

Manager's Report

**To the SC-OR Commissioners by Glen Sturdevant
on July 21, 2023**

Operations & Maintenance

There were no major operational issues to report this month.

Possible Litigation

There are no updates to report on the litigation.

Influent Pump Station

The final connection of the pipework to the new pump station was completed 7/20/2023. We bypassed the existing influent pump station with our new 3rd auxiliary pump, and had zero issues. We staffed the plant around the clock for 2 days during the process to ensure that if any problem had arisen, staff would be on-site to quickly diagnose and correct the issue.

Unfortunately, we are still waiting on a ship date in October for our VFD's needed to complete the project. We are in talks with another vendor (also the manufacturer) of VFD's to see if we could possibly secure some before then, but it doesn't look promising.

Rate Study and Adoption

We are still waiting on legal counsel to give us definitive direction of how to proceed with adopting the new rates and structure developed in the Bartell Wells study that was presented at the June board meeting. Two of the JPA members have not recently performed a study, so we need to find out if they need to, or if SC-OR's study is sufficient. I believe the JPA should consider an audit of the system to determine that we have all connections are accounted for and categorized properly. My hope is that we can create a master list of every EDU connection and type within SC-OR's district limits. This will be one step closer to a more unified and cohesive JPA.

Ruddy Creek Pump Station (RCPS) Property Purchase

I finally received contact from the owner of the property we are trying to purchase for the RCPS. They had been out of state and recently returned. I hope to have a signed purchase contract by next board meeting.

SC-OR's Future

I am always looking for creative ways to keep costs down and increase revenue to ensure we can continue to give our community the best service at a reasonable rate. Through this process we have started to bring up some old ideas that might have been just a little ahead of their time. We have begun to inquire and look back into a small hydro facility on the Butte-Sutter Canal that has a very good feasibility study behind it, and in my mind has zero downside. We have scheduled a meeting in Sacramento with DWR to try to find out why the project was stopped the first time it was attempted. I have also requested a meeting with Assemblyman James Gallagher so that we can have some political backing if needed.

SC-OR staff met with TWSD staff, including counsel for both sides, to brainstorm ideas on how SC-OR and the community can benefit from recycled water or water sales. It was a very productive meeting that led to some interesting strategies and avenues to be explored. I will continue to keep the Board informed as we work toward a method for our community to keep and then profit from our water.

Funding Search

I had mentioned to the Board previously that we had inquired and applied for some federal funding through the office of our US Congressman Doug LaMalfa. We were recently notified that 2-million dollars has been allocated for SC-OR's upgrade project. This is great news, and a testament to our staff and its dedication to leaving no stone unturned in our mission to get funding. We are still hunting for other funding opportunities, and hope to report more good news like this in the future.

Electrical Training

SC-OR is hosting back-to-back 2-day training classes at our facility. This is a great safety and introductory electrical class. We have crew members from each JPA entity attending, along with 2 operators from both the City of Colusa and the City of Chico. This is just another opportunity for the JPA crews to build comradery, and at the same time become better and more valuable assets to their agencies.

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

(Held at the Commission office on June 27, 2023 at 5:00 p.m.)

1. Call to Order ❖

Chairwoman Mastelotto 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 from the Thermalito Water and Sewer District. Staff present was Manager Glen Sturdevant, Plant Supervisor Mikah Salsi and Attorney Ryan Jones. Commissioner Wristen arrived late.

3. Salute to the Flag ❖

Commissioner Mastelotto led the commissioners and staff in the salute to the flag.

4. Acknowledgment of Visitors ❖

None

5. Board Meeting Minutes of the Regular Meeting held on May 23, 2023❖

Upon motion by Commissioner Taggart to approve the minutes of the meeting, and seconded by Chairwoman Pittman, the minutes of the May 23, 2023 regular meeting were unanimously approved.

6. Employee Safety Meeting Minutes Held on June 2, 2023❖

Upon motion by Chairwoman Mastelotto to approve the minutes of the meeting, and seconded by Commissioner Salvucci, the minutes of the June 2, 2023 employee safety meeting were unanimously approved.

7. Authorization of Warrants ❖

Commissioner Wristen met with Manager Sturdevant and reviewed the warrants earlier. Chairwoman Mastelotto made a motion to approve the payment of warrants 28176-28236 in the total amount of \$273,512.87 from May 24, 2023 to June 27, 2023, including Commissioner fees and electronic fund transfers. Commissioner Taggart seconded the motion, and warrants were ordered paid.

8. Fiscal Reports ❖

Manager Sturdevant stated the fiscal reports for May 2023 were in the packets for review. There were no questions asked.

