

Manager's Report

**To the SC-OR Commissioners by Glen Sturdevant
on August 22, 2024**

Operations & Maintenance

There were no operational issues to report this month.

Influent Pump Station

Punchlist being completed next week (8/26-8/30).

Ruddy Creek Pump Station

Due to environmental differences after the lift station relocation (property purchase), the RCPS project is now scheduled to go out for bid in early spring.

Small Hydro

After reaching out and talking to multiple engineers in the hydro world, we believe the chances of this project coming to fruition is slim to none.

Office Supervisor Position

I am asking the board to approve the creation of an Office Supervisor position; I believe this will allow SC-OR to recruit the type of candidate we need to fill the position when our current Admin Asst retires, which is most likely in the next 12-15 mos. The job responsibilities have outgrown the position in my opinion. I also believe this will allow us the flexibility in the future to require the admin asst position to seek and complete more training and skill acquisitions (certificates and credentials) to promote into the Office Supervisor position.

Plant Upgrade

We should be out to bid for phase 1 by the next board meeting.

First year 4/10 schedule report

Staff has been working the 4/10 schedule for a full year now, and it has been a success on multiple fronts. The crew loves it and, therefore, morale has benefitted. We have also realized the overtime reduction we hoped for. The longer day has naturally curbed some of the overtime that would come from callouts close to the previous opening and closing hours, with the other component of the 4/10 schedule being the CTO (Compensatory Time Off) policy; the crew likes the option of choosing CTO over overtime when the plant schedule allows it.

City of Oroville

I have been working with the city administrator on the JPA response to the consolidation recommendation by LAFCO.

TWSD

We removed the filters from the TWSD plant and they are now on the SC-OR property.

I have been working with the district manager on the JPA response to the consolidation recommendation by LAFCO

LOAPUD

I have been working with the LOAPUD manager on the JPA response to the consolidation recommendation by LAFCO

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

(Held at the Commission office on July 23, 2024 at 5:00 p.m.)

1. Call to Order ❖

Chairman Pittman 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, Clark and Koch from the Thermalito Water and Sewer District. Staff present was Manager Glen Sturdevant, Plant Supervisor Mikah Salsi; Attorney Ryan Jones attended by Zoom.

3. Salute to the Flag ❖

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

4. Acknowledgment of Visitors ❖

None

5. Acknowledgement and Welcome of New Commissioner ❖

Chairman Pittman welcomed new commissioner, Mark Clark, who replaces outgoing commissioner Brad Taggart for the Thermalito Water and Sewer District.

6. Board Meeting Minutes of the Regular Meeting held on June 25, 2024 ❖

Upon motion by Vice-Chair Mastelotto to approve the minutes of the meeting, and seconded by Commissioner Salvucci, the minutes of the June 25, 2024 regular meeting were unanimously approved.

7. Authorization of Warrants ❖

Commissioner Mastelotto met with Manager Sturdevant and reviewed the warrants earlier, and having found everything to be in order made a motion for their approval. The motion was seconded by Chairman Salvucci. Warrants 29050-29106 in the total amount of \$488,226.26, including employee paychecks, commissioner fees and electronic fund transfers, were unanimously approved and ordered paid.

8. Fiscal Reports ❖

Manager Sturdevant stated the fiscal reports for June 2024 were included in the packets for review. There were no questions expressed and nothing further to report.

9. CalPERS Unfunded Liability 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 it will cost \$229,290.00, which will save SC-OR \$7,668.00, rather than as a monthly payment.

A motion was made by Commissioner Koch to authorize paying the CalPERS annual unfunded accrued liability in the sum of \$229,290.00. The motion was seconded by Commissioner Clark, and passed by the following vote: Mastelotto – Yes, Pittman – Yes, Koch – Yes.

10. Painting Contracts ❖

Manager Sturdevant stated that the board had given permission to reroof the main plant building, which is now complete, and the plan was then to have staff paint the eaves and trim in a gray to match the new metal roof. Staff is still willing to do the painting if the board desires, but Manager Sturdevant asked staff to request bids to see what it would cost to have a professional painter do the work, as it would be done quicker and more professionally than if staff were to paint. We obtained three bids, which were submitted in your packets. Staff is asking for approval to hire DaSilva Painting, as he is local, had the lowest bid, and has previously done work at our plant.

