

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

(Held at the Commission office on February 24, 2021 at 5:00 p.m.)

1. Call to Order ❖

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

2. Roll Call ❖

Commissioners present were Commissioners Kuehner from the Lake Oroville Area Public Utility District, Pittman and Reynolds from the City of Oroville, and Hatley from the Thermalito Water and Sewer District. Commissioners Fairbanks and Latulippe were absent. Staff present was Manager Sturdevant, Environmental Compliance Manager Salsi and Temporary Assistant to the Manager Sousa.

3. Salute to the Flag ❖

Commissioner Hatley led Commissioners and staff in the salute to the flag.

4. Acknowledgment of Visitors ❖

Ken Shuey of Provost & Pitchard Consulting.

5. Board Meeting Minutes of the Regular Meeting held on January 27, 2021.❖

Upon motion by Commissioner Reynolds to approve the minutes of the meetings, and second by Commissioner Kuehner, the minutes of the January 27, 2021 meeting were unanimously approved.

6. Authorization of Warrants ❖

Manager Sturdevant reported that he had met with Commissioner Fairbanks to review the warrants, and everything was found to be in order. Chairman Hatley asked why the expenditures were so high. Manager Sturdevant explained that a check transfer was made to our L.A.I.F. account in the amount of \$522,000, which skews the actual figure spent. He said it will be changed to be reflected in a separate section on the warrant list in the future. A motion was made by Chairman Hatley to approve warrants 26580-26625. in the total amount of \$1,150,990.87 from January 27, 2021 to February 24, 2021, including Commissioner fees and electronic fund transfers. The motion was seconded by Commissioner Reynolds, and the warrants were unanimously approved and ordered paid.

7. Fiscal Reports ❖

Manager Sturdevant stated the fiscal reports for January 2021 were in the packets for review. There were no questions and nothing further to report.

8. Provost and Pritchard Consulting Group's Request of a Budget Increase for Funding Applications in the Amount of \$25,000 ❖

Ken Shuey stated that he has been helping SC-OR with funding applications for 2½ years, investigating funding options for the treatment plant upgrades. He has done quite a bit of work that was not planned on, as he was asked to research alternate funding options. The original contract was \$184,000, and now Ken is asking for an additional \$48,000, though only \$25,000 has been requested at this meeting. Attorney Huber stated that the requested amount can be amended tonight to the requested \$48,000 if the Commissioners approve. Commissioner Reynolds said he would like to see backup for the increase request.

Chairman Hatley said he was confident that we gave direction to search out these other funding sources, which ate away at the funding original budget. The consensus of the board was to get more information on where the money was spent and copies of past invoices to be put in our next packets.

Ken Shuey stated that the project will be put on hold until the funding issue is resolved. He is close to the end of the contract. Once the funding is resolved he will complete the environmental document and will get it to Glen for review.

9. Adoption of the Contract Between the Sewerage Commission and Cole Huber LLP for Legal Services, and consideration to authorize the Manager to Sign the Contract. ❖

Manager Sturdevant stated that the contract was not approved in a previous meeting, so it is on the agenda for adoption. Attorney Huber recused himself from acting as general counsel on this item. Any comments he might make are in the capacity of his firm and not as SC-OR general counsel.

A motion was made by Chairman Hatley to adopt the contract between SC-OR and Cole Huber LLP for legal services, and authorize Manager Sturdevant to sign the contract. The motion was seconded by Commissioner Reynolds, and passed by the following vote: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

10. Resolution 02-21 – Establishing Repayment of Funds Expended from the Capital Outlay Reserve for the Construction of the Solar Array Project ❖

Manager Sturdevant said that resolution 03-04 had a specific time that the transfer had to be made based upon the receipt of the PG&E true-up statement. The month that the statement is received has been changed due to the upgrade of the solar array, so he was directed to change the resolution to reflect the transfer to be made whenever we receive the true-up statement, but no month is specified. The true-up was \$320,973.56.

Chairman Hatley made a motion to adopt Resolution 02-21 (Establishing Repayment of Funds Expended from the Capital Outlay Reserve for the Construction of the Solar Array Project). Commissioner Kuehner seconded the motion, and the motion passed by the following vote: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

11. Annual Transfer of Funds in Accordance with Resolution 02-21 ❖

Manager Sturdevant said that since the new resolution changed the month that the solar transfer is made based upon when the PG&E true-up statement is received, he would now like to transfer \$100,000. This transfer is based upon PG&E average cost charged per KWh, the solar KWh production total, and then we multiplied the average by the production cost to show an annual savings of \$243,510.66.

Vice-Chairman Pittman made a motion to authorize the annual transfer of funds in accordance with Resolution 02-21 in the amount of \$100,000 from the general fund to the Capital Outlay Account. Commissioner Reynolds seconded the motion, and the motion passed by the following vote: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

12. Adoption of Job Descriptions and Policies 2861, 2862 & 2863 Created for New Positions in SC-OR Management Restructure ❖

Manager Sturdevant stated that these job descriptions have been created by himself, Ray Sousa and Mikah Salsi to create the redundancy in job coverage that the Board had requested. Attorney Huber reviewed the job descriptions. Commissioner Kuehner asked about the statement of performing other duties as assigned. That statement was included on the job descriptions of #2861 & #2862, and Attorney Huber stated we can add it to #2863 (Environmental Compliance Supervisor) at this meeting, which Manager Sturdevant was directed to do. Commissioner Pittman suggested that Manager Sturdevant sit down with each person who is filling these positions and make sure they understand the job description that they will be assuming.

