

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

<b>Meeting</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>
Regular	Zoom Meeting	August 4, 2022	4:30 p.m.

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

**II. ROLL CALL OF DIRECTORS:**

Present: President Jerry Mitchell, Director John Murdock, Director James Durfee

Vice President Jim Williams joined the meeting at 4:35 p.m.

Absent: Director Will Dickinson

Vacant: None

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

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

**IV. PUBLIC COMMENTS:**

President Mitchell opened public comments to the meeting attendees outlining that the comments should be limited to those topics, not on the agenda and participants would have three (3) minutes to speak. He recognized that retirees had been concerned about matters related to Retiree Health Benefits. He instructed the meeting participants that the Board could listen to comments but could take no action. He further instructed participants that the Board would have a Closed Session during the October Board meeting to discuss the item, followed by an Open Session in November where retirees could voice their concerns

ASM Costan identified that there were a number of attendees to the meeting and that they would have to use the phone functions to unmute. District Engineering Technician, Curtis Little, explained the process to unmute or raise their hand. ASM Costan, then went down the list of attendees to solicit comments. Charles Clark indicated that he would like to address the Board on Item No 2 on the Board Business agenda.

**V. CONSENT ITEMS:**

1. MINUTES from the July 7, 2022 Regular Meeting.
2. ACCOUNTS PAYABLE in the amount of \$5,114,691 through July 27, 2022.

3. QUARTERLY INVESTMENT REPORT in the total amount of \$77,410,173 through June 30, 2022.
4. BILL OF SALE Acceptance of the Bill of Sale for Sewer Improvements within the Grove Subdivision, with an estimated value of \$811,337.
5. RESOLUTION 22-31 DECLARING AND RE-RATIFYING THE STATE OF EMERGENCY AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS DUE TO THE COVID-19 EMERGENCY.

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

## **VI. BOARD BUSINESS**

### **1. RESOLUTION 22-32 ESTABLISHING A PROCEDURE FOR RECTIFYING PARCELS SPLIT BY CENSUS BLOCK FOR THE ESTABLISHMENT OF WARD BOUNDARIES**

GM Niederberger introduced the item explaining that the Board of Directors adopted Ordinance 22-01, which revised and re-established District Ward Boundaries. Ordinance 22-01 utilized Census Block information to establish the new Ward Boundaries. Staff was alerted by Placer County GIS and Elections personnel that in some isolated cases the census block boundaries and Ward boundaries bisected parcels. GM Niederberger showed examples of these split parcels to the Board.

Resolution 22-32 establishes a procedure to rectify those parcels split by the Ward Boundaries in Ordinance 22-01 by presenting the following criteria to the Board of Directors for adoption in Resolution 22-32. In those cases where the Ward Boundary splits a parcel, the whole parcel shall be included in the Ward encompassing the larger portion of the split parcel; except that, in those cases that the Ward Boundary splits a parcel adjacent to a recognized boundary of an incorporated Town or City, the Ward Boundary shall be moved to correspond to the limits of the incorporated Town or City, and the whole parcel shall be included in that Ward.

President Mitchell comment about pending LAFCo actions to incorporate areas not previously recognized into the District's service area boundary. GM Niederberger discussed the pending action by LAFCo to annex those areas currently being served by the District through Out-of-Area service agreements into the recognized District Boundaries is not impacted by this action. DE Huff is working with LAFCo on the project and is also addressing discrepancies where the Board of Equalization tax boundaries do not conform with the current LAFCo Boundaries.

Director Durfee made a motion to adopt Resolution 22-32 Establishing a Procedure for Rectifying Parcels Split by Census Block for the Establishment of Ward Boundaries; a second was made by Director Murdock; a roll vote was taken, and the motion carried 4-0.

## **2. ACTUARIAL VALUATION REPORT FOR OTHER POST-EMPLOYMENT BENEFITS (OPEB) PROGRAMS**

ASM Costan provided a report on the funding status of the District CalPERS CERBT (California Employer's Retirement Benefit Trust) account. She shared that the account was opened by the District in 2008 to fund the retiree medical benefits or Other Post-Employment Benefits (OPEB). The District has a policy to fully fund the benefit through contributions and interest earnings from the CERBT account. CalPERS recently adopted a lower discount rate that adversely affects the expected rate of return. The Actuarial Valuation Report shows that as of June 30, 2021, the trust is 77.9 percent funded.

