Name:	3080 - DOMESTIC SEWER OVERFLOWS		
Approval Authority:	SPMUD BOARD OF DIRECTORS	Adopted:	05/06/2021
Resolution No.	21-14	Revised:	

PURPOSE

The purpose of this policy to provide guidance to assist customers who experience a Domestic Sewer Overflow (DSO or sewage spill) inside their home or place of residence.

POLICY STATEMENT

Section 1. General

A Sanitary Sewer Overflow (SSO) is any overflow, spill, release, discharge, or diversion of untreated or partially treated wastewater from the District’s sanitary sewer system. A Domestic Sewer Overflow (DSO) is the result of a sewer overflow of wastewater into a person’s home.

Potential health risks are associated with DSOs. Wastewater can contain many micro-organisms that may be harmful to humans, animals, and the environment, such as viruses, bacteria, fungal and parasitic organisms. Contact with wastewater or its products may cause exposure to pathogens (disease causing microorganisms) which can potentially lead to illnesses, for example:

- Gastroenteritis (diarrhea or vomiting);
- Giardiasis and Cryptosporidiosis (severe stomach cramps, diarrhea or vomiting);
- Viral infections such as hepatitis (liver infections); and
- Infections of the skin or eyes.

Section 2. Responsibility and Liability

The District will assume responsibility for mitigating a Domestic Sewer Overflow if it is a result of a Sanitary Sewer Overflow for which the District is determined to be responsible, occurring either in the sewer main or lower lateral.

All DSOs for which the District is determined to be responsible shall be reported to the District’s liability carrier, SDRMA, regardless of the amount of the spill or estimate of the damage. A claim for damages shall be presented to the District in accordance with the California Tort Claims Act (Government Code Section 910, *et seq.*) and District Policy No. 1040.

The District assumes no liability or responsibility for a DSO that is the result of the property owner’s, tenant’s, or other occupant’s actions, occurs on a portion of the sanitary sewer that is outside of the District’s maintenance responsibility and not caused by District activity or is the result of activity by the property owner, tenant, occupant or third party that has damaged or precluded access to the lower lateral or the property-line-clean-out (PLCO).

An agreement to cover mitigation costs is not an admission of guilt.

Section 3. Clean Up

When determined to be responsible for a DSO, the District or its insurer will contract with a restoration firm that has experience with the clean-up of domestic sewage overflow to clean up and remediate the spill and/or reimburse the customer for clean-up expenses at fair market value that were incurred by the customer.

Section 4. Accommodation

A. Lodging - In situations where the premise has become uninhabitable, and the District has determined that it is responsible for the sewer overflow, the District or its insurer will immediately make available temporary alternate accommodations for the owner/s or occupant/s (as applicable) for the duration of premises clean up and remediation. The District will maintain a list of suitable hotels within five miles of the boundaries of the District that will be used for such accommodations. The selection of hotels will not be based on cost alone. The District will only pay for the room(s) and applicable taxes. All other incidental charges at the hotel must be paid for by the homeowner(s)/occupant(s) and may be reimbursed in accordance with Section 4.B. Alternately, the District will reimburse the customer for lodging expenses incurred by the customer up to the [State of California SEIU Short-Term Lodging Reimbursement Rates](#).

B. Meals - Meals and associated expenses will be reimbursed based upon actual costs, not to exceed the U.S. General Service Administration (GSA) Per Diem Meals & Incidentals expense rates for the local area.

ITEM 6.2 MIDYEAR BUDGET ADJUSTMENTS

SOUTH PLACER MUNICIPAL UTILITY DISTRICT STAFF REPORT

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

Cc: Eric Nielsen, General Manager
Carie Huff, District Engineer
Chad Stites, District Superintendent

Subject: Resolution 25-02, Amending Resolution 24-19 and Approving Midyear Adjustments to the Fiscal Year 2024/25 Budget

Board Date: February 6, 2025

Overview

This report provides the Board with information, analysis, and recommendations regarding midyear adjustments to the Fiscal Year 2024/25 Budget.

The Total Revenue Budget comprised primarily of monthly service fees, property taxes, plan check and inspections fees, capacity charges, and interest income is projected to increase by \$434,500. This projected increase is primarily due to a continuation of steady investment returns caused by higher interest rates.

The Total Operating Expense Budget comprised primarily of salaries and benefits, local service and supplies, treatment plant expenses, and depreciation expense used to pay for capital replacement and rehabilitation projects is expected to increase by \$1,549,565. The projected increase is primarily due to a large proposed additional payment towards the District's CalPERS Unfunded Accrued Liabilities (UAL) from the Section 115 CEPP Trust and a large proposed additional transfer to the Capital Renewal Fund for repair and replacement of aging assets and infrastructure.

The Total Capital Expense Budget comprised primarily of new capital addition projects, system expansion, enlargement, and extension projects, and repair, rehabilitation, and replacement projects is expected to decrease by \$211,100. The projected decrease is primarily due to delayed timing, such as dependency on other parties and partners and resource availability for specific capital initiatives.

Background and Analysis

The requested Midyear Budget Adjustments are discussed by fund in detail below.

Fund 100 Operating Fund

Beginning Balance on July 1, 2024 - \$17,511,029

Restricted (CEPPT) - \$3,425,665

Unrestricted - \$14,085,364

Staff is recommending an increase of \$209,500 to the Operating Revenue Budget to adjust for higher than anticipated permit, plan check, and inspection fees and a continuation of steady investment returns caused by higher interest rates. Total Operating Revenues are projected to be \$20,037,300.

Staff is recommending an overall increase of \$1,567,565 in the Operating Fund Expense Budget. The proposed spending will be from reserves with \$900,000 contributed from the District's CalPERS CEPP Trust and \$971,715 transferred from the Operating Fund surplus to the Capital Renewal Fund. Total Operating Fund Expenses are projected to be \$23,266,802.

Salary and Benefit expenses will increase by \$753,350. This increase is comprised of a reduction in salaries and wages from vacancies throughout the year including those resulting from internal promotions and a smaller increase in workers' compensation premiums than previously expected. Proposed increases include higher than anticipated increases in retiree medical premiums specifically for Medicare supplemental plans and an additional proposed payment against the District's CalPERS Unfunded Accrued Liability (UAL) of \$900,000 from the District's CEPP Trust which is restricted for pension obligations and has seen growth over the last two fiscal years. Paying down the District's UAL is a Strategic Work Plan item. Per the most recent CalPERS actuarial reports dated July 2024 and measured as of June 30, 2023, the District's Tier I UAL is \$6,202,721, the Tier II UAL is \$163,911, and the Tier III UAL is \$289,150. This payment will be applied to Tier I UAL. The accelerated payment which will reduce the interest owed on the outstanding UAL balance was discussed with the Fee and Finance Advisory Committee on November 20, 2024, with a recommendation to include the additional payment in the mid-year budget adjustments for consideration and approval by the Board.

Local Service and Supply expenses will decrease by \$157,500. This decrease is a result of transferring professional services for Newcastle projects to the Capital Renewal Fund (400). The District has been depreciating Newcastle assets and infrastructure for over ten years, which has resulted in additional funds being transferred from the Operating Fund (100) to the Capital Renewal Fund (400) for future Newcastle projects. By transferring Newcastle project expenses to Fund 400, large and inconsistent year-to-year project spending from the Operating Fund (100) will be reduced thereby improving transparency and tracking of ongoing operating expenses. Additional funding is being proposed for a handful of small projects which include a consultant to develop a Strategic Communications Plan, a Server Migration Project, new equipment, and minor pump and vehicle repairs.

Regional Wastewater Treatment Plant expenses are anticipated to align with the originally budgeted projections.

Depreciation expense will increase by \$971,715. Staff is recommending an additional \$971,715 transfer to the Capital Renewal Fund (400). This transfer is based upon the actual accumulated depreciation from fiscal year 2023/24 of \$2,601,118 and an additional fifteen percent (15%) of the accumulated depreciation on the District's fixed assets in fiscal years 2021/22 (\$309,890), 2022/23 (\$349,509), and 2023/24 (\$390,168). This additional transfer is proposed from Operating Fund surpluses created as a result of true-up credits received from the City Roseville for Regional Wastewater Treatment Plant expenses in fiscal years 2022/23 and 2023/24 where the estimated quarterly payments were substantially higher than the actual audited expenses.

The Operating Fund Capital Expense Budget will decrease by \$1,300,000. As discussed above, staff is recommending moving the funding for projects in Newcastle to Fund 400, like other capital renewal projects throughout the District.

Fund 300 Capital Expansion Fund

Beginning Balance on July 1, 2024 - \$34,521,435

Staff is recommending an increase of \$125,000 to the Capital Expansion Revenue Budget due to the continuation of steady investment returns caused by higher interest rates. Total Capital Expansion Fund Revenues are projected to be \$2,581,800.

No adjustments are being made to the Capital Expansion Expense Budget. Total Capital Expansion Fund Expenses are projected to be \$10,484,000.

