

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

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Regular	Zoom Meeting	November 5, 2020	4:30 p.m.

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

**II. ROLL CALL OF DIRECTORS:**

Present: President John Murdock, Vice President Will Dickinson, Director Jim Williams, Director Jerry Mitchell

Absent: None

Vacant: Ward 4

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

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

**IV. CONSENT ITEMS:**

1. MINUTES from the October 1, 2020 Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$2,747,277 through October 27, 2020.
3. QUARTERLY INVESTMENT REPORT in the total amount of \$64,292,566 through September 30, 2020.
4. ANNUAL INVESTMENT REPORT for the fiscal year ended June 30, 2020.
5. BILL OF SALE for Sewer Improvements within Granite Bluff, with an estimated value of \$1,340,697.
6. COVID-19 PANDEMIC UPDATE.

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

**V. CLOSED SESSION READOUT:**

The Board met in closed session at 3:50 p.m. to conduct a performance review of the General Manager. The performance review was concluded. The Board directed that an agenda item be placed on the December agenda for the General Manager's contract. No other action was taken.

The Board adjourned the closed session at 4:05 p.m.

## **VI. PUBLIC COMMENTS:**

President Murdock opened the meeting for public comments on items not on the agenda.

Public comment was made by Pam O'Malley who shared that she is resident of Corona Circle and is joining the meeting with her husband to listen to the discussion regarding the construction by Garney.

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

## **VII. BOARD BUSINESS**

### **1. ADOPT RESOLUTION 20-31 AUTHORIZING THE GENERAL MANAGER TO ENTER INTO A CONSTRUCTION COOPERATION AND REIMBURSEMENT AGREEMENT WITH THE CITY OF ROCKLIN**

DE Huff gave a presentation on the proposed agreement with the City of Rocklin for the District's participation in the 2020 Mission Hill Reconstruction Project. She shared that each year the City of Rocklin identifies streets to be rehabilitated with a grind and overlay. This project is in the Mission Hills Neighborhood. The District participates financially in the adjustment of manholes to grade and conducts pre-imposed tv of the facilities to ensure that construction debris does not enter the sewer system. DE Huff added that this agreement is an example of the District's ongoing efforts to work with our partner agencies.

Vice President Dickinson made a motion to approve Resolution 20-31 Authorizing the General Manager to Enter into a Construction Cooperation and Reimbursement Agreement with the City of Rocklin; a second was made by Director Williams; a roll call vote was taken, and the motion carried 4-0.

### **2. RESOLUTION #20-32 AUTHORIZATION TO EXECUTE CHANGE ORDERS #13 THROUGH #22 TO THE CONTRACT FOR FOOTHILL TRUNK SEWER REPLACEMENT PROJECT**

GM Niederberger introduced change orders #13 through #22 for the Foothill Trunk Sewer Replacement Project, sharing that all change orders now require Board approval as the 10% threshold has been exceeded. Change orders are currently at approximately 15% of the original project cost. DE Huff provided an overview, sharing that most of the change orders are due to unknown utilities discovered during construction, particularly on private property. She shared that change order #20 is the largest change order and is due to City of Rocklin requirements during the paving operations.

Due to timing, these change orders have been brought before the Board for approval; however, the scope of some of the change orders is still being reviewed by District staff and Water Works Engineers and final numbers will be presented at the next Board meeting once an agreement has been reached with Garney Pacific. DE Huff shared that even with these Change Orders, the District has just now reached the cost of the next lowest bidder. District staff is still work on the

retaining wall replacements behind Corona Circle. Staff has meet with a contractor onsite and has estimates for each repair solution. This item will be coming before the Board at the next meeting.

Vice President Dickinson asked if the City's pavement requirements changed between the project design and construction phases or if the changes were due to field conditions. DE Huff shared that the changes were a combination of several scenarios that modified the paving limits.