A motion was made by Commissioner Thomson to accept the bid from DaSilva Painting for an amount not to exceed \$15,000.00. The motion was seconded by Vice-Chair Mastelotto, and passed by the following vote: Mastelotto – Yes, Pittman – Yes, Koch – Yes.

11. Attorney's Report ❖

Attorney Jones reported that there is no significant update on the K&M litigation. Counsel are waiting on discovery, and then they can make some strategic decisions based upon that.

12. Manager's Report ❖

Manager Sturdevant reported:

- There are no operational issues to report.
- We sent out our quarterly samples last week.
- We are fully in drying sludge mode, and it is pretty dry. Once we get the go-ahead from Neal Road we will begin hauling the sludge.
- Influent pump station: The contractors are working on the punch list items. We have issued the substantial completion paperwork.

City of Oroville: He has been working with Fred Mayo, the City Public Works Director, to get the EDU count done. The city is using one of the consultants that SC-OR found to accomplish that task.

TWSD: On July 29th work will start moving filters from TWSD to our plant.

LOAPUD: Manager Sturdevant and Supervisor Salsi attended the LOAPUD proposition 218 hearing on July 9th, and it went well. There was one visitor with questions on the rate increases, and 20 letters of protest received, but the increases passed, and our approved rate increases went into effect July 1st.

Commissioner Salvucci asked for an update on the flow meter at Feather River Pump Station. Manager Sturdevant reported it is installed, and we working on getting it hooked up and programmed.

13. Visitor Comments ❖

None

14. Commissioner and Staff Comments ❖

Commissioner Thomson suggested that if there are improvements to be done to our trunkline, that they should be done prior to the repaving of highway 162. Manager Sturdevant said that CalTrans is going to upgrade the north side of 162, and will raise some of our manholes. We rarely use the pipe on the north side of the road—only in storm situations—and we flush that line once a month. He will borrow a camera crew from one of the JPA entities to camera the line for inspection prior to the improvements.

15. Adjournment ❖

There being no further business, the meeting was adjourned at 5:16 p.m. to the regular meeting scheduled for August 27, 2024 at 5:00 p.m.

Respectfully submitted,

GLEN E. STURDEVANT, CLERK

		process for adopting rates is consistent with Proposition 218.
FIN-10	Rates are readily available to constituents	Rates are provided to the JPA's three-member entities. It is recommended that SC-OR consider displaying its rates on its website to promote financial transparency.

5.8.10 Risk Management

SC-OR maintains several types of insurance, and these insurance policies are a tool SC-OR utilizes to help manage risks. Property and liability insurance is through Special District Risk Management Authority (SDRMA), a public agency formed under California Government Code Section 6500 et seq. to provide a risk management program for California's local governments. SDRMA has provided members with comprehensive insurance coverage for over three decades. SC-OR's 22/23 budget shows an increase of 16.4 percent in rates from SDRMA. This increase is attributed to inflation and to all the natural disasters that have occurred over the past several years. Medical insurance for SC-OR's employees is pooled with the City of Oroville (SC-OR, 2021b).

Since SC-OR is a JPA, it did not participate in Butte County's Local Hazard Mitigation Plan (LHMP). Butte County collaborated with five incorporated communities and ten special districts to prepare the November 2019 Local Hazard Mitigation Plan as described in Chapter 2, Introduction. The City of Oroville, TWSD, and LOAPUD each have a chapter of the LHMP dedicated to them. However, SC-OR does have facilities that are potentially at risk if future hazards arise. SC-OR's risk level is similar to that of TWSD and LOAPUD. For example, flooding and stormwater could potentially negatively impact SC-OR's facilities. Therefore, it may be beneficial for SC-OR to participate in the next update to the LHMP. SC-OR staff is encouraged to explore participation options.