A motion was made by Chairman Hatley adopt job descriptions 2861, 2862 as presented, and 2863 with a line item added stating they will perform other job duties as assigned. The motion was seconded by Commissioner Pittman, and passed by the following votes: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

13. Proposed Pay Scales for New Positions Created in SC-OR Management Restructure ❖

Manager Sturdevant performed his own salary survey, as the created positions were not covered in the salary survey done by Bryce Consulting. He compared SC-OR to the other grade IV plants in Northern California that we are in direct recruitment competition, which were the Cities of Redding, Chico and Yuba City. He then determined what he was comfortable with in creating those pay scales as they would fit within the budget, and explained his reasoning for this. The Commissioners agreed with his proposed wage scales and thought he did a good job in determining the scales.

A motion was made by Vice-Chairman Pittman to adopt the proposed hourly wage schedules for the newly created positions of Lead Operator, Plant Supervisor and Environmental Compliance Supervisor. The motion was seconded by Chairman Hatley, and passed by the following votes: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

14. Adoption of the Hourly Wage Schedule as Required by CalPERS ❖

A motion was made by Chairman Hatley to adopt the updated hourly wage schedule as required by CalPERS. The motion was seconded by Commissioner Reynolds, and passed by the following votes: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

15. Budget Increase Request for Jacobs Engineering for Task Order #29 (Auxiliary Influent Pump Station) ❖

Manager Sturdevant said that this item is regarding the new influent pump station for which we are waiting on the release of the grant funds. Some of what is detailed is what they propose to do during the upgrade. His and Mikah's thought process is that since the ground will be opened during this project, why not do what we can do now while it's open rather than wait. Part of their reasoning is: 1) If we wait 5 years and finance it, it is going to cost more money. 2) Why pay to dig up ground that has already been paid to be dug up during the construction of the influent pump station? Previous Manager Koch said he was given direction to pay for a new bar screen out of SC-OR's bank account. Adding the bar screen to the bid documents will be included in this increase. His recommendation is to approve the \$88,000 increase to do these projects, as it will be money well spent that will save us money in the long run.

Commissioner Kuehner suggested setting up a cost center for each project and task order to track the monies requested and spent.

A motion was made by Chairman Hatley to authorize the budget increase for Jacobs Engineer for task order #29 (auxiliary influent pump station) for an amount not to exceed \$88,000. The motion was seconded by Commissioner Kuehner, and passed by the following votes: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

16. Budget Increase Request from Jacobs Engineering for Task Order #34 ❖

Manager Sturdevant reported that he and Mikah had met with Jacobs regarding the final design of the upgrade task order #34 (Wastewater Treatment Plant Upgrade Final Design). In discussions he asked Jacobs for a cost to make changes to eliminate safety issues of the backwash equalization tank. This will increase the cost of this task order by \$62,411. He feels that it would be cost effective to eliminate this issue during the upgrade rather than waiting to do it at a later date when it will cost more and continue to be a safety issue.

A motion was made by Commissioner Kuehner to authorize the budget increase for Jacobs Engineer on task order #34 (Wastewater Treatment Plant Upgrade Final Design) for an amount not to exceed \$63,000. The motion was seconded by Commissioner Reynolds, and passed by the following votes: Reynolds – Yes, Hatley – Yes, Kuehner – Yes.

17. Attorney's Report ❖

Attorney Huber said he met with Manager Sturdevant and Plant Supervisor Salsi and they started compiling a task list for him.

18. Manager's Report ❖

Manager Sturdevant reported that he has received information from LOAPUD and TWSD that their crews have found breaks in our interceptor pipes. We will be looking for the best way to repair these issues.

He had hoped to bring information on the third auxiliary pump, but is still working on the VFD specifications. Commissioner Kuehner got us a price reduction on the pump by suggesting sole sourcing. This should be on the agenda for consideration at the next meeting.

Staff would like to investigate WIFIA (Water Infrastructure Finance and Innovation Act) funding. It is an expensive process to get through, but is almost guaranteed money. The major cost doesn't come due until we are through the initial process. He is only asking for permission to investigate this funding and what it would cost at this time. This funding is a low interest loan program that will only cover 49% of the project cost. It was the consensus of the Commission to proceed with investigating this funding.

The first round of interviews for an OIT, Grade I, II, or III advertised position were completed last week. There were 16 applicants; 14 were OIT's and two were Grade V applicants. Eight of these will be brought back for a second interview. There are some very good prospects, and some are local.

Ruddy Creek Pump Station – Manager Sturdevant believes this pump station is at its capacity and needs to be replaced. Assistant to the Manager, Ray Sousa, said the City committed to the upgrade in 1987 at their expense. The reason why the City agreed to pay for the upgrade is the City wanted to develop the airport and they needed sewer.

SC-OR had no obligation to sewer it, so the City said they would cover the impact. The plans were drawn but are outdated. Manager Sturdevant said the upgrade needs to be done now, and we will begin investigating this and bring it back to the board.

19. Visitor Comments ❖

None

20. Commissioner and Staff Comments ❖

Assistant to the Manager Sousa said he will work with the manager and plant supervisor on organizing task orders so we don't face what we did with Provost & Pritchard again.


Supervisor Salsi said that an email he received today regarding the grant was a draft grant agreement. It is some progress.

Commissioner Reynolds said he feels we have a good team at SC-OR.

21. Adjournment ❖

There being no further business, the meeting was adjourned at 6:42 p.m. to the regular meeting scheduled on March 24, 2021 at 5:00 p.m.

Respectfully submitted,



GLEN E. STURDEVANT, CLERK