Director Williams asked if the retaining wall repairs will require reseeding of the GrassPave2. DE Huff explained that the intent is to provide protection. The contractor is aware that the retaining wall repairs still need to be completed and that they are responsible for making sure the seed germinates over the next few months.

Resident Pam O'Malley shared concern that with the rains coming, the separation gap in their yard will continue to increase causing more damage as there is not concrete stabilizing the retaining wall posts. Mike O'Malley shared that the shift in the separation is accelerating, causing the potential for additional damage. GM Niederberger shared that the retaining walls will be handled as individual claims and not change orders to the contract with Garney Pacific which can be signed by the General Manager prior to the next Board Meeting and then reported back to the Board as an informational item. Director Williams recommended consideration of temporary bracing.

Resident Pam O'Malley asked if the claim for the retaining wall would include tree replacement. DE Huff shared that this would be handled as a separate item. Mrs. O'Malley asked for clarification on the turnaround time. GM Niederberger shared that staff will reach out after the Board meeting to work with the O'Malley's and other residents.

Director Williams made a motion to approve Resolution 20-32 Authorizing the General Manager to Execute Change Orders #13 through #22 to the Construction Contract for Foothill Trunk Sewer Replacement Project; a second was made by Director Mitchell; a roll call vote was taken, and the motion carried 4-0.

**3. RESOLUTION 20-33 REVISING POLICIES #2576, #3120, & 3150 AND CREATING POLICIES #2023, #2030, #2037, & 2039**

GM Niederberger introduced Resolution 20-33 to revise three existing District policies and create four new policies. ASM Costan summarized the changes to the three policy revisions and shared that the Substance Abuse Policy, Workplace Violence Policy, and Harassment Policy are new Board Policies; however, they were previously incorporated into the District's Employee Manual. She shared that the Reasonable Accommodation Policy is a completely new proposed policy to provide direction on how the District responds to requests for reasonable accommodation from employees, job applicants, and members of the public. GM Niederberger added that all of the policies were reviewed on October 19, 2020 by the Ordinance and Policy Advisory Committee who recommended that the policies be forwarded to the Board for consideration.

Director Mitchell who is on the Ordinance and Policy Advisory Committee, shared that he reviewed the policies. He commented that moving these policies from the Employee Manual

and placing them in the Board Policy Handbook allows SPMUD customers to see the District's posture on topics that relate to them and creates transparency.

Vice President Dickinson thanked the committee for their work on reviewing the policies and commented on the Purchasing Policy, recommending language be added to the table on page 2 of the policy to clarify when the District is required to use the lowest bid. GM Niederberger shared that Section 9 of the policy requires that all competitively bid projects be in compliance with the California Public Contract Code and Municipal Utility Act. Director Mitchell asked whether the State could alter the dollar values in the Code. GC Brown shared that the code sections in the Policy are as amended by the State. President Murdock stated that putting the specific language from the State Code would create a double statement. Director Mitchell shared that the language could end up obsolete and confusing people. He commented that people who are bidding on these types of project are typically familiar with the requirements. Vice President Dickinson shared that he thinks it would still be helpful to have the requirement spelled out in the table for those implementing the policy. GC Brown stated that the District can insert the clarifying language with the current statutory requirements; however, the language in the statute including amendments will take precedence. Director Williams asked how likely it is for the language in the Municipal Utility Act to change. GC Brown shared that this could be addressed as a housekeeping item if the dollar value changes. Vice President Dickinson shared support for a footnote to the table on page 2 of the Purchasing Policy.

Vice President Dickinson had an additional comment on section 6 of the Purchasing Policy regarding using an RFP or RFQ for Good and Services.

Vice President Dickinson made a motion to approve Resolution 20-33 Adopting Policies 2576: Funding of CalPERS UAL, 3120: Investment of District Funds, 3150: Purchasing Policy as amended, 2023: Reasonable Accommodation Policy, 2030: Substance Abuse Policy, 2037: Workplace Violence Policy, and 2039: Harassment Policy; a second was made by Director Mitchell; a roll call vote was taken, and the motion carried 4-0.