Fund 400 Capital Renewal Fund

Beginning Balance on July 1, 2024 - \$25,906,872

Staff is recommending an increase of \$100,000 to the Capital Renewal Revenue Budget due to the continuation of steady investment returns caused by higher interest rates. Total Capital Renewal Fund Revenues are projected to be \$833,000.

The Capital Renewal Expense Budget will increase by \$1,088,900. The proposed recommendation includes reduced expenses of \$712,000 from timing delays for a High-Risk Facility Creek Crossing project, the District's participation in certain projects with the City of Rocklin, and a portion of the programmed easement improvements that will likely occur next fiscal year. The proposed increases are due to staff's recommendation to move the funding for future Newcastle projects to Fund 400, an increase in the estimates and an expanded scope of work for the N13-031 King Road Line Replacement Project, and an unexpected lift station pump replacement. Total Capital Renewal Fund Expenses are projected to be \$8,709,900.

Recommendation

Staff recommends that the Board of Directors adopt Resolution 25-02, amending Resolution 24-19 authorizing the following adjustments to the FY2024/25 Budget:

- 1) Operating Budget (Fund 100)

- a. Increase the Revenue Budget by \$209,500 from \$19.83M to \$20.04M.
 - b. Increase the General Expense Budget by \$1,567,565 from \$21.34M to \$22.91M.
 - c. Decrease the Capital Expense Budget by \$1,300,000 from \$1.66M to \$0.36M.
- 2) Capital Expansion Budget (Fund 300)
- a. Increase the Revenue Budget by \$125,000 from \$2.46M to \$2.58M
 - b. No changes are being proposed to the Expense Budget.
- 3) Capital Renewal Budget (Fund 400)
- a. Increase the Revenue Budget by \$100,000 from \$0.73M to \$0.83M.
 - b. Increase the Expense Budget by \$1,088,900: from \$7.62M to \$8.71M.

Strategic Plan Goal

This action is consistent with SPMUD Strategic Plan Goals:
 Prepare for the future and foreseeable emergencies
 Provide exceptional value for the cost of sewer service

Related District Ordinances and Policies

This action amends Resolution 24-19 which approved the Budget for Fiscal Year 2024/25.
 This action is in conjunction with the following District Policies:
 Policy 3105 - Budget Preparation

Fiscal Impact

Staff’s recommendation to approve these adjustments will result in an increase of \$434,500 to the total revenue budget, an increase of \$1,567,565 to the Operating Fund Expense Budget from restricted and unrestricted reserves, and a decrease of \$211,100 to the Capital Fund Expense Budgets for Fiscal Year 2024/25. This represents an increase of 1.89% to the originally approved Revenue Budget, an increase of 7.35% to the originally approved Operating Expense Budget, and a decrease of 1.07% to the originally approved Capital Expense Budget.

Attachments:

- 1. Resolution 25-02
- 2. Table 1: Revenue Budget Adjustments for FY2024/25
- 3. Table 2: Operating Fund Expense Budget Adjustments for FY2024/25
- 4. Table 3: Capital Expense Budget Adjustments for FY2024/25
- 5. Table 4: Mid-Year Fund Summary for FY2024/25

SOUTH PLACER MUNICIPAL UTILITY DISTRICT
RESOLUTION NO. 25-02
AMENDING RESOLUTION 24-19 AND ADOPTING THE MIDYEAR BUDGET
ADJUSTMENTS FOR THE FISCAL YEAR 2024/25

WHEREAS, the South Placer Municipal Utility District (District) Policy 3105 states that the District will adopt an annual budget that provides the Board of Directors with the upcoming fiscal year revenues and expenses for the Operating and Capital Funds conforming to policies previously adopted by the Board of Directors; and

WHEREAS, the annual budget is the fiscal planning tool to accomplish the District's strategic plan goals and objectives; and

WHEREAS, the Budget for the 2024/25 Fiscal Year (beginning July 1, 2024 and ending June 30, 2025), was adopted per Resolution 24-19 and outlines projected revenues, expenses, and a spending plan for the Operating and Capital Funds; and

WHEREAS, staff reviews the budget at midyear to ensure the continued validity of the adopted budget and to recommend any necessary adjustments to reflect Board recommendations, new legislative mandates, and operational needs; and

WHEREAS, staff is recommending moving the funding for future projects in Newcastle from the Operating Fund (100) to the Capital Renewal Fund (400), like other capital renewal projects throughout the District; and

WHEREAS, recommended adjustments to the Fiscal Year 2023/24 Budget will align projected revenues, expenses, and the spending plan for the Operating and Capital Funds to accomplish the District's strategic plan goals and objectives.

NOW, THEREFORE BE IT RESOLVED that the Board of Directors of the South Placer Municipal Utility District hereby amends Resolution 24-19 and adjusts the Budget for Fiscal Year 2024/25 and the proposed spending plan as follows, and in accordance with the attached Tables:

- 1) Operating Budget (Fund 100)
 - a. Increase the Revenue Budget by \$209,500 from \$19.83M to \$20.04M.
 - b. Increase the General Expense Budget by \$1,567,565 from \$21.34M to \$22.91M.

- c. Decrease the Capital Expense Budget by \$1,300,000 from \$1.66M to \$0.36M.
- 2) Capital Expansion Budget (Fund 300)
 - a. Increase the Revenue Budget by \$125,000 from \$2.46M to \$2.58M
 - b. No changes are being proposed to the Expense Budget.
- 3) Capital Renewal Budget (Fund 400)
 - a. Increase the Revenue Budget by \$100,000 from \$0.73M to \$0.83M.
 - b. Increase the Expense Budget by \$1,088,900: from \$7.62M to \$8.71M.

PASSED AND ADOPTED at a Regular Meeting of the South Placer Municipal Utility District Board of Directors at Rocklin, CA this 6th day of February 2025.

SOUTH PLACER MUNICIPAL UTILITY DISTRICT

Christy Jewell, President of the Board of Directors

ATTEST

Emilie Costan, Board Secretary

Table 1
REVENUE BUDGET ADJUSTMENTS FOR FY2024/25

	<u>FISCAL YEAR</u> <u>2024/25</u>	<u>MIDYEAR FISCAL</u> <u>2024/25</u>	<u>REQUESTED</u> <u>VARIANCE</u>
OPERATING FUND			
SEWER SERVICE CHARGES REVENUES	\$ 17,602,000	\$ 17,602,000	\$ -
PERMITS, PLAN CHECK FEES & INSPECTIONS	269,800	325,300	55,500
PROPERTY TAXES	1,320,000	1,320,000	-
LATE FEES SEWER SERVICE CHARGES	140,000	140,000	-
INTEREST	346,000	500,000	154,000
GAIN/LOSS ON SALE FIXED ASSET DISPOSAL	-	-	-
MISCELLANEOUS INCOME	50,000	50,000	-
OPERATING FUND less CEPPT Earnings	<u>\$ 19,727,800</u>	<u>\$ 19,937,300</u>	<u>\$ 209,500</u>
Interest Income from CEPPT (Restricted)	<u>\$ 100,000</u>	<u>\$ 100,000</u>	<u>\$ -</u>
TOTAL OPERATING FUND	<u>\$ 19,827,800</u>	<u>\$ 20,037,300</u>	<u>\$ 209,500</u>
CAPITAL EXPANSION FUND			
SEWER CAPACITY FEES	\$ 1,477,800	\$ 1,477,800	\$ -
INTEREST	979,000	1,104,000	125,000
TOTAL CAPITAL EXPANSION FUND	<u>\$ 2,456,800</u>	<u>\$ 2,581,800</u>	<u>\$ 125,000</u>
CAPITAL RENEWAL FUND			
INTEREST	\$ 733,000	\$ 833,000	\$ 100,000
TOTAL CAPITAL RENEWAL FUND	<u>\$733,000</u>	<u>\$833,000</u>	<u>\$100,000</u>
TOTAL SPMUD REVENUE	<u><u>\$ 23,017,600</u></u>	<u><u>\$ 23,452,100</u></u>	<u><u>\$ 434,500</u></u>