5.9: Cost Avoidance & Facilities Sharing

This section highlights cost avoidance practices given necessary service requirements and expectations. Ideally, the proposed methods to reduce costs would not adversely affect service levels. Municipal wastewater systems generally have a fixed cost associated with infrastructure, operations, and maintenance and have a variable cost related to demand. Given these constraints, SC-OR pursues an array of cost avoidance techniques that contribute incrementally towards keeping costs reasonable. Specifically, SC-OR carefully utilizes its budgeting processes to serve as a means to avoid unnecessary costs. The report entitled "Growth Within Bounds: Planning California Governance for the 21st Century" (Report of the Commission on Local Governance for the 21st Century) states the following:

“Although some JPAs are formed solely to take advantage of a financing mechanism not otherwise available, most are true collaborations of governments that promote greater cooperation and coordination of services, even if only for specific purposes.”

Facilities Sharing: SC-OR actively shares facilities and equipment with neighboring service providers. For example, the WWTP is a shared facility among the members of SC-OR. In addition, specific pieces of equipment related to the sewage system are occasionally shared by the SC-OR, LOAPUD, and TWSD. The three-member entities all purchase compatible components of the same type of shoring in case of emergency to allow the employees to be familiar with the equipment’s function.

Equipment Sharing: Equipment and/or parts to maintain and repair SC-OR’s collection system are sometimes borrowed from the three-member entities that form the JPA. Loaning and sharing equipment is a useful operational strategy since SC-OR has a relatively small sanitary sewer collection system compared to the other JPA member agencies with larger collection systems and larger spare parts inventories (SC-OR, 2019a). SC-OR has approximately three miles of sewer collection system with two lift stations. Since SC-OR focuses on wastewater treatment (rather than conveyance), SC-OR relies on the member entities to help maintain its small collection system since SC-OR does not have the equipment necessary to service all of it (SC-OR, 2021b). Sharing equipment and information occur on an as-needed basis, and there is a mutual understanding that we are all on the same team (SC-OR, 2021b). SC-OR does not participate in a formal mutual aid program (SC-OR, 2021b).

Cost Saving: The solar array on SC-OR’s site is an example of a cost-saving measure (SC-OR, 2021b).

Reduce overhead: SC-OR aims to reduce overhead expenses. For example, the Commission recently refurbished its solar facility to increase energy production and help offset electricity costs. This allowed SC-OR to offset its energy use by about 40 percent. SC-OR also saves money by conducting its own maintenance on plant equipment. In addition, SC-OR contracts out its major equipment repairs and engineering services. In the future, to improve cost efficiency, SC-OR may consider expanding its laboratory to provide laboratory services to smaller jurisdictions in the area. A water recycling program (i.e., a purple pipe system) and a biosolids program could also improve cost efficiencies (SC-OR, 2021b).

Goals and Challenges

California’s water and wastewater districts face future challenges and issues due to changing conditions. SC-OR’s staff was invited to note specific goals and challenges for the future. Identified issues include:

- Maintaining existing plant;
- Financing for the upgrade project;
- Maintaining and upgrading lift stations;
- Planning to reduce inflow and infiltration;

- Planning for future growth and understanding the timing of when growth will occur, and additional capacity will be needed
- Source: (SC-OR, 2021b).

Even though SC-OR's staff and commissioners actively work to reduce unnecessary costs, the SC-OR faces the same financial challenges as all local agencies regarding rising costs. For example, recently, inflation, due to the global pandemic and rising energy costs, has been an issue across the Country. SC—OR specifically may face other increasing costs due to changes in NPDES permit requirements and due to an increase in the frequency of lab testing requirements (SC-OR, RFI Response, 2021b).

JPA Coordination Meetings: The SC-OR staff regularly meets with the three-member entities' managers, with meetings occurring quarterly or more frequently as needed. These meetings are used to focus on and coordinate projects between the districts. In addition, any problems or concerns the member entities face are brought to light and discussed openly (SC-OR, 2021b).

Reorganization: It is sometimes beneficial for an agency to pursue structural and/or jurisdictional reorganizations to save money and avoid future overhead costs. SC-OR staff has indicated that, at this time, there are no functional or structural reorganizations that the Commission is evaluating to benefit recipients of the Commission's services or improve the provision of wastewater collection services. To date, SC-OR has not considered merging with another agency (SC-OR, 2021b).

