

MINUTES OF THE REGULAR MEETING OF THE SEWERAGE COMMISSION - OROVILLE REGION

(Held at the Commission office on July 25, 2023 at 5:00 p.m.)

1. Call to Order ❖

Chairman Taggart called the meeting to order at 5:00 p.m.

2. Roll Call ❖

Commissioners present were Commissioners Mastelotto and Salvucci from the Lake Oroville Area Public Utility District, Pittman and Thomson from the City of Oroville, Taggart and Koch from the Thermalito Water and Sewer District. Staff present was Manager Glen Sturdevant, Plant Supervisor Mikah Salsi, and Attorney Keith Collins from Jones Mayer on Zoom who sat in for Attorney Ryan Jones.

3. Salute to the Flag ❖

Chairman Taggart led the commissioners and staff in the salute to the flag.

4. Acknowledgment of Visitors ❖

None

5. Acknowledgement and Welcome of New Commissioner ❖

The Commission welcomed Scott Koch from the Thermalito Water and Sewer District.

6. Board Meeting Minutes of the Regular Meeting held on June 27, 2023 ❖

Manager Sturdevant reported it was brought to our attention that there was a typo on the first page of the minutes from the June 27th meeting. It has been corrected and the corrected page provided to the commissioners. Upon motion by Commissioner Koch to approve the corrected minutes of the meeting, and seconded by Commissioner Salvucci, the minutes of the June 27, 2023 regular meeting were unanimously approved.

7. Authorization of Warrants ❖

Commissioner Mastelotto met with Manager Sturdevant and reviewed the warrants earlier: Warrants included check numbers 28240-28289 for a total amount of \$359,430.06 from June 28, 2023 to July 25, 2023, including Commissioner fees and electronic fund transfers. The warrants were ordered paid.

8. Fiscal Reports ❖

Manager Sturdevant stated the fiscal reports for June 2023 were in the packets for review.

Vice-Chair Pittman asked if there were any updates on the expected delivery of the VFD's. Manager Sturdevant stated that the latest delivery date is October, but we are looking at another manufacturer for availability. There are issues with them also; there is a 6-month lead time, and the VFD's are more expensive than what we have on order. They could also string us along with the delivery date. If we cancel or order with Tesco and go with this other manufacturer, then we go to the bottom of the list of those waiting for VFD's instead of being at or near the top of the list from Tesco for what we've been waiting 2-years for. Manager Sturdevant believes we should continue to wait on Tesco.

9. Consideration of Adoption of Proposed Contract for Manager Sturdevant ❖

Manager Sturdevant stated that following his self-review last month he was given a positive review from the Commission. Attorney Jones did not have his contract available at last months' meeting, so it has been brought to this meeting for consideration. Attorney Collins said that state law required that the board orally summarize the changes to the compensation for a local agency executive. He reported that the compensation offered is \$147,888 annually, which is step 4 of 5 steps on the manager's pay scale that was previously approved by the Commission. Commissioner Mastelotto commented that the pay scale has been affected by inflation. Manager Sturdevant stated that during the previous manager's 8 years in the manager's position inflation went up a total of around 6%; since October 2020 when he became manager it has gone up about 15% in 3 years.

A motion was made by Vice Chair Pittman to approve the contract for Manager Sturdevant. The motion was seconded by Commissioner Mastelotto, and passed by the following vote: Pittman – Yes, Taggart – Yes, Mastelotto – Yes.

10. Appreciation of Service ❖

Chairman Taggart thanked Commissioner Mastelotto for serving as chairwoman this past fiscal year. Manager Sturdevant said that when she came to the board she didn't know much about SC-OR but asked a lot of great questions. Over the last year she has become a valuable board member.

11. Attorney's Report ❖

None

12. Manager's Report ❖

Manager Sturdevant said that there is nothing to report on the litigation.