Table 2
OPERATING FUND EXPENSE BUDGET ADJUSTMENTS FOR FY2024/25

OPERATING FUND EXPENSES	FISCAL YEAR 2024/25	MIDYEAR FISCAL 2024/25	REQUESTED VARIANCE
SALARIES/WAGES	\$ 3,356,000	\$ 3,256,000	\$ (100,000)
FICA - SOCIAL SECURITY	256,735	249,085	(7,650)
CALPERS RETIREMENT & UAL	799,507	1,699,507	900,000
457 & 401A RETIREMENT	142,300	142,300	-
INSURANCE BENEFITS	1,008,240	958,240	(50,000)
PERS OPEB	494,012	505,012	11,000
SUBTOTAL SPMUD SALARIES & BENEFITS	\$ 6,056,794	\$ 6,810,144	\$ 753,350
ASPHALT PAVING	\$ 75,000	\$ 75,000	\$ -
BUILDING & GROUNDS MAINTENANCE	97,000	97,000	-
COMPUTER EQUIPMENT & SMALL OFFICE	8,750	14,750	6,000
EASEMENT MAINTENANCE	155,000	155,000	-
ELECTION EXPENSE	80,000	80,000	-
EMPLOYEE ENGAGEMENT	2,500	2,500	-
GAS & OIL EXPENSE	75,000	75,000	-
GENERAL OPERATING SUPPLIES & MAINTENANCE	225,700	236,700	11,000
LATERAL CAMERA REPAIRS	29,000	29,000	-
LEGAL SERVICES	125,000	125,000	-
LIFT STATION & FLOW RECORDER PROGRAMS	96,000	96,000	-
OTHER OPERATING EXPENSE	2,500	2,500	-
PROFESSIONAL DEVELOPMENT	65,125	65,125	-
PROFESSIONAL SERVICES	1,094,000	905,500	(188,500)
PROPERTY & LIABILITY INSURANCE	340,000	340,000	-
REGULATORY COMPLIANCE/GOVERNMENT FEES	91,500	91,500	-
REPAIR/MAINTENANCE AGREEMENTS	171,200	176,200	5,000
ROOT CONTROL PROGRAM	79,000	79,000	-
SAFETY GEAR/UNIFORMS	32,750	32,750	-
TOOLS & EQUIPMENT	16,000	16,000	-
UTILITIES	204,000	204,000	-
UTILITY BILLING/BANKING EXPENSE/PRINTING	280,800	280,800	-
VEHICLE REPAIR & MAINTENANCE	80,000	89,000	9,000
SUBTOTAL SPMUD SERVICE & SUPPLY EXPENSES	\$ 3,425,825	\$ 3,268,325	\$ (157,500)
RWWTP MAINTENANCE & OPERATIONS	\$ 7,734,919	\$ 7,734,919	\$ -
RWWTP REHAB & REPLACEMENT	1,441,729	1,441,729	-
SUBTOTAL SPWA O&M & R&R EXPENSES	\$ 9,176,648	\$ 9,176,648	\$ -
TOTAL OPERATIONS EXPENSE BEFORE DEPRECIATION	\$ 18,659,267	\$ 19,255,117	\$ 595,850
DEPRECIATION EXPENSE	\$ 2,678,970	\$ 3,650,685	\$ 971,715
TOTAL OPERATING FUND EXPENSES	\$ 21,338,237	\$ 22,905,802	\$ 1,567,565

Table 3
CAPITAL EXPENSE BUDGET ADJUSTMENTS FOR FY2024/25

	MIDYEAR FISCAL 2024/25	FUND 100		FUND 300		FUND 400	
		FISCAL YEAR 2024/25	REQUESTED VARIANCE	FISCAL YEAR 2024/25	REQUESTED VARIANCE	FISCAL YEAR 2024/25	REQUESTED VARIANCE
CAPITAL IMPROVEMENTS							
COMPUTERS/OFFICE FURNITURE	\$ 60,000	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ -
CY MASTER PLAN CAPITAL IMPROVEMENTS	\$ 95,000	\$ 75,000	\$ -	\$ -	\$ -	\$ 20,000	\$ -
EASEMENT/ACCESS ROADS	\$ 309,000	\$ 160,000	\$ -	\$ -	\$ -	\$ 161,000	\$ (12,000)
EASEMENT ACQUISITION	\$ 150,000	\$ 150,000	\$ (150,000)	\$ -	\$ -	\$ -	\$ 150,000
EASEMENT INSPECTION PROGRAM	\$ -	\$ 25,000	\$ (25,000)	\$ -	\$ -	\$ -	\$ -
PARTICIPATION IN REGIONAL PROJECTS	\$ 630,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 780,000	\$ (200,000)
SYSTEM IMPROVEMENTS	\$ -	\$ 1,125,000	\$ (1,125,000)	\$ -	\$ -	\$ -	\$ -
TOOLS & EQUIPMENT	\$ 16,000	\$ 16,000	\$ -	\$ -	\$ -	\$ -	\$ -
EXPANSION PROJECTS	\$ 5,034,000	\$ -	\$ -	\$ 5,034,000	\$ -	\$ -	\$ -
TRUNK EXTENSION REIMBURSEMENT	\$ 5,450,000	\$ -	\$ -	\$ 5,450,000	\$ -	\$ -	\$ -
CURED IN PLACE PIPE	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000	\$ -
HIGH-RISK FACILITY CREEK CROSSINGS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000	\$ (500,000)
LATERAL CAMERA REPLACEMENTS	\$ 13,000	\$ -	\$ -	\$ -	\$ -	\$ 13,000	\$ -
LIFT STATION PUMP REPLACEMENTS	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,000
SCADA	\$ 3,800,000	\$ -	\$ -	\$ -	\$ -	\$ 3,800,000	\$ -
SYSTEM REHABILITATION	\$ 3,004,900	\$ -	\$ -	\$ -	\$ -	\$ 1,366,000	\$ 1,638,900
VEHICLE PURCHASES	\$ 231,000	\$ -	\$ -	\$ -	\$ -	\$ 231,000	\$ -
TOTAL CAPITAL IMPROVEMENTS	\$ 19,554,900	\$ 1,661,000	\$ (1,300,000)	\$ 10,484,000	\$ -	\$ 7,621,000	\$ 1,088,900

	TOTAL	FUND 100	FUND 300	FUND 400
FISCAL YEAR 2024/25	\$19,766,000	\$1,661,000	\$10,484,000	\$7,621,000
REQUESTED VARIANCE	(\$211,100)	(\$1,300,000)	-	\$1,088,900
MIDYEAR FISCAL 2024/25	\$19,554,900	\$361,000	\$10,484,000	\$8,709,900

Table 4
MID-YEAR FUND SUMMARY FOR FY2024/25

<u>Fund 100 Operating Fund</u>	<u>FISCAL YEAR 2024/25</u>	<u>MIDYEAR FISCAL 2024/25</u>	<u>REQUESTED VARIANCE</u>
TOTAL FUND 100 REVENUES	\$ 19,827,800	\$ 20,037,300	\$ 209,500
SPMUD SALARIES & BENEFITS	6,056,794	6,810,144	753,350
SPMUD LOCAL SERVICES & SUPPLIES	3,425,825	3,268,325	(157,500)
SPWA O&M & R&R EXPENSES	9,176,648	9,176,648	-
EXPENSES BEFORE DEPRECIATION	18,659,267	19,255,117	595,850
DEPRECIATION EXPENSE	2,678,970	3,650,685	971,715
FUND 100 EXPENSES	\$ 21,338,237	\$ 22,905,802	\$ 1,567,565
FUND 100 CAPITAL EXPENSES	\$ 1,661,000	\$ 361,000	\$ (1,300,000)
TOTAL FUND 100 EXPENSES	\$ 22,999,237	\$ 23,266,802	\$ 267,565
FUND 100 DIFFERENCE	\$ (3,171,437)	\$ (3,229,502)	\$ (58,065)
<u>Fund 300 Expansion</u>	<u>FISCAL YEAR 2024/25</u>	<u>MIDYEAR FISCAL 2024/25</u>	<u>REQUESTED VARIANCE</u>
TOTAL FUND 300 REVENUES	\$ 2,456,800	\$ 2,581,800	\$ 125,000
TOTAL FUND 300 EXPENSES	\$ 10,484,000	\$ 10,484,000	\$ -
FUND 300 DIFFERENCE	\$ (8,027,200)	\$ (7,902,200)	\$ 125,000
<u>Fund 400 Renewal</u>	<u>FISCAL YEAR 2024/25</u>	<u>MIDYEAR FISCAL 2024/25</u>	<u>REQUESTED VARIANCE</u>
TOTAL FUND 400 REVENUES	\$ 733,000	\$ 833,000	\$ 100,000
DEPRECIATION TRANSFER	2,678,970	3,650,685	971,715
TOTAL FUND 400 EXPENSES	\$ 7,606,000	\$ 8,709,900	\$ 1,103,900
FUND 400 DIFFERENCE	\$ (4,194,030)	\$ (4,226,215)	\$ (32,185)
TOTAL SPMUD REVENUE	\$ 23,017,600	\$ 23,452,100	\$ 434,500
TOTAL SPMUD EXPENSES	\$ 41,089,237	\$ 42,460,702	\$ 1,371,465
TOTAL DIFFERENCE	\$ (18,071,637)	\$ (19,008,602)	\$ (936,965)

ITEM 7.2 GENERAL MANAGER REPORT

GENERAL MANAGER REPORT

To: Board of Directors
From: Eric Nielsen, General Manager
Date: February 6, 2025
Subject: General Manager Monthly Staff Report – January 2025

1) DEPARTMENT REPORTS

Attached are the monthly status reports for the Board's information:

- A. Administrative Services Department,
- B. Field Services Department, and
- C. Technical Services Department.

The Department Managers are prepared to answer any questions from the Board.