While the current organization of sewer services between three collection agencies and the wastewater treatment plant (SC-OR) effectively delivers sewer services to the Oroville region, this duplication of services should be evaluated to determine if a reorganization of service providers and/or boundaries would result in a more transparent and cost-effective provision of sewer services. Given the SC-OR JPA expires in 2030, it is an appropriate time for SC-OR to evaluate its role in the overall sewage collection configuration for the Oroville Region. At present, SC-OR is in a reactive mode as it responds to collection demands of its JPA members, it may be beneficial to improved accountability and efficiency if the wastewater treatment plant and the collection system were operated under a single agency with one set of comprehensive policies and procedures umbrella. Appendix C in this MSR outlines several conceptual re-organization and SOI options for all the water and wastewater service providers described in this document.

California Water Environment Association (CWEA): CWEA is a state-wide non-profit association that empowers wastewater professionals as they protect California's most critical resource: water. CWEA represents 10,000+ professionals working in all facets of wastewater management and resource recovery, from operators to lab techs to engineers. Founded in 1928, CWEA delivers cutting-edge training, raises awareness of the profession, and shapes the future of wastewater services. SC-OR's employees have won several awards from CWEA over the past several years, as follows:

- Outstanding Young Professional of the Year: Josh Sorenson, Sewerage Commission – Oroville Region (2021)

- Operator of the Year: Mitchell Maxwell, Sewerage Commission – Oroville Region (2021)
- Outstanding Service Award: Mikah Salsi, Sewerage Commission – Oroville Region (2021)
- Lifetime Achievement Award: Scott Koch, Sewerage Commission – Oroville Region (2020)
- Supervisor of the Year: Scott Koch, Sewerage Commission – Oroville Region (2018)
- Administrative Professional of the Year: Lauri Pittman, Sewerage Commission – Oroville Region (2018)
- Hosting Training Plaque SC-OR, (2018).

Table 5-32: MSR DETERMINATION: STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

Number	Indicator	Determination
SC-OR -SHA-1	The Agency collaborates with multiple other agencies for the delivery of services within its boundary.	SC-OR collaborates with several other agencies to deliver services within its Service Area by implementing the following practices: sharing the wastewater treatment plant as a JPA, information sharing, and cost reduction.
SC-OR -SHA-2	Agreements for mutual aid or any other appropriate agreement (i.e., Tax Sharing Agreement) are periodically reviewed to ensure fiscal neutrality.	SC-OR does not currently participate in any formal Mutual Aid Agreement. However, SC-OR does informally cooperate with its three-member entities. As a JPA, the agreement with the three-member entities expires in 2030.
SC-OR -SHA-3	Other practices and opportunities that may help to reduce or eliminate <u>unnecessary</u> costs are examined by the District periodically. Ideally, there is a balance between cost efficiency and risk reduction strategies.	Municipal wastewater systems generally have a fixed cost associated with infrastructure, operations, and maintenance and have a variable cost related to demand. Given these constraints, SC-OR pursues several cost avoidance techniques that each contribute incrementally towards keeping costs at a reasonable level. Specifically, SC-OR carefully utilizes its budgeting processes to serve as one means to avoid unnecessary costs.

5.10: BIBLIOGRAPHY

BOARD POLICY

Sewerage Commission - Oroville Region

TITLE: Conflict of Interest
ADOPTION DATE: 28 October 1976

NUMBER 1100
REVIEW DATE: 27 August 2024

1. The Political Reform Act, Government Code §81000, *et. seq.*, requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 Cal. Code of Regs. §18730, which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to the amendments in the Political Reform Act. Therefore, the terms of 2 Cal. Code of Regs. §18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix in which members of the Board of Commissioners and employees are designated, and in which disclosure categories are set forth, constitute the conflict-of-interest code of the Sewerage Commission - Oroville Region.

2. Pursuant to Section 4(A) of the standard code, designated employees shall file statements of economic interests with the agency. Upon receipt of the statements of the commissioners and designated employees, the agency shall make and retain a copy and forward the original of these statements to the Butte County Clerk's office. The agency shall make the statements of economic interest available for inspection and reproduction pursuant to Government Code Section 81008.

**CONFLICT OF INTEREST CODE FOR THE
SEWERAGE COMMISSION - OROVILLE REGION**

APPENDIX

Designated Employees

Disclosure Categories

Manager/Superintendent	All
Fiscal Officer	All
Members of the Board and Alternates	All
Consultants*	All

Disclosure Categories

1. Investments, sources of income and business positions in business entities of the type to contract with the Commission to supply materials, commodities, supplies, books, machinery, vehicles or equipment utilized by the agency.

