

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

(Held at the Commission office on September 23, 2020 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 Fairbanks and Kuehner from the Lake Oroville Area Public Utility District, Pittman and Reynolds from the City of Oroville, Hatley and Latulippe from the Thermalito Water and Sewer District. Staff present was Manager Scott Koch and SC-OR Attorney Desiree Vance.

**3. Salute to the Flag ❖**

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

**4. Acknowledgment of Visitors ❖**

SC-OR staff members Glen Sturdevant and Mikah Salsi; Ken Shuey of Provost and Pritchard; Shelly Anderson of Bryce Consulting

**5. Board Meeting Minutes of the Regular Meeting held on August 26 and the Special Meetings of August 31 and September 8, 2020 ❖**

Upon motion by Commissioner Reynolds to approve the minutes of the meetings, and second by Commissioner Fairbanks, the minutes of the August 26, 2020 regular meeting and the August 31 and September 8, 2020 special meetings were unanimously approved.

**6. Employee Safety Meetings Minutes ❖**

Upon motion by Commissioner Kuehner to approve the minutes of the meetings, and second by Commissioner Reynolds, the minutes of the September 14, 2020 employee safety meeting were unanimously approved.

**7. Authorization of Warrants ❖**

Commissioner Fairbanks met with Manager Koch and checked the warrants earlier and having found everything to be in order made a motion to approve warrants 26316-26376 in the total amount of \$262,248.87 from August 27 to September 23, 2020, including Commissioner fees and electronic fund transfers. The motion was seconded by Commissioner Latulippe, and were unanimously approved and ordered paid.

## **8. Fiscal Reports (July and August 2020) ❖**

Manager Koch reported that the fiscal reports for July and August 2020 were in the packet for review. There were no questions regarding them.

## **9. Possible Date Changes for November and December Meetings ❖**

Fiscal Officer Koch said that the November regular board meeting falls on November 25<sup>th</sup>, the eve of Thanksgiving, which can be changed to November 18<sup>th</sup>. The December meeting falls on the 23<sup>rd</sup>, but can be changed to Wednesday the 16<sup>th</sup>.

A motion was made by Commissioner Kuehner and seconded by Chairman Hatley to move the November regular meeting to November 18, 2020 and the December regular meeting to December 16, 2020. These new dates and times were agreed upon by consensus.

## **10. Compensation Study Review ❖**

Manager Koch said that Shelly Anderson, the representative of Bryce Consulting, was here to give an update on the compensation study.

Shelly said that they had concluded all of the data collection and analysis for the compensation study. She explained how they formed the calculations for the labor market using the median and the mean. They used the organizations that the commissioners directed them to collect data from. In terms of the data collected they included the title of the job classification, and the minimum and maximum of their salary range. Also included is the following information: the employees' portion of retirement that is paid by the employer for classic members; longevity pay; education and/or certification pay; employers' contribution for a cafeteria plan or health, dental and vision plans; paid life insurance; long-term disability insurance; whether they are in a Medicare only or Medicare and FICA; any contributions to a health savings account by the employer; summary tables with cost of living information; retirement plan, retiree health benefit information.

She reviewed the different positions that they did a cost comparison on. She recommended changing the title of Manager to General Manager.

## **11. Resolution 09-20 (Setting the Regional Facility Charge) ❖**

Manager Koch said that there is no change to the Regional Facility Charge recommended. That determination is made based upon the growth rate and the Construction Cost Index. The Construction cost Index has increased, which would normally indicate that the RFC should increase, but it is recommended to keep it the same for now. Once the plant design is complete and the class 1 cost estimated comes out, at that time the RFC should be reviewed.

A motion was made by Vice-Chair Pittman to adopt Resolution 09-20, Setting the Regional Facility Charge at \$6,638.00 per EDU. The motion was seconded by Commissioner Kuehner, and passed by the following vote: Reynolds – Yes, Latulippe – Yes, Kuehner – Yes.

## **12. Direction on the Funding Application for the Wastewater Treatment Plant Upgrade ❖**

Ken Shuey of Provost & Pritchard Consulting Group said they are working on an SRF funding application for the new plant improvements, along with application procedures for the new influent pump station funding. The SRF loan application is about 70% complete. He has been working with Manager Koch on different funding sources available because of the Camp Fire, but nothing has panned out. He has done quite a bit of out-of-scope work looking at other funding sources. SRF has also changed their applications and guidance documents, so he is wading through those. He needs direction from the Commission if they want him to move forward with pursuing the SRF funding. Manager Koch said to keep in mind that because SC-OR does such a good job of cleaning the wastewater, we don't get priority for funding, which means it will take a longer period of time to get through the SRF process.