2) INFORMATION ITEMS

- A. On January 7, 2025, the District's General Counsel, General Manager, and Administrative Services Manager met with representatives from Sierra College including the College's Legal Counsel to continue the discussions regarding capacity charges and monthly service charges.
- B. On January 9, 2025, the General Manager and District Engineer met with the Public Works Director of the City of Lincoln to discuss the pending amendment to the Sierra College Partners Agreement which outlines how sewer service is provided to four parcels which are not contiguous to the District sewer system.
- C. On January 13, 2025, the General Manager joined a meeting between the District Engineer and Lead Inspector, the City of Roseville's Industrial Waste Analyst, and the City of Roseville's consultant. The City of Roseville is updating its Industrial Pretreatment and Commercial Discharger Programs per the requirements for wastewater treatment plants and by extension the SPWA partner agencies.
- D. On January 14, 2025, the General Manager and District Engineer met with representatives of a development project in Loomis and the Director of Facilities from the Loomis Union School District to discuss the status of the Del Rio/Del Mar Sewer Trunk Extension project.
- E. On January 15, 2025, the General Manager attended the Fleet Transition Master Plan kick-off meeting with the District's consultant (DKS Associates), the Superintendent, and the Lead Worker responsible for the District's fleet.

- F. On January 15, 2025, the General Manager, District Engineer, and Administrative Services Manager attended the Placer County Local Agency Formation Commission (LAFCO) Special Meeting to hear the presentation and provide comment on the District's Draft Municipal Service Review (MSR).
- G. On January 16, 2025, the General Manager attended the California Special District Association (CSDA) Gold Country Chapter Quarterly Meeting.
- H. On January 22, 2025, the General Manager along with many members of the District staff participated in the Compliance Evaluation Inspection conducted by the District's consultant as part of the Sewer System Management Plan (SSMP) Audit.
- I. On January 23, 2025, the General Manager conducted a District All-Hands Meeting to provide an introduction and begin to share his plans to meet the mission and vision of the District.
- J. On January 29, 2025, the General Manager met with Rocklin Mayor Jill Gayaldo for introductions.
- K. On January 30, 2025, the General Manager attended the South Placer Wastewater Authority (SPWA) Board Meeting.
- L. Advisory Committee Meetings:
 - a. The Policy and Ordinance Advisory Committee met on January 24, 2025, at the District office with the General Manager, Administrative Services Manager, and the District Management Analyst to review the proposed updates to various policies that will be brought forward at the February 6th meeting of the Board of Directors.
 - b. The Infrastructure Advisory Committee met on January 24, 2025, at the District office with the General Manager and the District Engineer to receive an update on the Castle City Mobile Home Park project, the District's process for accepting easements, and the planned construction projects for this calendar year.
 - c. The Personnel Advisory Committee met on January 28, 2025, at the District office with the General Manager, Superintendent, and Administrative Services Manager to discuss upcoming recruitments, succession planning, and receive an update on the timeline of MOU negotiations. Director Arney joined via phone.
 - d. The Fee and Finance Advisory Committee met on January 29, 2025, at the District office with the General Manager and Administrative Services Manager to discuss the ongoing negotiations with Sierra College regarding services charges and capacity charges.

3) **PURCHASE ORDERS/CONTRACTS INITIATED UNDER GENERAL MANAGER AUTHORITY**

PO Req#	Date	Vendor	Description	Amount
455	1/6/2025	Flo-Line Technology	Repair Submersible Pump	\$5,368.24
456	1/6/2025	Rocklin Windustrial	4” Mechanical Plugs	\$7,371.94
458	1/24/2025	Dell Technologies	New Server	\$17,130.13

4) **LONG RANGE AGENDA**

March 2025

- SSMP Audit Update
- LAFCO Municipal Services Review
- Sierra College Partners Agreement
- Training/Workshop on the new board materials management app (Laserfische)

April 2025

- Strategic Communications Plan Agreement
- Acceptance of Northwest Rocklin Sewer Annexation Project
- Sierra College Monthly Service & Capacity Agreement
- Discussion on Board Meeting Recordings/Videos and Minutes

May 2025

- Revisions to Policy 5060 – Minutes of Board Meetings
- Consider adoption of a social media policy
- SPWA Board Meeting Update

ITEM 7.2.1 ADMINISTRATIVE SERVICES REPORT

ITEM VII. ASD REPORT

To: Board of Directors

From: Emilie Costan, Administrative Services Manager

cc: Eric Nielsen, General Manager

Subject: Administrative Services Department Monthly Report

Board Date: February 6, 2025

Form 700 Statement of Economic Interest Filing

Form 700 notifications were sent via email to all designated Form 700 filers on January 2, 2025. Forms must be completed by April 1, 2025.

Year-End Recertifications and Filings

The Administrative Services staff completed the required year-end recertification and filing requirements including Form 1099, Form W2 and Compensation Reporting, Low-Income-Lifeline (LIL) Affordable Rate Program Recertifications, the Secretary of the State Annual Registry, and the State Controllers Annual Financial Report.

FY 2024/25 Mid-Year Budget Adjustments

The Administrative Services Manager has been working on the Fiscal Year 2024/25 Mid-Year Budget Adjustments which include some larger proposed readjustments to proposed transfers and expenditures for the District's various funds and accounts. The proposed adjustments will be presented at the upcoming Board meeting.

Public Relations and Marketing Request for Qualifications

District staff have been reviewing the proposals received in response to the Public Relations and Marketing RFQ. The District received twenty-eight proposals. The evaluation process resulted in five firms being selected for a shortlist of qualified vendors. Interviews will be scheduled with those on the short-list with an anticipated agreement for the development of a Strategic Communications Plan coming to the Board in March or April. The District's Media and Communications Board Policy #2100 was reviewed with the Policy and Ordinance Committee on January 24, 2025, and will be coming to the full board at a future meeting for further discussion.

Safe Conservations in the Workplace

In response to an employee survey conducted by the previous General Manager last year, the current General Manager and Administrative Services Manager have been working to bring in a seasoned training consultant to conduct a three-day district-wide training program. The sessions

are tied directly to the survey results and are titled *Making Difficult Conversations*, *Safe Conversations*, *Creating a Culture of Respect*, and *Creating a Culture of Accountability*.

Employee All Hands

The Administrative Services team facilitated a presentation at the January Employee All Hands meeting to share banking and financial wellness services available to employees through PNC Bank.

January Monthly Investment Transactions per GC §53607

DEPOSITS, TRANSFERS, OR WITHDRAWALS

CalTRUST:	None
CA CLASS:	None
LAIF:	None
Placer County:	None
Wells Fargo:	None
Five Star MM:	None

ITEM 7.2.2 FIELD SERVICES REPORT

ITEM VII. FSD REPORT

To: Board of Directors
From: Chad Stites, Superintendent
Cc: Eric Nielsen, General Manager
Subject: Field Services Department Monthly Report
Meeting Date: February 6, 2025

Department Overview

This section provides the Board with an update on the news and major tasks from the Field Services Department (FSD).

1. Supervisory Control and Data Acquisition (SCADA) Replacement

- a. Weekly meetings with the contractor/ integrator (Telstar), engineering/ construction management services (Carollo), and the District are underway.
- b. Site walk and preconstruction photos for all remote sites were conducted on January 13th and 14th with Telstar.
- c. Work is scheduled to be completed by December 2, 2025.

2. Sewer System Management Plan (SSMP) Audit

- a. Staff completed the SSMP Audit inspection on January 22, 2025.
- b. Staff completed a debrief with the consultants on January 28, 2025
- c. The completed audit is due February 2, 2025, and is scheduled to be presented to the Board at the March 6th meeting.

3. Zero-Emission Fleet Transition

- a. Staff conducted the Kick-off meeting on January 15, 2025.
- b. Staff is currently working on data deliverables for DKS.
- c. Professional services will commence in January 2025 and conclude in July 2025.

4. Emergency Messaging System

- a. The District's Safety Team (i.e., managers and regulatory compliance technician) ran training drills on January 23, 2025. The drills were successful and training is being developed for staff on the use of the new emergency messaging system.
- b. Training and drills will continue with all District staff.

Reporting

This section provides the Board with an overview of the Field Services Department operations and maintenance activities through 12/31/2024. The work listed is not all-inclusive.