#### **4. RESOLUTION 20-34 PERFORMANCE MERIT PROGRAM 2019 – 2020 UPDATE**

GM Niederberger introduced the Performance Merit Program (PMP) update, sharing that the program was incorporated in the last two employee MOUs and allows the employee to receive an incentive for performance beyond what is considered normal. This is the third year of the PMP program. DS Nielsen gave an overview of the results from the last program year as well as the new ranges and goals for the upcoming program year.

Director Mitchell asked how technology can further improve the performance and adjust the goals. DS Nielsen shared an example of using a new excavation tool that has improved efficiency on property line clean outs (PLCO), and that the District is always looking for ways to be more efficient. DS Nielsen shared that many times these efficiencies come from staff who know the PMP goals and are looking for ways to be more effective. Director Mitchell spoke to front line staff being closest to the work and being a source of ideas that are tied to their bonus.

Director Williams asked about PLCOs in Newcastle and if the District has factored additional time into the performance goal for work performed in this difficult area. DS Nielsen responded that this will be addressed in future years as more PLCO work is performed in the Newcastle area.

Vice President Dickinson asked about the actual payment received by the employees. DS Nielsen shared that the average payout per employee is slightly lower than the payout of \$1,751.96 that most District employees will receive due to a pro-rated amount for employees that were not employed with the District for the entire PMP year.

DS Nielsen shared that the District reviewed the impacts from COVID-19 on the PMP program and found that the performance metrics were not impacted by the alternating work schedules put in place in the Spring. While the District was not fully staffed, tasks were still being performed as, or more, efficiently; therefore, all months were included in the overall performance.

Vice President Dickinson made a motion to approve Resolution 20-34 Authorizing the payout to District Employees per the Employee MOU in the amount of \$38,025, and Approving the Performance Elements and Goals for the 20/21 Performance Merit Pay Program; a second was made by Director Williams; a roll call vote was taken, and the motion carried 4-0.

## **VIII. REPORTS**

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

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

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

GM Niederberger shared a revision to the GM report as stated to move the Oath of Office from the December Board meeting to the January Board meeting.

Director Mitchell asked when the Headquarters work will be awarded. DS Nielsen shared that the project is still under plan review with the City of Rocklin. The architect is currently working to respond to the initial comments from the City and preparing the second submittal for review. DS Nielsen shared that the hope is to start the bid process at the beginning of the year.

GM Niederberger asked Vice President Dickinson and Director Williams for their availability to attend a Fee and Finance Committee meeting. The committee members agreed to meet Thursday, November 19<sup>th</sup> at 10am.

Director Mitchell asked about the District using SharePoint to host an intranet site and the purpose of the site. ASM Costan shared that the District decided to use SharePoint to host the site because it is part of the Microsoft Suite already used by the District so there is no additional expense. She explained that the site will be used to share information with District staff such as the status of PMP performance throughout the year. The site will also be a way to show appreciation for and communicate with staff. DE Nielsen added that the site will be used to make Standard Operating Procedures, Safety Data Sheets, and other materials readily available to staff.

Director Mitchell also asked about the Fire Department inspection at the Sierra College Lift Station. DS Nielsen shared that the station requires routine inspection due to hazardous materials that are stored at the site.

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

**3. Director's Comments:**

Director Williams asked that the Board consider a Resolution at the December meeting commemorating Victor Markey for his years of service on the Board. All Board Members concurred.

Vice President Dickinson congratulated Jim Durfee for his appointment to the Board and welcomed him.

President Murdock asked for a walk-thru of the Foothill Trunk Project.

**X. ADJOURNMENT**

The President adjourned the meeting at 5:43 p.m. to the next regular meeting to be held on December 3, 2020 at 4:30 p.m. with a closed session meeting to be held prior at 3:45 p.m.



Emilie Costan, Board Secretary