9. Election of Officers ❖

Clerk Sturdevant opened the nominations for Chairperson for fiscal year 2023/2024. Commissioner Taggart was nominated by Commissioner Pittman for the position of Chairperson, which was seconded by Commissioner Thomson. The nominations were closed by Commissioner Pittman. There being no other nominations, Commissioner Taggart was elected Chairperson in fiscal year 2023/2024 by acclamation.

Chairwoman Mastelotto opened the nominations for Vice-Chair. Commissioner Thomson nominated Commissioner Pittman for the position of Vice-Chair for fiscal year 2023/2024, which was seconded by Commissioner Taggart, and nominations were closed by Chairwoman Mastelotto. Commissioner Pittman, was elected Vice-Chair in fiscal year 2023/2024 by acclamation.

10. Appreciation of Service ❖

This item was delayed due to Commissioner Wristen arriving late to the meeting. It was moved to follow item #11. Chairwoman Mastelotto presented Commissioner Wristen with a plaque for his service as a Commissioner on the SC-OR Board of Commissioners.

11. Review and Evaluation of SC-OR Resolution 04-23 and Policy No. 7400 (Establishing Septage Processing Charge Reserve in Unrestricted Account and Yearly Review as a Part of Sewer Service Charge)

Manager Sturdevant said that this item was discussed last month, and due to the costs of treating septage being greater than what is charged for dumping, we are asking the board to consider raising the septic rate from a multitiered rate, to one charge for any brought from within the SC-OR sphere of influence, for a cost of \$192.40/1,000 gallons.

Chairwoman Mastelotto asked if the septic pumpers had been notified of the requested increase. Manager Sturdevant said that we sent a letter to each septic pumper who are approved to dump at our plant, stating that we were asking for the increase, how much the increase was, along with when and where our meeting was to be held.

Commissioner Pittman asked if we charge a different rate for RV dumps. Manager Sturdevant stated that the rate is the same, but the septic pumpers cannot bring RV septage to the plant if it has portable toilet chemicals in it. It is only in emergency situations that we allow RV septage to be brought to the plant.

A motion was made by Commissioner Salvucci to approve increasing the septic dump rate to \$192.40/1,000 gallons. The motion was seconded by Commissioner Taggart, and passed by the following vote: Pittman – Yes, Taggart – Yes, Mastelotto – Yes.

12. Closed Session ❖

The board adjourned to closed session at 5:14 pm and reconvened at 5:47 pm.

Conference with Legal Counsel Regarding Anticipated Litigation: Information was relayed by Meghan Wharton of Colantuono, Highsmith & Whatley, PC, and no action was taken.

Performance Evaluation: Manager Sturdevant was given a positive evaluation. Direction was given to general counsel to provide Manager Sturdevant's contract at the next regular meeting for renewal consideration.

13. Amendment to Board Policy No. 3100 (Expense Authorization) ❖

Manager Sturdevant reported that he had been given direction to amend this policy to increase the manager's approved amount without prior authorization to spend in cases of an emergency. After consulting with Chairwoman Mastelotto, the policy was amended to double the approved amount from \$25,000 to \$50,000 without board authorization, and up to \$100,000 with approval from the Chairperson or Vice-Chair.

A motion to approve the amendment to Policy No. 3100, increasing the approved amount for the manager to spend in an emergency from \$25,000 to \$50,000 without board approval, and up to \$100,000 with approval from the Chairperson or Vice-Chair, was made by Commissioner Thomson, seconded by Commissioner Pittman, and passed by the following vote: Taggart – Yes, Mastelotto – Yes, Pittman – Yes.

14. CalPERS Contribution ❖

Fiscal Officer Sturdevant stated that each year we must pay our CalPERS annual unfunded accrued liability. If we pay it in a lump sum now for fiscal 2023/2024 it will cost \$200,722.00, which will save SC-OR \$6,712.00, rather than as a monthly payment.

Manager Sturdevant was given direction to create a policy for prepaying the unfunded liability each year without board authorization, but brought to the board annually for informational purposes.

A motion was made by Commissioner Pittman to authorize paying the CalPERS annual unfunded accrued liability in the sum of \$200,722.00. The motion was seconded by Commissioner Salvucci, and passed by the following vote: Taggart – Yes, Mastelotto – Yes, Pittman – Yes.