1. Lost Time Accidents/Injuries (OSHA 300)

- a. Zero (0)
 - i. 3045 days (8.3 years) without a Lost Time Accident/Injury
- b. Workers Compensation Claims over the last twelve (12) months
 - i. One (1)

2. Safety/Training/Professional Development

- a. Field Services employees participated in training for the following:
 - i. SSO Training for all
 - ii. Machine Safety
 - iii. Utility Vehicles

3. Customer Service Calls

- a. Response Time Goals over the Last 12 Months

	Goal	Average	Success Rate
During Business Hours	< 30 minutes	22 min	94%
During Non-Business Hours	< 60 minutes	40 min	

Service Calls - December

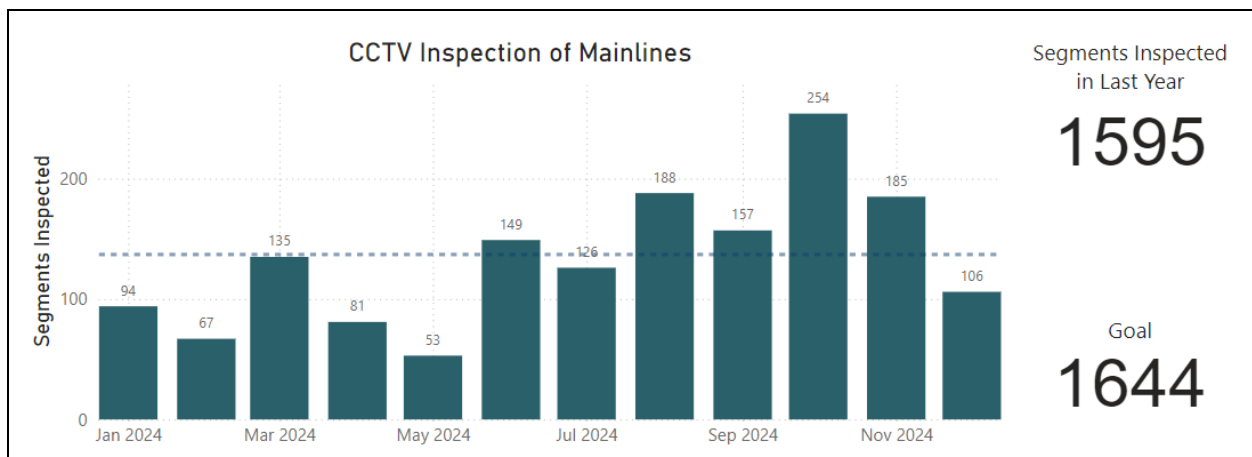
Responsibility	Spill	Stoppage	Odor	Alarm	PLSD	Misc
SPMUD Responsibility	2	1		3		
Owner Responsibility		4			5	1
N/A			1			4
Total	2	5	1	3	5	5

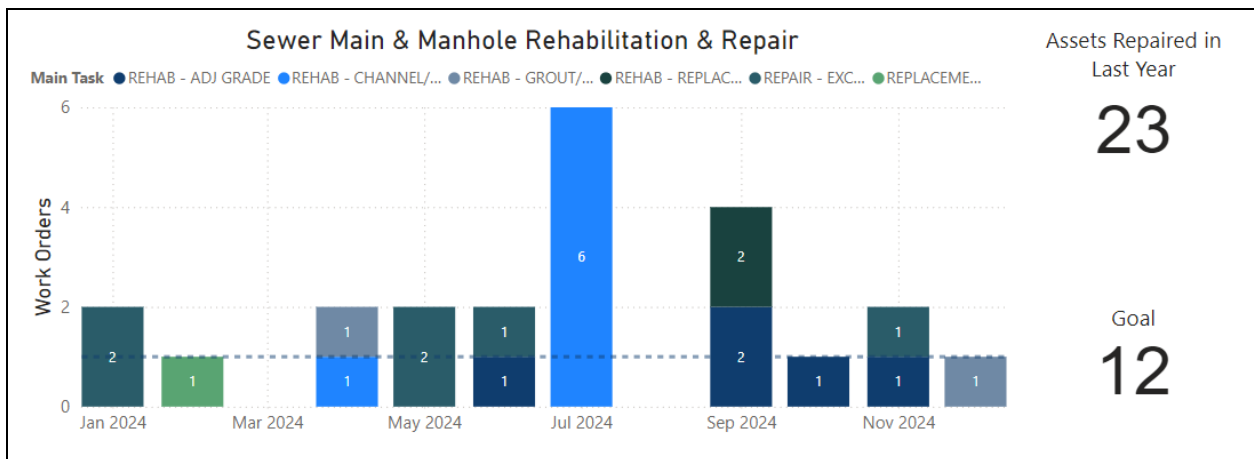
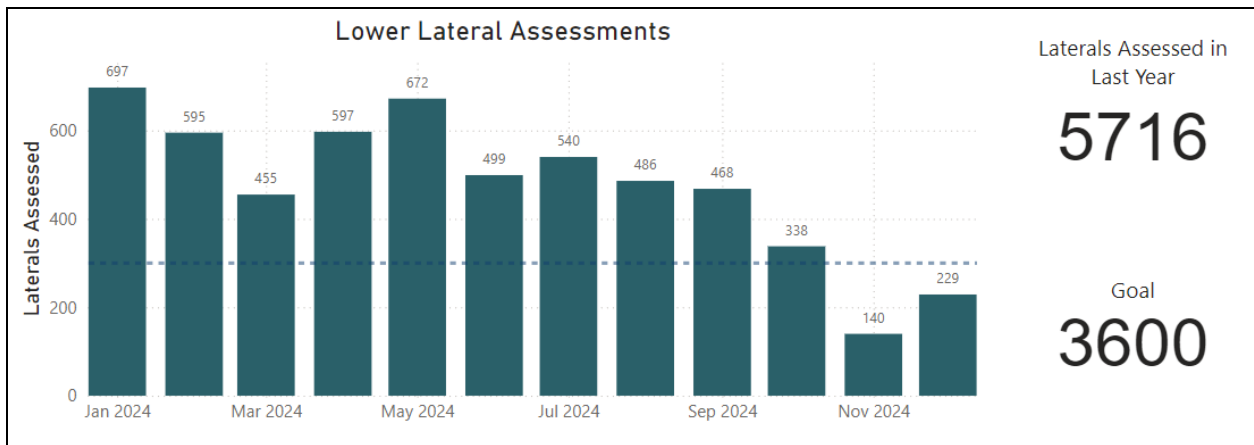
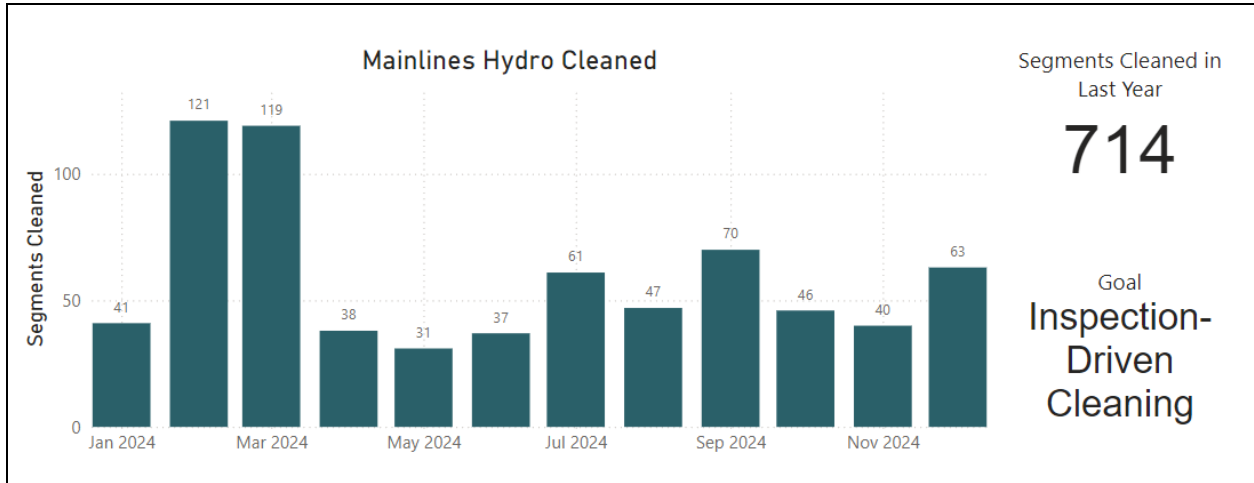
Total Service Calls

