

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

(Held at the Commission office on May 23, 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 from the Lake Oroville Area Public Utility District, Pittman and Thomson from the City of Oroville, Wristen from the Thermalito Water and Sewer District. Staff present was Manager Glen Sturdevant, Plant Supervisor Mikah Salsi and Attorney Jones. Commissioners Salvucci and Taggart were absent.

**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 April 26, 2023❖**

Upon motion by Commissioner Wristen to approve the minutes of the meeting, and seconded by Chairwoman Mastelotto, the minutes of the April 26, 2023 regular meeting were unanimously approved.

**6. Employee Safety Meeting Minutes Held on May 16, 2023❖**

Upon motion by Commissioner Wristen to approve the minutes of the meeting, and seconded by Chairwoman Mastelotto, the minutes of the May 16, 2023 employee safety meeting were unanimously approved.

**7. Authorization of Warrants ❖**

Commissioner Taggart met with Manager Sturdevant and reviewed the warrants earlier. Commissioner Wristen made a motion to approve the payment of warrants 28119-28152 in the total amount of \$1,259,134.30 from April 27, 2023 to May 23, 2023, including Commissioner fees and electronic fund transfers. Chairwoman Mastelotto seconded the motion, and warrants were ordered paid.

## **8. Fiscal Reports ❖**

Manager Sturdevant stated the fiscal reports for April 2023 were in the packets for review. Chairwoman Mastelotto had called and asked why the Monitoring and Compliance line item was in the red by 66%. He explained that the State increased the amount of testing required, and Neal Road Landfill requiring testing prior to hauling our sludge there.

## **9. Closed Session ❖**

The Commissioners adjourned to closed session at 5:06 pm and reconvened to open session at 5:14 pm. Chairwoman Mastelotto stated that there was only information received in closed session, and no direction was given.

## **10. Update to Policy 3120 – Authorized Signatories for Funds. ❖**

Manager Sturdevant explained that approximately a year and a half ago the board authorized the manager to have a spending limit of \$10,000 without board approval. At that time, we still had checks with the notation that two signatures were required if the amount was over \$5,000. He wanted to use those checks up prior to amending this policy. We have exhausted those checks, so we are amending policy 3120 to increase the spending limit to \$10,000 without board authorization.

Commissioner Wristen asked if we need to change the policy authorizing the manager to have the authority of emergency spending up to \$25,000 without board authorization. Attorney Ryan stated that he would recommend giving the manager approval to spend whatever is required in an emergency situation; it will have to come to the board for ratification regardless. Commissioner Wristen asked that policy be changed and brought back to the next board meeting for consideration.

A motion was made by Commissioner Pittman to approve the changes to Policy 3120, authorizing the increase of the spending limit for the manager to \$10,000 without board approval. The motion was seconded by Commissioner Thomson, and the motion passed by unanimous consensus.

## **11. Amendment to the Contract with Coleman Engineering for Additional Services During the Construction of the Primary Influent Pump Station ❖**

Manager Sturdevant said, like everything else for this project, it is taking longer to complete. For Coleman to stay on site to finish the project they are asking for an additional \$65,000. They have already worked 10 months over the original completion date, and are just now asking for additional money to complete the project.

A motion was made by Commissioner Thomson to authorize amending the contract with Coleman Engineering for additional services during the construction of the Primary Influent Pump Station. The motion was seconded by Chairwoman Mastelotto, and passed by unanimous consensus.

**12. Amendment to Subrecipient Agreement Between the County of Butte and Sewerage Commission – Oroville Region for a Primary Influent Pump Station ❖**

Plant Supervisor Salsi explained that this amendment is to the grant agreement for the same reason we extended the contract funds for Coleman Engineering. We are past due on our initial agreement completion date for the grant funds on this project. This extends the date to September 1, 2023. We have billed to the grant all of the money we were awarded (\$3.7M). We have received approximately \$3.1M from the County. The additional \$600,000 will be paid once the project is finished. We just need to extend the timeline for this agreement.

A motion was made by Commissioner Pittman to amend the Subrecipient Agreement between the County of Butte and SC-OR for a Primary Influent Pump Station. The motion was seconded by Chairwoman Mastelotto, and passed by unanimous consensus.

**13. Review and Evaluation of SC-OR Policy No. 7400 (Establishing Septage Processing Charge Reserve in Unrestricted Account and Yearly Review as a Part of Sewer Service Charge) ❖**

Manager Sturdevant said this is our policy for the septage dumping fee. We put together a spreadsheet to show how we determined our proposed fee increase. Currently, in the yellow area, which is the district boundaries for our three JPA entities, the fee is \$73/1000 gallons. In the sphere of influence of these agencies, which is the blue area, we charge \$83/1000 gallons. These fees have not been adjusted in over a decade. Neal Road charges \$320/1000 gallons. After a conversation with Attorney Mark Mandel at the Jones Mayer offices, he informed me that we cannot charge two rates. It costs what it costs to treat septage, so we have to go with one rate. We broke it down by costs. The original study done in the 1990's, and EDU was \$4.00, and the cost to dump septage was \$17/1000 gals in the sphere of influence. We've had a 596% increase in sewer service fees, so we applied that same multiplication factor for a base rate of \$101.36/1000 gallons, and then we added in 12% of the costs of just dealing with septage (i.e., septage receiving station, flow equalization station, sludge pond improvements, maintenance of equipment, dumpster, etc.), so the rate we are recommending is \$192.41/1000 gallons, which only captures our costs. The community has been subsidizing the septic pumpers for quite some time.

A 218 hearing is not required because septic pumpers are not required to dump here, but we would like to send letters to the septic pumpers to give them the opportunity to speak on this at our June meeting. Commissioner Thomson asked what areas the septage is allowed from, to which Manager Sturdevant replied only from the sphere of influence of our JPA members. We want to avoid bootlegging, which has happened in the past because our prices are so low in comparison to Neal Road. This will be a 230% increase from what we charge now, so I'm sure the septic pumpers will want to comment on this increase. We will bring the increase to the next meeting for a vote.

**14. Attorney's Report ❖**

Attorney Ryan Jones said that he went to a conference for attorneys that represent local jurisdictions. There was a lot of good information and an update on the CEQA lawsuit. ARPA funds are allocated by the Federal Government, and they want to take some of those back. We don't receive those funds so it doesn't affect SC-OR.

**15. Manager's Report ❖**

Manager Sturdevant said the on the environment compliance report from Kendra Morgan was in the packet. We sent her to the CWEA conference last month and wrote on the highlights in her report.

We finished the contract for the Ruddy Creek property purchase. It has been given to the property owner, and we are awaiting her response. Commissioner Thomson asked what the long building by the pump station is. Manager Sturdevant said that it was not our building. Commissioner Pittman stated it was left over from the housing project.

Next month Manager Sturdevant will be giving the Commissioners his annual review. His contract is up for renewal September 30<sup>th</sup>, and he wants to give them plenty of time for review.

**16. Visitor Comments ❖**

None

**17. Commissioner and Staff Comments ❖**

Commissioner Pittman brought up finding a way to reduce any possible Brown Act violations with sub-committees. Attorney Jones said that even number boards are difficult, and maybe we could find an at-large member to make it a seven-member board. Attorney Jones will research this.

**18. Adjournment ❖**

There being no further business, the meeting was adjourned at 5:49 p.m. to the regular meeting scheduled for June 27, 2023 at 5:00 p.m.

Respectfully submitted,



GLEN E. STURDEVANT, CLERK