2. Investments, sources of income and business positions in business entities which are contractors, or subcontractors, engaged in the performance of work or services of the type utilized by the Commission.

3. Investments, sources of income and business positions in entities such as banks or savings and loans.

4. Investments and business positions in, and income from, entities in which the Commission is empowered to invest its funds.

5. Interests in real property (or interests in real property used for commercial leasing purposes).

**Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest disclosure category in the code subject to the following limitation:*

The Chairperson of the Board may determine in writing that a particular consultant, although a "designated position", is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The Chairperson's determination is a public record and shall be retained for public inspection in the same manner and location as this conflict-of-interest code.

**Written Explanation of Reasons for
Designations and Disclosure Responsibilities
for the Sewerage Commission - Oroville Region**

Designations

The positions of Manager/Superintendent, Fiscal Officer, Members of the Board and Alternates, and Consultants have been designated as those positions subject to the provisions of the Conflict-of-Interest Code in that those positions are the only positions having any substantial responsibility relative to the Sewerage Commission - Oroville Region's (hereinafter referred to as the Agency) decision making process or policy.

Disclosure Responsibilities

The categories relative to the types of interests that must be disclosed are based upon the types of interests in investments and real property within the Agency's boundaries and/or interests that may foreseeably be affected by any decision made or participated in by the Agency.

BOARD POLICY

Sewerage Commission - Oroville Region

TITLE: Job Description-Office Supervisor
ADOPTION DATE: 27 August 2024

NUMBER 2857

Job Description

Under the general supervision of the Manager/Superintendent, organizes, manages, directs and supervises the office support operations and functions of the commission; performs a wide variety of complex, diverse, technical, and analytical tasks in the development and maintenance of personnel records systems; maintains manual and data processing records of personnel information; performs secretarial and account clerical work in connection with processing and maintaining general and financial records; receives and issues receipts for money; and does related work as required.

Distinguishing Characteristics

Positions in this class are distinguished from those in other clerical classes by spending a significant portion of their working time supervising the office and office personnel, preparing and reviewing documents used for recording accounting information. Positions in this class post and transfer accounting data, check the accuracy of computations, reconcile invoices with purchase orders, and run trial balances and summaries of records and accounts maintained. They serve as the human resources contact assisting with insurance, workers compensation, disability, and other duties as required.

Examples of Duties

1. Supervises the administrative assistant position to ensure that all job duties are being accomplished on a timely and accurate basis.
2. Posts, adjusts, and balances accounts; checks source documents and posts to accounts receivables and payables.
3. Prepares monthly financial reports; lists warrants and balances to a total disbursement figure; cancels warrants; prepares bank reconciliations for all accounts; checks for fraudulent or improper endorsement or other discrepancies.

4. Sets up, maintains, and processes medical insurance records; prepares and transfers all records and forms related to PERS (Public Employees Retirement System); posts, checks, and files payroll and related personnel records; enters changes affecting status or amount of pay; prepares and posts quarterly and annual payroll reports, including W-2 and 1099 forms; sets up, prepares, and maintains payroll for employees.
5. Codes claims and purchase orders to proper expenditure accounts; receives and records requisitions; processes requisitions; posts, records and deposits money into SC-OR accounts.
6. Checks invoices against purchase orders and receiving reports; prepares and checks purchase orders for price, units, extensions, taxes, discounts, use tax, and other charges.
7. Prepares warrants for payment; maintains usage and billing records on equipment; computes and processes bills; accepts payments and writes receipts and deposit slips; performs related routine cashiering duties.
8. Answers questions from the public and other employees; does general secretarial, typist, and clerical work as required.
9. Screens visitors and telephone calls and refers to appropriate staff.
10. Prepares all workpapers for annual audit; works with outside auditing agency as required; and answers any inquiries regarding audit.
11. Transcribes and edits minutes of the board meetings.
12. Transfers SC-OR funds from account to account as needed.
13. Assist the Manager/Superintendent in all financial projections for SC-OR when required to do so.
14. Prepare reports, other than normal periodic reports, to be used in preparing and administering the SC-OR budget.
15. Prepares billings for Industrial Users and other agencies by taking data supplied and calculating charges.
16. Assists the Manager in preparing for all board meetings held by the Commission. May be required to attend board meetings as directed.
17. Prepares annual reports: State Compensation Report, State Financial Report, SDRMA payroll audit, and any other report as required.
18. Assistant to the Manager.