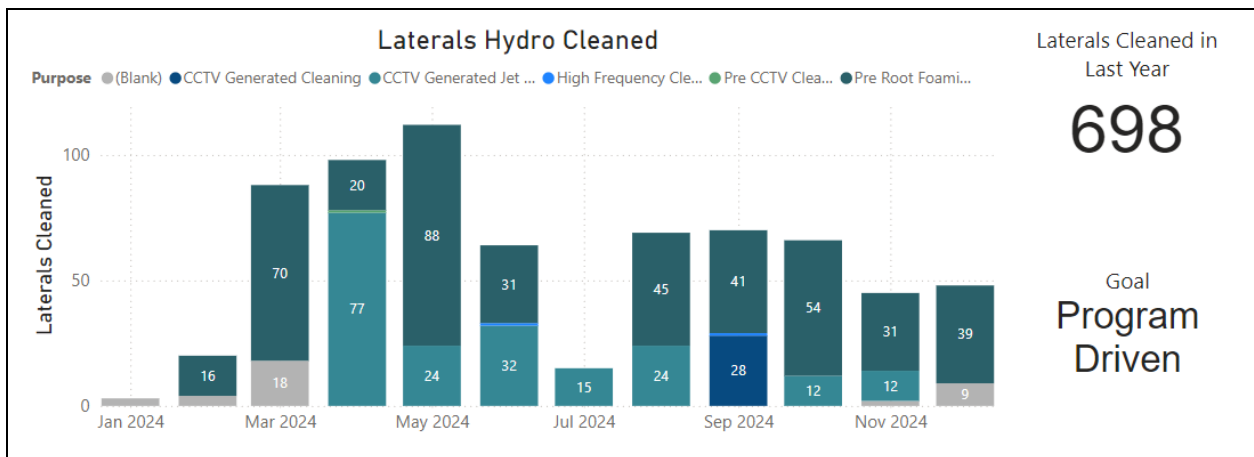
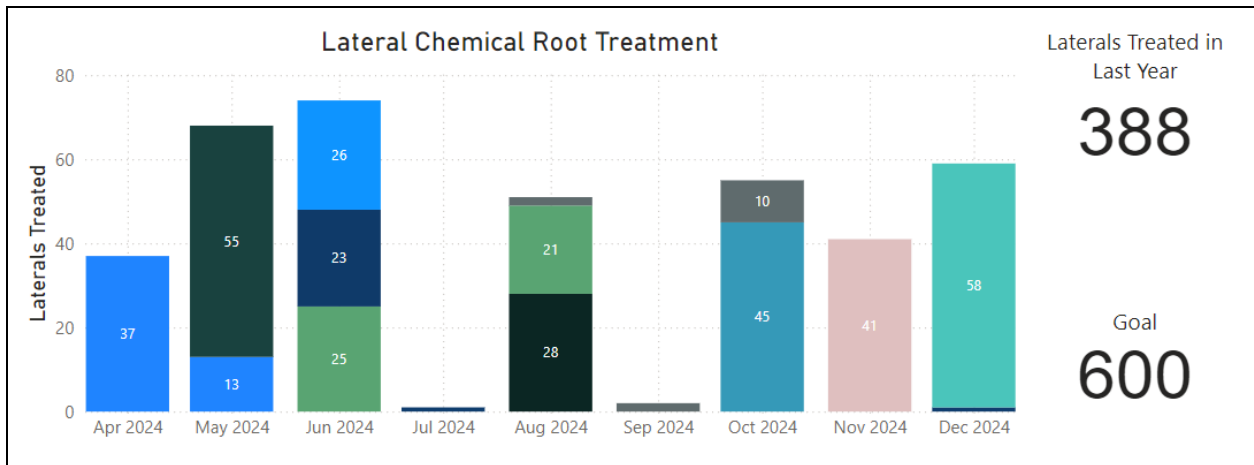
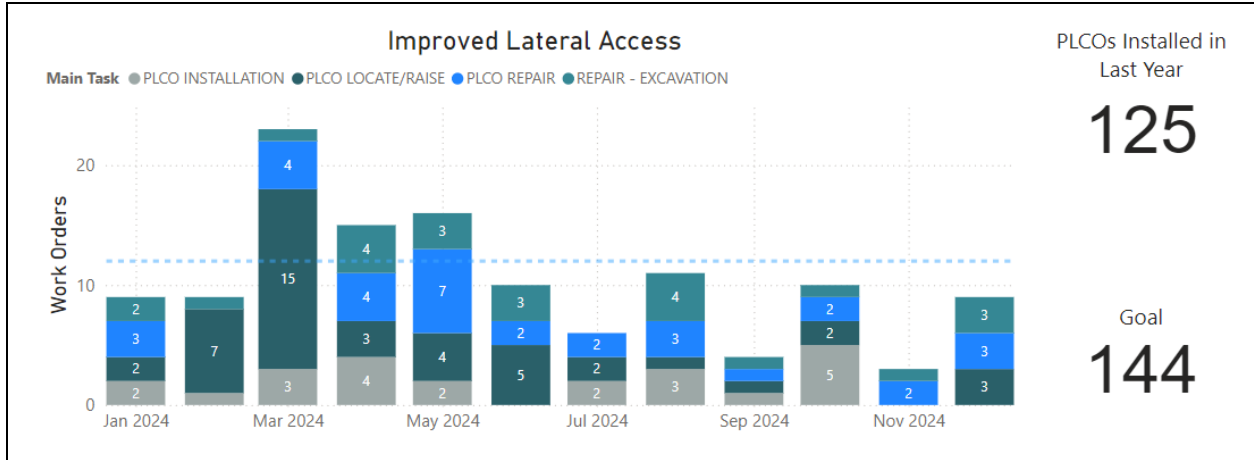
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4. Production

- a. The information provided below shows the work performed in key areas of focus. It does not represent all the work completed in the department.







ITEM 7.2.3 TECHNICAL SERVICES REPORT

ITEM VII. TSD REPORT

To: Board of Directors
From: Carie Huff, District Engineer
Cc: Eric Nielsen, General Manager
Subject: Technical Services Department Monthly Report
Board Date: February 6, 2025

TSD Updates:

- ❖ TSD staff completed CPR Training over the last month as required every two years.
- ❖ The District Engineer participated in the California Alliance for Sewer System Excellence (CASSE) meeting on January 8th. Topics included Waste Discharge Requirements (WDR) Program updates, electric vehicles and infrastructure, officer election, and encroachment permit processes.
- ❖ TSD staff conducted annual Central Square training for FSD and ASD.
- ❖ TSD staff participated in the Employee Engagement Committee (EEC) meeting on January 14th. The EEC is planning team building events for 2025, including the summer family picnic. The EEC is also involved with brainstorming topics for upcoming all-hands meetings to foster collaboration and unification.
- ❖ TSD staff participated in the Monument Springs Bridge meeting regarding sewer improvements on January 7th. The City's improvements to the bridge will impact the elevation of the intersection of Monument Springs Drive and Hidden Glen Drive, affecting access to the District's existing lift station. Staff is working through design requirements with the City of Rocklin and their consultant. Staff also met with the City of Rocklin on January 16th regarding potential funding mechanisms to participate in the construction of the sewer improvements.
- ❖ The General Manager and District Engineer met with representatives from Loomis Union School District and BEM on January 14th regarding the development of parcels in Loomis and the extension of a trunk line to Sierra College Boulevard.
- ❖ The General Manager and District Engineer met with representatives from Meadows Property Management (MPM) regarding additional capacity charges for Parkside Plaza on January 15th. Staff is working with MPM to review the property's history regarding capacity charge credits.
- ❖ The District Engineer reviewed proposals submitted by public relations firms to assist in generating a short list for interviews.
- ❖ TSD staff participated in the Countywide Development Coordination meeting to discuss regional projects on January 21st. Representatives from the City of Rocklin and the Town of Loomis attended the meeting.

- ❖ TSD staff participated in the SSMP Audit on January 22nd
- ❖ The District Engineer participated in the Catapult EMS simulation drill on January 23rd.
- ❖ The General Manager and the District Engineer conducted an Infrastructure Advisory Committee Meeting on January 24th and discussed the proposed annexation of the Castle City Mobile Home Park in Newcastle, easement processes and requirements, and the Monument Springs Bridge Project in addition to upcoming capital projects.
- ❖ The third quarter commercial audit of FY2024/25 began on January 1st.
- ❖ TSD staff is continuing to audit the laterals in GIS with billing accounts in Tyler at the direction of the board. This audit process will occur over the next year.
- ❖ TSD met with WaterWorks Engineering on January 28th to discuss comments on the most recent submittal. These changes include updates to Chapter 4 – Wastewater Pump Stations. The final version will be presented to the Board in early 2025.

Northwest Rocklin Sewer Annexation Construction Project (formerly known as Atherton Trunk)

On October 22, 2024, the Rocklin City Council approved a resolution to authorize the City Manager to purchase three sewer easements from two property owners for the Northwest Rocklin Project. The City is continuing to coordinate with the property owners, but the easements have not been finalized.

There are multiple development applications for projects (Stanford Ranch 6.8 Apartments, Quick Quack Lonetree, and Chapa-De Health Center) upstream of the Northwest Rocklin Sewer Annexation Construction Project that propose to connect to the District’s sewer system. The District has noted in responses to the City of Rocklin that connections will be approved on a case-by-case basis pending acceptance of the Northwest Rocklin Sewer Annexation Project.

District Capital Projects Updates:

1. PCWA / Newcastle Construction Cooperation Project:
District staff met with PCWA to coordinate right-of-way acquisition on January 16th and staff continues to work towards updating the specifications for construction in the summer of 2025.

Proposed Annexation of the Castle City Mobile Home Park in Newcastle

As previously reported, the District’s comments on the draft Plan of Study resulted in Caritas, the property owner, evaluating their next steps. Should Caritas provide the District with new alternatives/information, staff will bring alternatives to the board for further consideration. It should be noted that the level of effort required by the District to manage this project is substantial. In addition, the District is required to fund the project until reimbursed by the State of California.

Local Agency Formation Commission (LAFCO)

The General Manager and the District Engineer attended the LAFCO meeting on January 15th to review the draft MSR and Sphere of Influence Study.

FOG Program

The District’s FOG Inspector conducted nine core sample inspections of grease control devices (GCDs) in December at the following locations:

- 5130 Commons Drive
- Starbucks, 5500 Whitney Boulevard
- Pete’s Restaurant & Brew House, 2210 Sunset Boulevard
- Safeway, 2220 Sunset Boulevard
- Panda Express, 2210 Sunset Boulevard
- Catrina’s Cantina, 6130 Stanford Ranch Road (pump out inspection)

The core sample conducted at the Panda Express was non-compliant due to excessive FOG. FSEs are prohibited from operating a GCD with FOG and solids exceeding 25% of the design hydraulic depth of the GCD. The core sample conducted on December 2nd resulted in 60% FOG and solids at approximately ninety days from the last pump out. Because of this finding, the inspector contacted the store manager and conducted a kitchen inspection. No obvious issues were observed in the kitchen. The store manager indicated that training on best management practices (BMP) would occur immediately. The District’s inspector conducted a follow-up core sample on January 22, 2025. The findings of this inspection indicated significant improvement so a Warning of Non-Compliance will not be issued at this time.

