

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 Commissioner 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