15. New 4/10 Schedule for Operations Personnel ❖

Manager Sturdevant said this topic was discussed at the last meeting. SC-OR staff believes this is a win-win schedule for both SC-OR and staff. There are eight policies that need to be adjusted to accommodate this schedule: 2100, 2200, 2320, 2330, 2700, 2711, 2712 and 2715. We have made those necessary adjustments and are presenting them here for your consideration, along with the new 4/10 schedule. We worked closely with Ryan Jones' firm and their labor expert to be sure SC-OR is protected and legal with these changes. We are asking for a one-year trial period for this new schedule, after which Manager Sturdevant will return to the board with the pros and cons experienced during the first year, and his recommendation.

Commissioner Taggart made a motion to approve the 4/10 schedule and the amendments to the related policies 2100, 2200, 2320, 2330, 2700, 2711, 2712 and 2715 for a one-year trial period. The motion was seconded by Commissioner Salvucci, and passed by a unanimous vote.

16. Rate Study Performed by Bartle Wells Associates ❖

Manager Sturdevant reported that the Rate Study has been completed, and is provided to take and review. Tables 8 & 9 are the main points of discussion this evening. Bartle Wells approached this study using census data to determine if we were properly charging multi-family, mobile homes and single-family homes, to determine if they are getting the proportionate bill for the proportionate service to their property. Their recommended rate is \$23.85, which takes effect on July 1, 2023. On January 1, 2024, the single-family rate will increase to \$24.49, and the multi-family adjustment takes effect, with their rate being 88% of the single-family rate, \$21.55, and \$20.81 for mobile homes (85% of single-family rate). The single-family rate will top out at \$29.77 in 2027. We still need to go through a 218 hearing to adopt these rates, but today we are asking to adopt the Rate Study so that we can move forward with what needs to be done to raise the sewer service rates.

Commissioner Pittman asked if these rates would change if we have housing that holds more than the 2.5 that this study is based upon. Manager Sturdevant said no, because this study is based upon the current census data.

Commissioner Thomson made a motion to adopt the Rate Study by Bartle Wells Associates, which was seconded by Commissioner Taggart, and passed by unanimous consensus.

17. Attorney's Report ❖

None

18. Manager's Report ❖

Manager Sturdevant thanked the Commissioners for their words of encouragement and support in the last three years. He is very happy at SC-OR.

Commissioner Pittman asked if we had heard anything from the landowner of the property by Ruddy Creek Pump Station. Manager Sturdevant stated that he has called her probably 25 times and she has not responded. We just don't know what is going on. We really don't want to go the route of Eminent Domain, but may have to consider that, as we have a lot invested in this.

19. Visitor Comments ❖

None

20. Commissioner and Staff Comments ❖

Commissioner Pittman said that the city has been going through a branding process, which is a public relations campaign. He would like the SC-OR Board to hear the presentation on the process.

Commissioner Wristen said to tell the staff that he will still continue to bring pie, and come down for lunch with the crew even though he will no longer be on the SC-OR board.

21. Adjournment ❖

There being no further business, the meeting was adjourned at 6:19 p.m. to the regular meeting scheduled for July 25, 2023 at 5:00 p.m.

Respectfully submitted,



GLEN E. STURDEVANT, CLERK

SEWERAGE COMMISSION - OROVILLE REGION
BUDGETARY SUMMARY - FISCAL YEAR 2022/2023

DESCRIPTION	Adopted Budget 2022/23	Expended This Month	Expended Through 06.30.2023	Balance of Funds Remaining	Time Left 0%
SALARIES & WAGES	882,200	105,840.89	891,373.91	(9,173.91)	-1%
EMPLOYEE BENEFITS	683,820	42,718.31	693,204.14	(9,384.14)	-1%
COMMISSIONERS' FEES	43,200	3,600.00	42,600.00	600.00	1%
CMSNRS FICA & MEDICARE	3,305	275.40	3,258.90	46.10	1%
GAS, OIL & FUEL	30,000	8,239.23	24,899.32	5,100.68	17%
INSURANCE	100,000	1,230.46	100,146.22	(146.22)	0%
MEMBERSHIPS	10,000	0.00	8,531.00	1,469.00	15%
OFFICE EXPENSES	8,500	500.87	8,116.14	383.86	5%
OPERATING SUPPLIES	310,000	15,721.08	292,493.14	17,506.86	6%
PROFESSIONAL SERVICES	144,500	15,305.33	134,878.92	9,621.08	7%
PRINTING & PUBLICATIONS	3,000	0.00	0.00	3,000.00	100%
REPAIRS & MAINTENANCE	115,000	17,215.13	102,540.80	12,459.20	11%
BIOSOLIDS DISPOSAL	40,000	0.00	13,087.50	26,912.50	67%
MONITORING & COMPLIANCE	75,000	6,560.65	134,661.76	(59,661.76)	-80%
TRAINING & MEETINGS	16,000	580.27	8,115.45	7,884.55	49%
UTILITIES	550,000	35,984.37	606,116.87	(56,116.87)	-10%
TOTAL OPERATING	3,014,525	253,771.99	3,064,024.07	(49,499.07)	-2%
Engineering Fees	6,380.33				
Legal Fees	6,925.00				
Accounting Fees	2,000.00				
Permits	0.00				
Miscellaneous	0.00				
	<u>15,305.33</u>				