Catrina’s Cantina has an existing 1500-gallon gravity grease interceptor. The FOG inspector periodically performs inspections on days that pump outs occur. This enables the inspector to conduct a more thorough inspection of the GCD and confirm that all fittings and appurtenances are in place. No issues were discovered during this inspection.

New Openings and Progress Updates

- **Chipotle Mexican Grill** located at 2310 Sunset Boulevard completed their improvements and opened. As part of the construction process, a new hydromechanical grease control device was installed, and they are now open for business. The FOG Inspector contacted the Chipotle facility department to review the District’s GCD maintenance requirements.
- **Greenhouse Café** located at 3129 Penryn Road opened for business. This location went through the District’s Tenant Improvement process and a new hydromechanical GCD was installed and inspected. The FOG Inspector contacted the owner, and this location is enrolled in SwiftComply. The new GCD will be serviced every three months as required by the District’s Sewer Code.
- The tenant improvement plans for **Via Roma** were approved by the Placer County Health Department. The plans have now been submitted to the City of Rocklin for review and approval. The contractor will move forward with the replacement of the existing GCD once the City of Rocklin gives its approval.

Industrial Pretreatment

The City of Roseville and the District conducted annual sampling events at the following breweries in December:

- Loomis Basin Brewing Company
- High-Hand Brewing Company
- Shred Beer Company
- Moksa Brewing Company

The sampling and inspection results showed significant improvements since the Brewery Study. Each establishment successfully developed and implemented water monitoring and pH control plans tailored to their specific operations. These cost-effective solutions and processes play a critical role in preventing harmful discharges into the public sewer system.

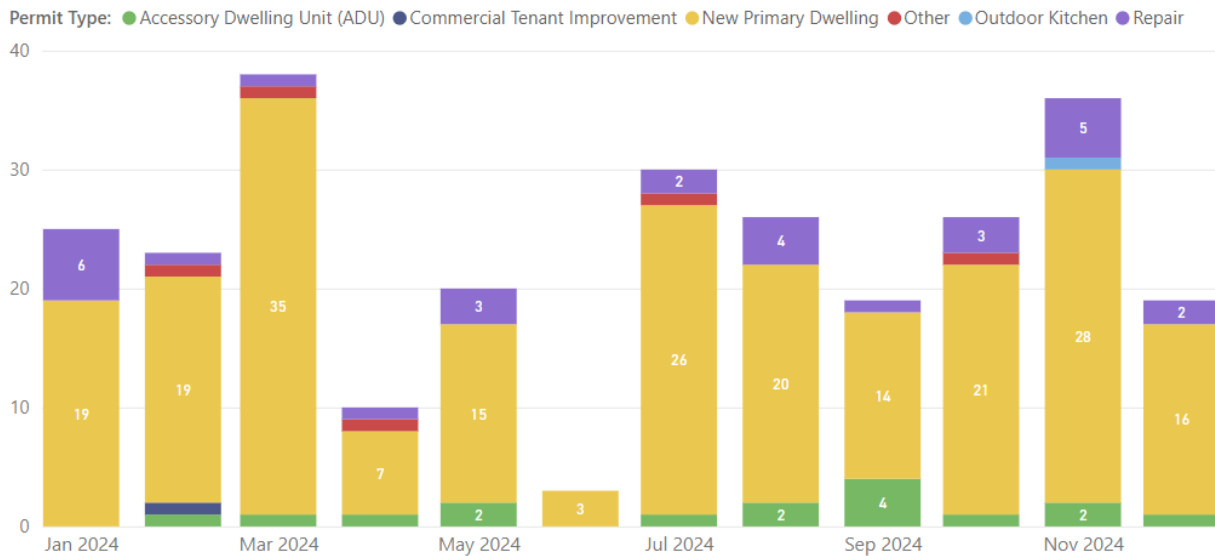
Prior to the Brewery Study, these establishments discharged waste into the public sewer system despite its impact on public sewer infrastructure or the Regional Wastewater Treatment Facilities. Unregulated discharges of low-pH wastewater caused severe corrosion in sewer infrastructure downstream from the establishments. Additionally, heavy solids were discharged in significant quantities, leading to surcharged manholes and, in one case, a sanitary sewer overflow.

Through collaborative efforts between the City of Roseville and the District, there has been a 90–95% reduction in solids discharged and a near-elimination of low-pH discharges. These improvements highlight the effectiveness of the pretreatment measures implemented, resulting in the protection of public sewer infrastructure.

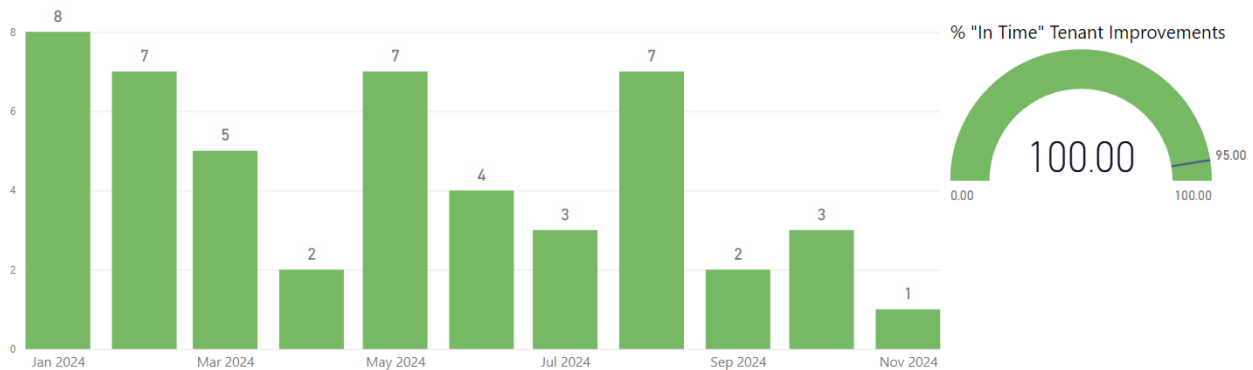
Department Performance Indicators

The following charts depict the efforts and performance of the department in the following areas of work as of December 31st, 2024. The charts are created in a reporting tool that directly connects to the District’s data, improving the timeliness of reporting efforts and leveraging the District’s investment in technology. Additional charts may be added in the future for other areas of work in the department.