Typical Physical Activities:

1. Operates commission vehicles in administration operations (banking, post office run, etc.)
2. Communicates with Plant Manager, coworkers, and the public in face-to-face, one-on-one and group settings.
3. Regularly uses a telephone for communication.
4. Uses office equipment, such as computer terminals, copiers, scanners, fax machine.
5. Sits for extended periods of time.

Employment Standards

1. Experience -

Minimum of three years of paid administrative assistant experience that includes financial or statistical record keeping, and typing of both statistical data and general correspondence.

2. Knowledge of -

Basic methods and practices of financial recordkeeping; office methods, practices, procedures, personal computer and programs, and equipment. Correct English usage, grammar, spelling, punctuation, and vocabulary. Interpersonal relations skills, using tact, patience, and courtesy. Telephone techniques, etiquette, oral and written communications skills. Policy and procedure development

3. Ability to -

Make arithmetical calculations with speed and accuracy; operate 10-key calculator, personal computer or other office machines; maintain and assign claims to proper accounts; follow oral and written directions; work co-operatively with others in the course of work, including outside agencies and the public. Must have current computer skills in generally accepted industry standard programs of Microsoft Word, Excel, Outlook, and QuickBooks. Must be able to adapt to computer program changes and upgrades. Organize data, maintain records, and prepare reports. Review and comprehend technical financial information. Follow oral and written directions.

4. **Formal Education and Required Qualifications –**

High school graduate or equivalent. Three (3) years of increasingly responsible administrative and supervisory experience. Completion of basic accounting courses and two (2) years' experience as a full charge bookkeeper. College courses in accounting, business, and computers highly desirable. A pleasant telephone voice is required, as is the ability to present a neat appearance, and to work under pressure.

5. **General Requirement –**

Must possess a valid California driver's license.

Limitations

Scope of influence extends throughout the office and administrative functions, but not into plant operation.

Covenant of Nondisclosure:

The Office Supervisor will have access to confidential information relating to employees at the Commission, contractual dealings between the Commission and others, legal disputes involving the Commission, and other such matters, the unauthorized use or disclosure of which would be detrimental and harmful to the Commission. He/she is therefore obligated as a condition of his/her continued employment with the Commission not to directly or indirectly use or disclose any such information without the authorization of the Manager.

RESOLUTION NO. 05-24

SEWERAGE COMMISSION – OROVILLE REGION

RESOLUTION FOR EMPLOYER PROVIDED MEDICAL BENEFITS

WHEREAS, The Sewerage Commission – Oroville Region (SC-OR) is a Joint Powers Agreement (JPA) formed in 1973 and comprised of three member entities: The City of Oroville, Thermalito Water and Sewer District and Lake Oroville Area Public Utilities District, and

WHEREAS, the Sewerage Commission – Oroville Region provides medical insurance to its employees and their families, and

WHEREAS, SC-OR has piggybacked on the City of Oroville's plan for employee health insurance coverage for decades, but the City is most likely moving to a different plan for their employees, of which we will be unable to be considered part of their group. This will be determined soon, and

WHEREAS, SC-OR staff consulted with our member entities on what they provide for a health plan to their employees and families, and

WHEREAS, SC-OR employees would like to remain on the Blue Shield Silver PPO plan that was offered through the City of Oroville, and we are able remain on the same plan at the same rate we would pay if the City of Oroville remained on that plan. If the City determines to stay on the current plan, we will continue to piggyback on their group plan, and

WHEREAS, the broker of the Blue Shield insurance plan must have approval from the SC-OR governing board to enroll SC-OR employees into the same health insurance plan that we have had with the City of Oroville, and

WHEREAS, the City of Oroville may keep the same dental, vision, life, and supplemental insurance plans available to their employees depending upon what health insurance plan they opt for, but that is undetermined at this time. SC-OR staff will look for replacements for these coverages if we are unable to remain with the City of Oroville's plans, and

WHEREAS, SC-OR will continue to fund the Health Reimbursement Account at an annual rate of \$3,000 per employee to cover out of pocket expenses under the same parameters as adopted in 2013 (ATTACHMENT A).