SEWERAGE COMMISSION - OROVILLE REGION
REVENUE SUMMARY - FISCAL YEAR 2022/2023

DESCRIPTION	Received	Received	Restricted	Restricted	Restricted	Restricted	Restricted	Restricted
	This Month	Through 06.30.23	Unrestricted Funds	W.C.R.F. Funds	Regulatory & Capital Acct. Funds	Cap. Outlay Funds	Ann. M&O Funds	Fines&Pen. Funds
SERVICE CHARGES	0.00	2,296,346.25	2,296,346.25					
SEPTAGE DUMPERS	15,813.68	124,206.83	124,206.83					
EX. PEAK FLOWS	0.00	0.00		0.00				
EX. MO. FLOWS	0.00	0.00	0.00					
OTHER AGENCIES	0.00	8,037.30	8,037.30					
RFC CHARGES	378,366.00	989,062.00				989,062.00		
INTEREST	128,845.40	391,759.90	115,423.43	21,379.44	83,552.05	171,170.53	0.00	234.45
R&CA (Reg. & capital acct)		960,290.25			960,290.25			
WCRF		58,452.45		58,452.45				
TOTALS	523,025.08	4,828,154.99	2,544,013.81	79,831.89	1,043,842.30	1,160,232.53	0.00	234.45

SEWERAGE COMMISSION - GROVILLE REGION
ACTIVE & INACTIVE CASH - MONTHLY RECAP
FISCAL YEAR 2022/2023

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
Cash - Unrestricted	3,287,557.54	3,042,050.72	6,319,399.51	6,911,539.48	6,514,449.85	6,560,193.76	7,177,125.99	6,611,913.18	6,458,001.52	7,060,574.52	6,895,699.33	6,726,947.13
Cash - Restricted												
WCRF	744,395.95	744,395.95	736,181.46	755,662.46	755,662.46	760,407.34	779,890.09	779,890.09	786,033.17	805,521.87	790,895.35	798,001.17
R&CA	2,664,141.19	2,664,141.19	2,665,181.28	2,984,474.38	2,984,474.38	2,999,368.97	3,305,149.22	3,299,443.92	3,325,193.43	3,645,364.94	3,645,364.94	3,678,120.02
Cap. Outlay	8,609,543.11	8,609,543.11	7,283,090.41	7,303,004.41	6,565,424.01	6,100,762.11	5,974,247.86	5,858,708.57	5,780,323.37	4,962,878.38	4,766,937.17	5,118,303.95
Annl. M & O	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00	300,000.00
Fines&Pen	8,504.76	8,504.76	8,540.12	8,540.12	8,540.12	8,594.14	8,594.14	8,594.14	8,661.91	8,661.90	8,661.90	8,739.21
TOTAL CASH	15,614,142.55	15,368,635.73	17,312,392.78	18,263,220.85	17,128,550.82	16,729,326.32	17,545,007.30	16,858,549.90	16,658,213.40	16,783,001.61	16,407,558.69	16,630,111.48
INTEREST ALLOCATED:												
Unrestricted			12,124.62			30,405.03			32,237.90			40,655.88
Reserve/WCRF			3,385.66			4,744.88			6,143.08			7,105.82
Reserve/CO			34,473.36			39,937.10			48,508.76			48,251.31
Reserve/M&O			0.00			0.00			0.00			0.00
Reserve/F&P			35.36			54.02			67.76			77.31
Reserve/RCA			9,914.86			14,894.59			25,987.52			32,755.08
CONSISTING OF:												
Checking Account	569,455.64	323,948.82	61,346.87	977,241.08	67,571.05	92,310.93	1,012,991.91	58,534.51	69,252.99	983,040.96	47,597.80	396,305.43
L.A.I.F. Account	15,044,686.91	15,044,686.91	17,251,045.91	17,285,979.77	17,060,979.77	16,637,015.39	16,532,015.39	16,800,015.39	16,588,960.41	15,799,960.41	16,359,960.65	16,233,805.61
TOTAL CASH	15,614,142.55	15,368,635.73	17,312,392.78	18,263,220.85	17,128,550.82	16,729,326.32	17,545,007.30	16,858,549.90	16,658,213.40	16,783,001.61	16,407,558.69	16,630,111.48
% of Funds Invested	96.35%	97.89%	99.65%	94.65%	99.61%	99.45%	94.23%	99.65%	99.58%	94.14%	99.71%	97.62%