Sewer Permits - Completed - Monthly Totals

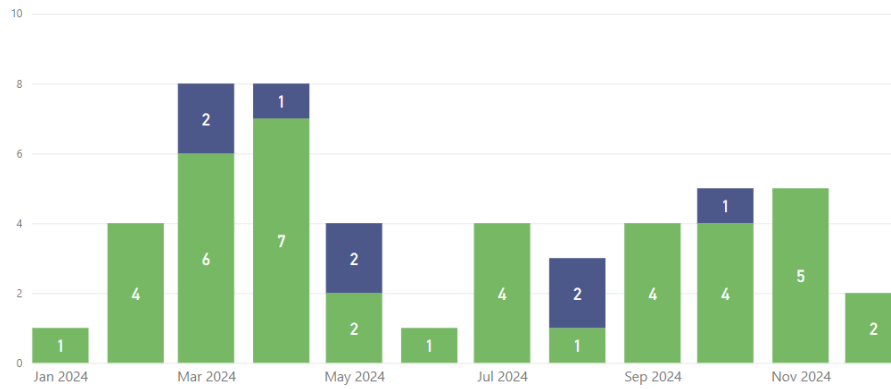


Tenant Improvement Reviews Completed - Monthly Totals



Plan Checks Completed - Monthly Totals

● Plan Checks ● Sign Plans

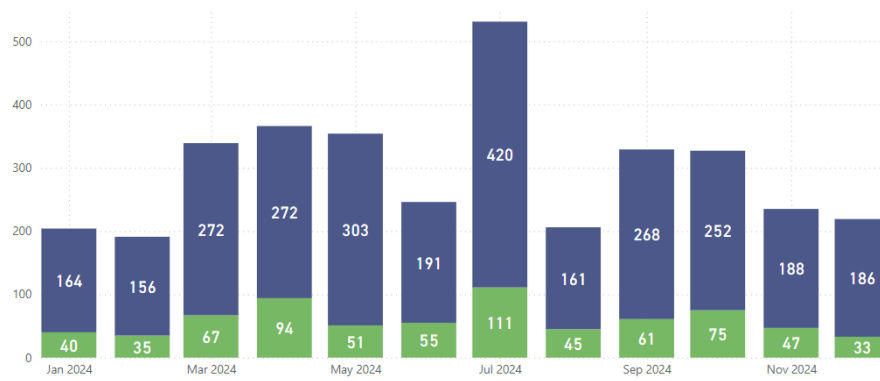


% "In Time" Plan Checks

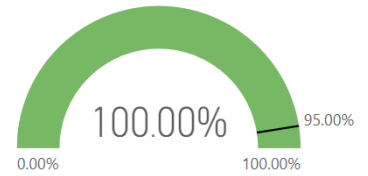


811 Responses

● Office ● Field

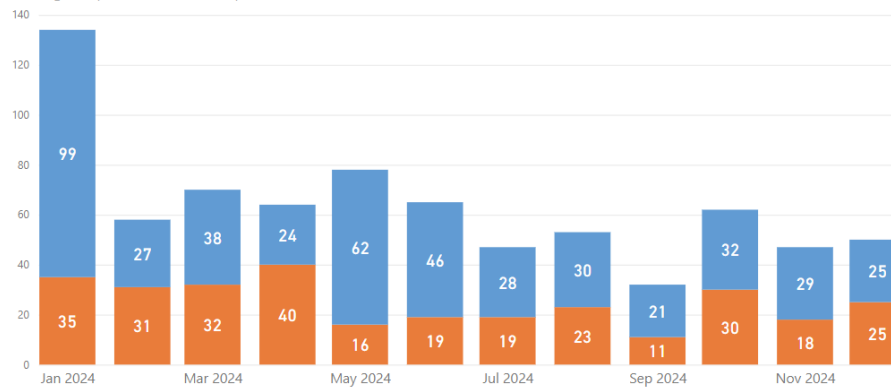


% "In Time" Responses



Building Sewer Inspections - Monthly Totals

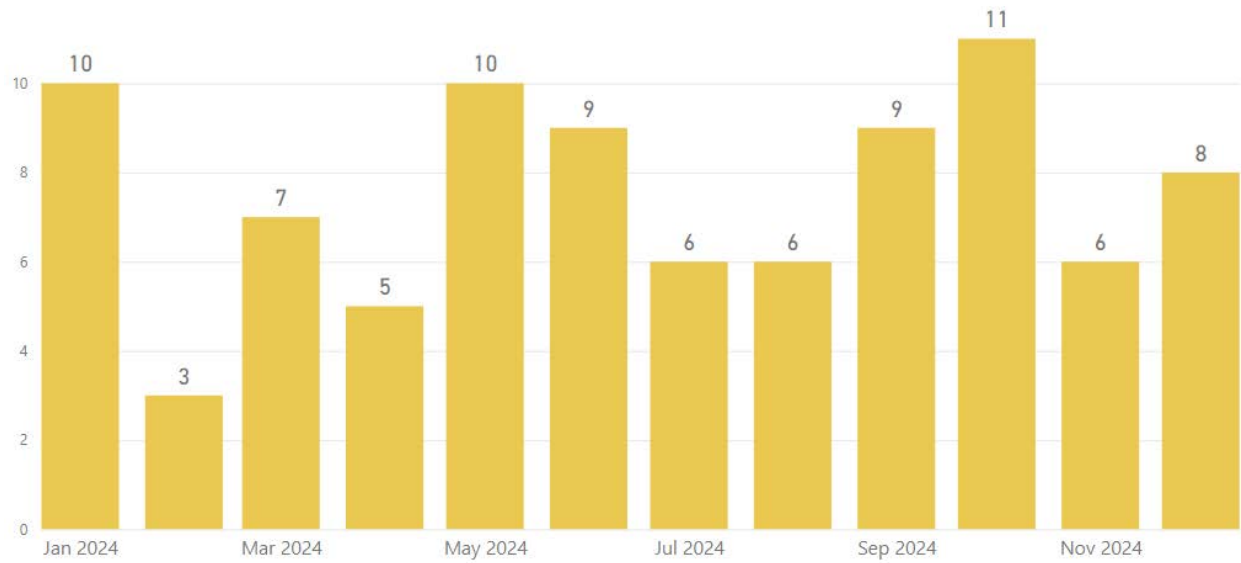
● Rough Inspections ● Final Inspections



% "In Time" Inspections

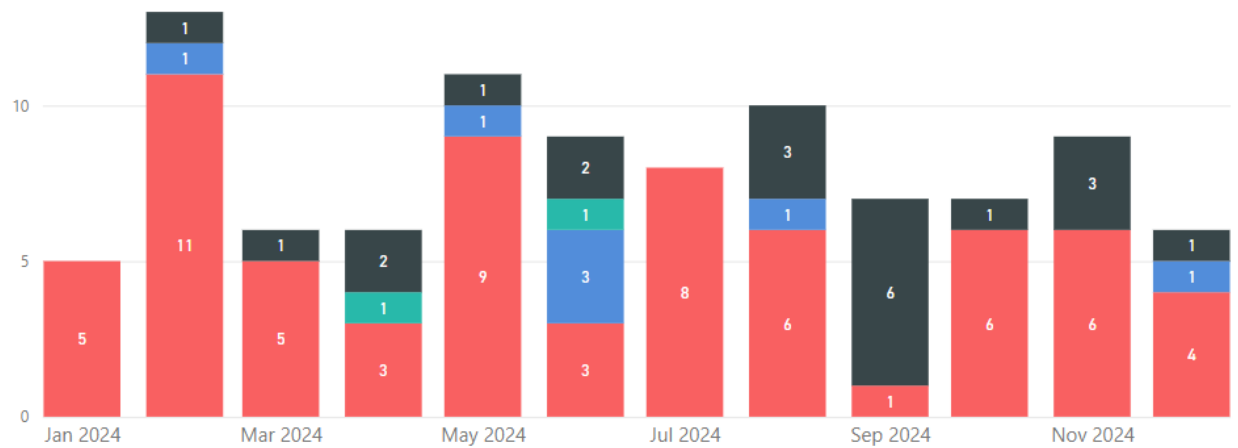


FOG Pickups - Monthly Totals



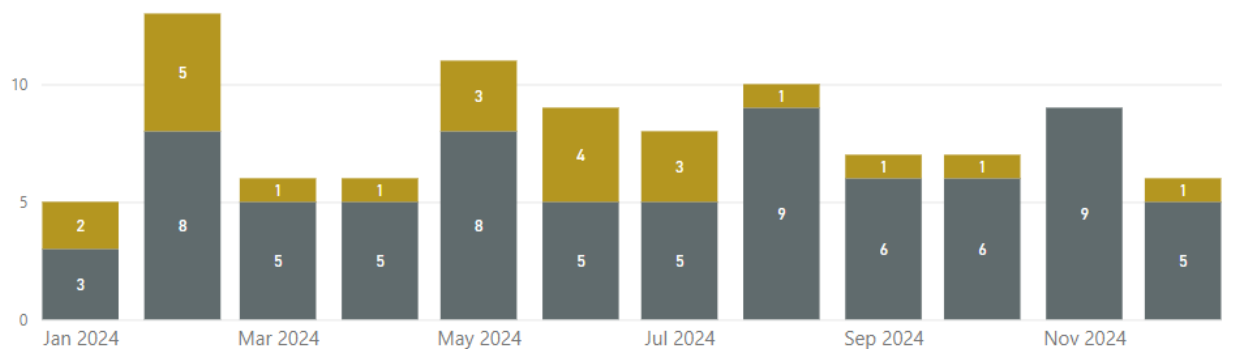
Grease Control Device Inspections

Template ● GGI Core Sample Inspection - Outside ● GGI Pump Out/Cleaning Inspection ● HGI Core Sample Inspection - Inside ● HGI Core Sample Inspection - Outside

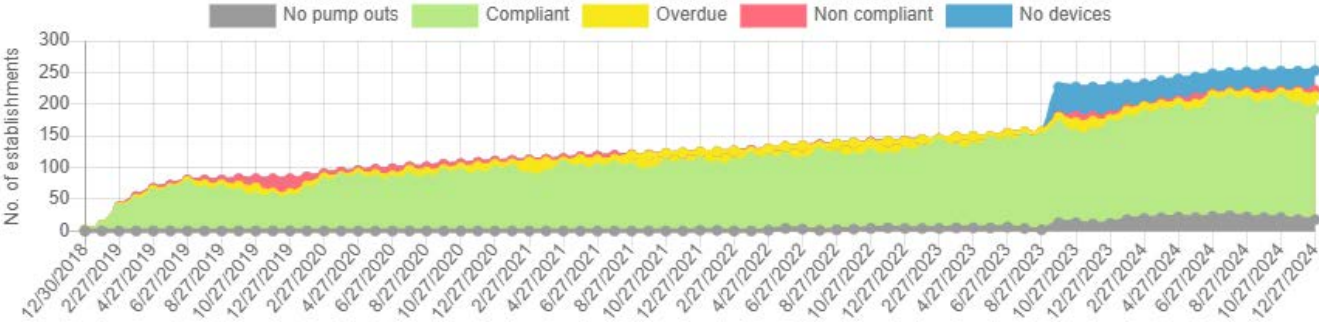


Grease Control Device Inspection Results

Compliance ● Compliant ● Non-compliant



FOG Compliance History



SwiftComply updated the program to include facilities that do not have a grease control device. This blue area indicates food service establishments that either have no devices or have not been investigated or inspected yet.