The District's OPEB payments to retirees are expected to increase until 2055, but these should be offset by increased earnings of the CERBT. The current balance of the CERBT as of June 30, 2022, is \$5.88 million, approximately \$400,000 less than on June 30, 2021. This yields a current funded rate of 72 %.

Director Murdock asked for clarification on the funded rate. GM Niederberger responded that the actuarial report indicates a long-term Actuarial Accrued Liability of about \$8 million. As of 2021, the District's OPEB liability was about 78% funded. When this is compared to the current CERBT balance as of this morning, of \$5.8 million, the District appears to be currently only 72% funded.

ASM Costan polled every attendee of the meeting for Public Comment. Charlie Clark provided public comment regarding the initial setup of the trust in 2007. He commented that it was intended to be a tax-exempt trust that affects twenty-four (24) current retirees.

Vice President Williams made a motion to receive and file the June 30, 2021, Actuarial Valuation: Determination of Other Post-Employment Benefit (OPEB) Funding Contributions; a second was made by Director Durfee; a roll vote was taken, and the motion carried 4-0.

## **3. STRATEGIC PLANNING WORKSHOP: WORK PLAN AND MEASUREMENTS**

DS Nielsen presented the proposed work plan and measurements in preparation for the adoption of the new five-year Strategic Plan. The information was shared with the Strategic Plan Advisory Committee on July 27th to receive additional input. The plan will consist of two parts: 1) Goals and Priorities, and 2) Measures and Benchmarks using the Effective Utility Management (EUM) framework created by WEF (Water Environment Federation), the AWWA (American Water Works Association), and other professional organizations in the water and wastewater industry.

DS Nielsen went over the Strategic Plan priorities: maintain an excellent regulatory compliance record; prepare for the future and foreseeable emergencies; leverage existing and applicable technologies to approve efficiencies; provide exceptional value for the cost of sewer service, and make SPMUD a great place to work.

DS Nielsen explained that the EUM framework contains measurements and benchmarking of ten (10) elements that apply to water and wastewater agencies. He also reviewed the proposed progress reports that will show performance over time and be provided annually to the Board.

Vice President Williams commented that he liked the direction of the proposed plan.

DS Nielsen spoke about accountability and that staff reports will continue to refer to the Strategic Plan as well as the EUM. The next steps will include sharing the plan individually with Board members and then presenting the final plan to the Board at the September Board meeting.

President Mitchell commented that the EUM process provides structure and will include valuable comparisons with state averages and other districts.

#### **4. APPOINTMENTS TO THE TEMPORARY INFRASTRUCTURE ADVISORY COMMITTEE**

Board President Mitchell appointed Director Durfee and Director Dickinson to the Infrastructure Advisory Committee.

Additional Public Comment: ASM Costan polled the list of Zoom attendees to determine if there was any additional public comment. Ms. Costan also suggested that participants could email her. There was no additional public comment.

### **VII. REPORTS**

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

General Counsel Brown had no report for this meeting.

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

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

GM Niederberger shared that the monthly department reports were included in the agenda packet. He would be out of the office on Aug 5. He then solicited Board participation in the City of Rocklin Hot Chili /Cool Cars event.

President Mitchell inquired about the Montreo Subdivision. GM Niederberger responded that the Montreo subdivision has to connect to the existing District collection system through an adjacent subdivision that has private streets. There were concerns about access and existing sewer easements. DE Huff also explained that the subdivision proposal also included a lift station and there have been some concerns regarding impacts from that lift station and constructability. President Mitchell also inquired about the location of the subdivision, and DE Huff placed the location off of Park Drive and Coldwater Place.

President Mitchell commented on the 5.83 years since the District experienced a lost time incident. President Mitchell inquired about the abbreviation of PLSD. DS Nielsen identified this as a Private Lateral Sewer Discharge and what constitutes that type of sanitary sewer overflow.

Director Williams inquired about the scheduling of the Loomis 2x2. He shared that he would be unavailable from September 5<sup>th</sup> to the 20<sup>th</sup>. GM Niederberger responded that he is working with the Deputy Town clerk to schedule the meeting. Director Durfee would like a briefing on the topics of the proposed 2x2.

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

**3. Director's Comments:**

The Directors had no additional comments.

**VIII. ADJOURNMENT**

The President adjourned the meeting at 5:28 p.m. to the next regular meeting to be held on September 1, 2022, at 4:30 p.m.



Emilie Costan, Board Secretary