Sewerage Commission - Oroville Region

Bank Reconciliation - Bank of America

Fiscal Year Ended 30 June 2023

BALANCE PER BANK

Ending Balance on Bank Statement	30-Jun-23	470,123.50
Less Outstanding Warrants		(73,818.07)
Equals Adjusted Bank Balance at	30-Jun-23	<u>396,305.43</u>

BALANCE PER BOOKS

Beginning Prior Checkbook Balance	1-Jun-23	<u>47,597.80</u>
Deposits		646,222.46
Less Warrants Written		(250,158.32)
Less Net Payroll Warrants		(47,356.51)
Equals Adjusted Checkbook Balance	30-Jun-23	<u>396,305.43</u>



MALIA M. COHEN

California State Controller

LOCAL AGENCY INVESTMENT FUND
REMITTANCE ADVICE

Agency Name SEWERAGE COMM OROVILLE REGION

Account Number 70-04-001

As of 07/14/2023, your Local Agency Investment Fund account has been directly credited with the interest earned on your deposits for the quarter ending 06/30/2023.

Earnings Ratio		.00008636172883763
Interest Rate		3.15%
Dollar Day Total	\$	1,491,927,112.05
Quarter End Principal Balance	\$	16,104,960.41
Quarterly Interest Earned	\$	128,845.40

**Thermalito
Water and
Sewer
District**

A Public Agency

410 Grand Avenue
Oroville, California 95965
(530) 533-0740
FAX (530) 533-9243

DIRECTORS

Brad Taggart
Division 1

Trevor Hatley
Division 2

Scott Koch
Division 3

Bruce Wristen
Division 4

Mark Clark
Division 5

Jayme Boucher
Manager/Secretary

Andrew J. McClure
Legal Counsel



June 20, 2023

SC-OR
Attn: Mr. Glen Sturdevant
P O Box 1350
Oroville, CA 95965

Re: District's SC-OR Representatives and Voting
Member

Dear Glen:

At our regular Board meeting held on June 20, 2023 the representatives to serve on the SC-OR commission were appointed. For the following year Mr. Bradley Taggart and Mr. Scott Koch will represent the District. Mr. Bradley Taggart will serve as the voting member.

Cordially,

A handwritten signature in blue ink that reads "Jayme Boucher". The signature is fluid and cursive, with a long horizontal line extending to the right.

Jayme Boucher
General Manager

Environmental Compliance Report

To the SC-OR Commissioners and Staff from Kendra Morgan

July 25, 2023

INDUSTRIAL PRETREATMENT PROGRAM

INSPECTIONS

The dischargers submitted their monthly flow reports for June 2023. RCBS has continued suspending discharge from their tumbling line until they can maintain the BOD under their limit. All other dischargers and lines appear to be in compliance with their permits.

Graphic Packaging Industries (GPI) now has an active Industrial Discharge permit, as of July 1, 2023, although they are not discharging yet. They will now be required to submit a monthly flow report, like RCBS and Chico Metals.

We are also still in contact with Recology about a potential discharge permit. They have submitted an Industrial Discharge Permit application, along with the associated fees. Until all five (5) of their laboratory sample results are submitted, their application has been deemed incomplete.

We have received another inquiry for an Industrial Discharge Permit from PreZero US Packaging (formerly Roplast), located just down the street. I supplied them with the Sanitary Sewer User Screening Form and are waiting for them to submit that before we look into any further steps.

ENFORCEMENT

There are no enforcement items to report.

ACTIVITIES

All other operations continued as normal in the laboratory and environmental areas.

Sewerage Commission - Oroville Region

Monthly Flows Report - Jun-23

Name of Agency	Total Monthly Flow (MG)	Average Daily Flow (MG)	Total Peak Flow (MG)	Date of Peak Flow
SC-OR Plant Total	73.019	2.434	6.20	6/16/2023
Lake Oroville Area P.U.D.	21.565	0.719	1.20	6/2/2023
Thermalito Water and Sewer				
City of Oroville				

Septage Pumpers 0.1148 Million Gallons/Month

Monthly Rainfall 0.00 Total Inches/Month