The Commissioners directed Ken to continue pursuing the SRF funding.

## **13. General consulting Services Contract Amendment with Provost & Pritchard Consulting Group for an Amount not to Exceed \$25,000 ❖**

Ken Shuey said the current budget is \$10,000 for general engineering consultation; \$3,400 of that has been expended, the bulk was for help for the auxiliary pump station upgrade project. He has also done financial analyses. He anticipates with a new General Manager that the level of assistance will increase, so he wanted to suggest that the \$10,000 be increased to \$25,000 to give flexibility for help with rates and budgets, etc., that the new manager may not be familiar with.

Chairman Hatley said he would like to continue this item to the October meeting.

#### **14. Influent Pump Station Construction Management ❖**

Ken Shuey had submitted a proposal in July 2019 for 3<sup>rd</sup> party construction management of the influent pump station to work with the design engineer during construction. The project has been funded, but there has been no movement in getting the money in the bank, going out to bid, and beginning construction. He would like to be prepared if they are needed as the 3<sup>rd</sup> party construction management. The consensus was that they would be considered when the time comes, as SC-OR will need to have 3<sup>rd</sup>-party construction manager.

#### **15. Hourly Wage Schedule (Appendix II) ❖**

Manager Koch stated that the hourly wage schedule has been adjusted to reflect the cost of living allowance of 1.3% effected September 1, 2020. This new wage schedule needs board approval.

A motion was made by Commissioner Kuehner to adopt the updated wage schedule, Appendix II, with the cost of living adjustment of 1.3%; the motion was seconded by Chairman Hatley, and passed by the following vote: Reynolds – Yes, Latulippe – Yes, Kuehner – Yes.

#### **16. Attorney's Report ❖**

Attorney Vance needs clarification on what the temporary position will be so that she can get the correct information from PERS on the legality of the position. It was clarified by Chairman Hatley that the temporary person will assist the interim chief plant operator in their administrative duties, such as agendas, resolutions, etc. Attorney Vance stated that according to PERS a complete job description and wage scale must be approved in open meeting before a job can be created. The pay scale must be based upon the comparable job that the person would be doing. CalPERS is not consultant friendly; the person must truly be a consultant who takes direction from his employer, which means they do not take direction from the Commission, otherwise they must be treated as an employee as far as PERS is concerned, or SC-OR could incur large penalties. PERS is strongly advising against a "consultant", but suggest that we create a new position with an adopted pay scale.

To create a new position that a current employee will fill, the job must be treated as an out-of-class position. The employee can only work in an out-of-class position if the position is in active recruitment, and the job is vacant.

Vice-Chairman Pittman directed Attorney Vance to take the job description for Plant Manager and call it a Temporary Manager and remove all of the plant operating duties from the job description. Attorney Vance recommended creating a new temporary position altogether (i.e. Administrative General Manager) using the administrative portion of the job description agreed upon. Vice-chair Pittman asked about the pay scale for that position. Attorney Vance said that it must be comparable to the job performed, and must be adopted in open session.

**17. Manager's Report ❖**

Manager Koch had nothing more to report.

**18. Visitor Comments ❖**

None

**19. Commissioner and Staff Comments ❖**

Chairman Hatley presented Manager Koch with a plaque for his retirement and 25 years of service.

Chairman Hatley asked about the PFA testing as to what it is and who has to do it. Manager Koch said that water plants, wastewater plants and landfills all have to do it. It was decided by executive order by the State.

Vice-Chair Pittman said that the City has major sewer work planned.

**20. Closed Session ❖**

The Board adjourned to closed session at 6:16 p.m., and reconvened to open session at 7:01 p.m. Direction was given to legal counsel. Action was taken to make an out-of-class position for Glen Sturdevant, who accepted the position, with a start date of October 1, 2020.

**21. Adjournment ❖**

There being no further business, the meeting was adjourned at 7:01 p.m. to the regular meeting scheduled for October 28, 2020 at 5:00 p.m.

Respectfully submitted,



GLEN E. STURDEVANT, CLERK