He reported we made the final connection in our influent pump station pipework, so we are now just waiting on the VFD's, and then the repaving of the parking lot and then this project will be done. The connection was a bit stressful. We manned the plant 24-hours a day for two days. We used the 3rd auxiliary pump that we bought for this project to run the VFD in auto, which we had never done. We've never had a backup lift station that we could put in auto and let it go. We were happy with how it performed.

We are waiting on legal counsel to give us direction on exactly how to go about proposition 218 hearings after receiving the completed rate study from Bartle Wells Associates. A couple of the entities are not quite ready to hold 218 hearings, as they are considering rate studies themselves. He will keep the board informed once our counsel advises us on how to proceed.

He believes we need to have a JPA audit so that we know exactly what our EDU's are, who has them, what type they are, etc. The JPA managers are on board with this. We are at the members' mercy as to what EDU's they have on the books and what they are for. We will discuss this again at the JPA manager's meeting to come up with the best strategy to move forward with this audit if that is what the Commissioner would like us to do. The consensus was it was a great idea. Commissioner Mastelotto asked if the entities would be able to give accurate counts. Manager Sturdevant said that would be part of the process. He said he doesn't expect this to be an easy undertaking, especially for the City of Oroville. We have an industrial customer that was forced to stop discharging to SC-OR in 1999 due to illegal dumping into the sewer system. The City has been unable to answer if they continued to collect sewer service charges from them,. If they have not been collecting them then the customer will need to pay a connection fee. If they have been collected, then no connection fee is due. We are unsure how to proceed since the City cannot answer.

Commissioner Taggart asked if there was any news on the Ruddy Creek property acquisition. Manager Sturdevant reported he finally heard from the property owner, and she wants to have a meeting next week. Hopefully there will be something positive to report after that meeting.

Manager Sturdevant reported that we were notified from Congressman Doug LaMalfa's office that we will receive \$2M for the upgrade project if the U.S. budget is passed. We have a meeting on Wednesday with our engineer, Ted Couch, and our grant administrator, Lori Ashby, to find out exactly where we can fold that money into the upgrade project. With grant monies there are certain ways monies must be handled, and we have to find the correct way.

Manager Sturdevant stated he has been looking for ways to cut down on our budget, make money, save money, etc. Two of the ideas are old ideas that may have been ahead of their time. He would like authorization to use SC-OR staff's time to attending meetings on water sales and a small hydro facility on the Butte-Sutter canal. The State passed legislation on July 11th making a path for direct potable reuse. The State has acknowledged that they will probably be losing a lot of the effluent from wastewater plants up and down the California Water Project. Staff will have a meeting with DWR in August to talk about the hydro project. TWSD's new general counsel represents water districts that are on the Butte-Sutter canal, so we may get some insight from him on this possibility.

Next week SC-OR is hosting a JPA electrical training at our plant. Members from each JPA agency will be here, along with members from the Cities of Chico and Colusa. This should be very good training.

In 2018 we were given two used filter vessels from TWSD. They increased the plant capacity by about 2.5M gallons, and improved the plant performance significantly. TWSD has now offered SC-OR another two vessels. Currently we don't have a use for them, but will in the upgrade. If we accept, we will have to pay to move them to the Bay Area for conversion to fit how we run our filters, and then have them brought back to the plant for use once we begin the upgrade project. There is a possibility they can be used as polishing filters for recycled water. Commissioner Koch said that with the new state legislation, the filters may not need to be reconfigured. They will need to be recoated, and get a new backwash system and new media installed, but they could work just fine as polishing filters. Manager Sturdevant will have some costs next month estimating what it would cost to ship them to the Bay Area for the work that will need to be done.

13. Visitor Comments ❖

None

14. Commissioner and Staff Comments ❖

Commissioner Pittman mentioned earlier that the city has hired two new department heads. He also said that the City Council approved the ALUC override for the 172 lots off of 20th and Biggs, which may be significant for TWSD.

15. Adjournment ❖

There being no further business, the meeting was adjourned at 5:38 p.m. to the regular meeting scheduled for August 22, 2023 at 5:00 p.m.

Respectfully submitted,



GLEN E. STURDEVANT, CLERK