NOW, THEREFORE, BE IT HEREBY RESOLVED that the SC-OR Board of Commissioners and Employees have agreed to the following:

- The SC-OR Board of Commissioners agrees to remain on the Blue Shield Silver PPO health plan offered through the City of Oroville if they remain in that plan, or
- The SC-OR Board of Commissioners agrees that SC-OR can independently enroll in the Blue Shield Silver PPO health plan separately from the City of Oroville in the event that they do not continue in that plan.
- SC-OR staff will research alternative supplemental insurance plans and replacement plans for dental, vision, life and gap insurance.

PASSED AND ADOPTED this 27th day of August 2024 at the regular meeting of the Sewerage Commission – Oroville Region, duly noticed and conducted in the SC-OR offices, by the following vote:

AYES:

NOES:

ABSTAIN:

David Pittman, Chairman

ATTEST:

Glen E. Sturdevant, Clerk

ATTACHMENT A – Originally Adopted in 2013

SC-OR HEALTH REIMBURSEMENT ACCOUNT PLAN Covered Medical Expenses - \$3,000 maximum/annually

Medical expenses are the costs of diagnosis, cure, mitigation, treatment, or prevention of disease, and the costs for treatments affecting any part or function of the body. They include the costs of equipment, supplies, and diagnostic devices needed for these purposes. They also include dental and vision expenses.

Medical care expenses must be primarily to alleviate or prevent physical or mental defect or illness. They do not include expenses that are merely beneficial to general health, such as vitamins or a vacation.

Eligible expenses include:

• Acupuncture	• Ambulance service
• Chiropractic care	• Corrective vision prescriptions
• Dental fees	• Diagnostic tests
• Doctor's fees	• Drug addiction/alcoholism trmnt
• Drugs (prescription only)	• Guide dogs
• Hearing aids and exams	• Hospice care
• Orthodontic treatment	• Surgery
• Smoking cessation treatment	• Blood transfusions
• X-rays	• Prescribed Medications
• Medically required injections and vaccinations	• Nursing services (in-home health care services)
• Medical equipment rentals (i.e., Wheelchairs, crutches, etc.)	• Vitamins (prescribed by a doctor)

Ineligible expenses include:

• Pain relievers	• Allergy medicines
• Antacids	• Cold medicines
• Health or fitness club dues	• Vitamins (over-the-counter)

**The Manager has the discretion to approve or deny anything not listed here within.*

Eligible participants in the plan:

- Fulltime employees (40 hours per week) and their eligible family members covered on SC-OR's insurance plan.
- Qualified retirees and their eligible dependents.

RESOLUTION 06-24

SEWERAGE COMMISSION - OROVILLE REGION AMENDED SIGNATURE AUTHORIZATIONS

WHEREAS, by amendment of the Joint Powers Agreement, the Sewerage Commission – Oroville Region assumed its own Treasurer and Fiscal Officer functions effective July 1, 1981, and

WHEREAS, it was necessary for the Sewerage Commission – Oroville Region to have an account, or accounts, to implement the functions of Treasurer and Fiscal Officer.

NOW, THEREFORE, BE IT RESOLVED by the Sewerage Commission – Oroville Region as follows:

1. That the following persons be designated as authorized signatories to withdraw funds from said accounts by check, drafts or other items on behalf of the Commission, subject to the limitations set forth in paragraph 2 below:

Treasurer / Fiscal Officer

All Commissioners of the Sewerage Commission–Oroville Region

2. That one such signature shall be required to authorize withdrawals by general checks up to \$10,000.00, or by payroll checks in any amount; two (2) such signatures shall be required to authorize withdrawals by general checks in excess of \$10,000.00.

3. Under the supervision and approval of the Treasurer/Fiscal Officer, the Administrative Assistant will have limited authorization to make transfers between accounts (checking, money market, LAIF) for the purpose of covering warrants, payroll checks, and/or electronic fund transfers for payroll taxes. The Administrative Assistant will have no authority to sign checks.

