

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

Meeting	Location	Date	Time
Regular	SPMUD Boardroom Zoom Meeting	June 1, 2023	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 Williams presiding at 4:30 p.m.

II. ROLL CALL OF DIRECTORS:

Present: Director Jerry Mitchell, Director Christy Jewell, Director James Durfee, Director Will Dickinson, Director Jim Williams

Absent: None

Vacant: None

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

III. PLEDGE OF ALLEGIANCE: DS Eric Nielsen led the Pledge of Allegiance.

IV. PUBLIC COMMENTS:

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

V. CONSENT ITEMS:

1. MINUTES from the May 3, 2023, Special Meeting.
2. MINUTES from the May 4, 2023, Regular Meeting.
3. ACCOUNTS PAYABLE in the amount of \$1,108,405 through May 22, 2023.
4. RESOLUTION 23-14 APPROVING SELECTED BALLOTS FOR THE SDRMA BOARD OF DIRECTORS ELECTION.
5. RESOLUTION 23-15 CONSTRUCTION COOPERATION AND REIMBURSEMENT AGREEMENT FOR THE CITY OF ROCKLIN'S MOUNTAINGATE DRIVE ROADWAY REPLACEMENT PROJECT

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

VI. BOARD BUSINESS

1. **PUBLIC HEARING: RESOLUTION 23-16 TO COLLECT DELINQUENT SERVICE CHARGES FOR SOUTH PLACER MUNICIPAL UTILITY DISTRICT ON THE PLACER COUNTY TAX ROLLS FOR TAX YEAR 2023**

ASM Costan presented the Public Hearing to collect delinquent charges for the tax year 2023. She shared that each year the District holds a public hearing prior to assigning delinquent charges to the Placer County Tax Rolls. At the time of the meeting, there were 1,053 accounts with a total outstanding balance of \$408,899. The Public Hearing was opened to receive comments from the public on this item. No public comments were received.

Director Mitchell asked how soon the District receives the funds from the County. ASM Costan shared that the tax revenues are generally dispersed twice a year; however, the District can request more frequent disbursements. Director Jewell asked how many accounts the District has, and ASM Costan shared that there are approximately 25,000 accounts.

Director Jewell made a motion to approve Resolution 23-16 requesting that Placer County Collect Delinquent Service Charges for the District on the Placer County Tax Roll for Tax Year 2023; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 5-0.

2. SECOND READING AND ADOPTION OF ORDINANCE 23-01 AN ORDINANCE IN CONFORMANCE WITH CHAPTER 2.03.04 OF THE DISTRICT SEWER CODE RELATING TO MONTHLY SEWER CHARGES

GM Niederberger asked the Board to waive the second reading and adopt Ordinance 23-01 approving the monthly sewer charges as determined in the five-year cost of service study.

Director Durfee made a motion to waive the second reading and adopt Ordinance #23-01 An Ordinance Relating to Monthly Sewer Charges; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 5-0.

3. SECOND READING AND ADOPTION OF ORDINANCE 23-02 AN ORDINANCE IN CONFORMANCE WITH CHAPTER 2.03.04 OF THE DISTRICT SEWER CODE ESTABLISHING SEWER PARTICIPATION CHARGES

GM Niederberger asked the Board to waive the second reading and adopt Ordinance 23-02 establishing sewer participation charges.

Director Dickinson asked staff to prepare a question-and-answer piece on the District's Participation Fee that is reviewed by the Fee and Finance Committee, approved by the Board, and can be posted on the District's website. Director Mitchell voiced support for a handout. Director Jewell asked that at least two months of additional time be added to the process to allow for more discussion when future fee studies occur.

Director Durfee made a motion to waive the second reading and adopt Ordinance #23-02 An Ordinance Establishing Sewer Participation Charges; a second was made by Director Mitchell; a roll call vote was taken, and the motion carried 4-1 with Director Jewell voting No.

4. FISCAL YEAR 2023/24 BUDGET WORKSHOP

ASM Costan presented the budget workshop, sharing the projected revenue budget which anticipates three hundred new connections and incorporates the rate adjustment. She then

presented the proposed Operating Fund and Capital Expense Budgets and reviewed the District's fund balances and investment portfolio. Directors were given an opportunity to ask questions and make any comments regarding the proposed budget including a review of the proposed capital projects. The final Fiscal Year 23/24 Budget Workbook will be brought back to the Board for adoption at the July 6, 2023 Board Meeting.

The Board discussed the increased wastewater treatment costs. ASM Costan shared that treatment expenses have increased 74% over the last five years, and the City of Roseville has explained that the increased expenses are primarily for chemical treatment, staffing, and indirect expenses. GM Niederberger shared that the District has requested this topic be added as an item at the June South Placer Wastewater Authority (SPWA) Board Meeting.

Director Dickinson commented that the Sources and Uses Report shows that the District is overspending operating revenues even with Fund 100 capital expenditures excluded. GM Niederberger shared that increased revenues in future years from the rate case should stabilize future fund balances. ASM Costan added that paying off the District's Unfunded Accrued Liability (UAL) which has been a growing annual payment for the District could have a large impact on the salary and benefit expenditures and improved interest earnings could also provide additional revenues.

5. RESOLUTION 23-17 CREATING POLICY #5015 BOARD MEMBER TELECONFERENCING AND REVISING POLICIES #3130 DISTRICT RESERVE POLICY AND #4035 DIRECTOR HEALTH INSURANCE

GM Niederberger presented the proposed policy on Board Member Teleconferencing as well as the revisions to the District Reserve Policy and the Director Health & Welfare Benefit/Employee Stipend in Lieu of Benefits Policy. The policies were reviewed by the Policy and Ordinance Committee with a recommendation to forward the policies to the full Board for consideration.

Director Dickinson requested that the last sentence of the District Reserve Policy be revised to read: *The District shall maintain a Capital Replacement and Rehabilitation Reserve sufficient to fund the next three years of planned capital taking into account anticipated revenues with an ideal target of five years of planned capital.* Director Mitchell commented that Board Members will need training on Policy 5015.

Director Durfee made a motion to adopt Resolution 23-17 creating policy 5015 and revising policies 3130 and 4035 with the proposed revision to policy 3130; a second was made by Director Dickinson; a roll call vote was taken, and the motion carried 5-0.

6. RESOLUTION 23-18 CREATING THE JOB DESCRIPTION FOR GIS IT TECHNICIAN/ANALYST

GM Niederberger presented the proposed job description for a GIS/IT Technician/Analyst. He shared that the position was a result of the Classification Study recently conducted by Ralph Andersen & Associates. He shared that the proposed Fiscal Year 2023/24 Budget includes the reclassification of an Engineering Technician I/II to a GIS/IT Technician/Analyst.

Director Jewell made a motion to adopt Resolution 23-18 creating the job description for GIS/IT Technician/Analyst; a second was made by Director Durfee; a roll call vote was taken, and the motion carried 5-0.

VII. REPORTS

1. District General Counsel (A. Brown):

General Counsel Brown had no report for this meeting.

2. General Manager (H. Niederberger):

GM Niederberger highlighted that staff has begun working with engineering consultants from the approved on-call list on the initial steps of many of the anticipated projects included in the budget workshop. He also shared that work has started on preparing for a future board discussion on why the District's Local Participation Fee is substantially different from other local sewer service providers.

A. ASD, FSD & TSD Reports:

DE Huff shared that the TSD report included in the agenda packet was a duplicate report from May. The June report will be added to the District website and circulated to the Board. She shared highlights from her report with the Board.

B. Information Items: No additional items.

3. Director's Comments:

Director Mitchell asked about stipends for attendance at chamber meetings and other local events. District board policy allows directors to receive a stipend for local meetings and events if they are representing the District at the event. Board policy on this topic will be reviewed by the Policy and Ordinance Committee with any proposed revisions forwarded to the full board for discussion.

Director Dickinson added that he agrees that Board Members will need training on Policy 5015.

IX. ADJOURNMENT

The President adjourned the meeting at 5:38 p.m. to the next regular meeting to be held on July 6, 2023, at 4:30 p.m.



Emilie Costan, Board Secretary