4. This resolution supersedes Resolution 08-16.

PASSED AND ADOPTED this 27th day of August 2024 at a regular meeting of the Sewerage Commission-Oroville Region by the following vote:

AYES:

NOES:

ABSTAIN:

David Pittman, Chairman

ATTEST:

Glen E. Sturdevant, Clerk

RESOLUTION NO. 07-24

SEWERAGE COMMISSION – OROVILLE REGION

RESOLUTION TO ESTABLISH ACCOUNTS WITH GOLDEN VALLEY BANK AND CLOSE ACCOUNT AT BANK OF AMERICA

WHEREAS, The Sewerage Commission – Oroville Region desires to open bank accounts for checking and possibly a money market fund, at Golden Valley Bank, and

WHEREAS, we have incurred fraud multiple times on our checking account through Bank of America, and they offered no solution other than to close our account and open a new account, which is a very costly and time-consuming endeavor, and does not prevent fraud from occurring again, as we have incurred more fraud since closing our account in March 2024, and

WHEREAS, Golden Valley Bank offers personalized and business friendly service, and has informed us of an option to prevent fraud from occurring on our accounts, and

NOW, THEREFORE, BE IT RESOLVED by the Sewerage Commission – Oroville Region as follows:

The Treasurer/Fiscal Officer of the Sewerage Commission – Oroville Region is authorized to open such accounts with Golden Valley Bank, and close the checking account at Bank of America.

The Administrative Assistant and/or Administrative Supervisor of the Sewerage Commission – Oroville Region is authorized to write checks, make deposits and wire transfers against and between the various accounts.

PASSED AND ADOPTED this 27th day of August 2024 at the regular meeting of the sewerage Commission – Oroville Region by the following vote:

AYES:

NOES:

ABSTAINED:

David Pittman, Chairman

ATTEST:

Glen E. Sturdevant, Clerk



GATEWAY PACIFIC CONTRACTORS, INC.

August 6, 2024

Glen Sturdevant
SCOR
2880 S. Frith Avenue
Oroville, CA 95965

**RE: East Interceptor Pipe Replacement
Oroville, CA**

Mr. Salsi,

Gateway Pacific Contractors, Inc. is pleased to submit the following proposal for the work to be performed on the East Interceptor Pipe Replacement.

Our proposal is as follows:

ITEM NO.	ITEM DESCRIPTION	UNIT	LUMP SUM AMOUNTS
1	Mobilization/Demobilization	LS	\$ 20,000
2	Temporary Bypass Pumping System	LS	\$ 40,000
3	24" Pipe Replacement (ADS Sani Tite)	1,600 LF	\$ 788,000
4	48" Manhole Replacement	5 EA	\$ 100,000

TOTAL BASE BID: Items 1 through 3 inclusive: \$ 948,000.00

If the District choses to upgrade the pipe, the cost are as follows:

- 1. PVC SDR 35 Add \$ 85,000
- 2. PVC SDR 26 Add \$125,000
- 3. PVC C900-DR25 Add \$140,000

SPECIAL CONDITIONS

The following special conditions shall apply to this proposal:

1. This proposal is subject to the condition that all of its items are to be incorporated into any subsequent Contract/Subcontract between Owner/Contractor and Gateway Pacific Contractors, Inc. and take precedence to any conflicting Contract clauses. Owner's/Contractor's acceptance of the terms of this proposal will be evidenced by a signed Contract by the Owner/Contractor.
2. This proposal is based on award of all items of work in the quotation.
3. This proposal is good for thirty (30) days, after which time Gateway Pacific Contractors, Inc. reserves the right to modify the proposal for any changes in price.
4. Gateway Pacific Contractors, Inc shall receive progress payments no later than (30) days after billing.
5. Work shall be accomplished per a mutually agreed upon schedule, weather and ground conditions permitting, during normal working shifts, with conventional equipment and crews. Any special phasing or splitting of work will be an extra cost. No overtime included.
6. Gateway Pacific Contractors, Inc is not signatory to any labor organization and shall not, by virtue of execution of any subcontract agreement with General Contractor, become bound to any provisions of any collective bargaining agreement with any labor organization for any purpose. Work is based prevailing wages.
7. Overhead and profit markup for any extra work or change orders will be a minimum of 15%.
8. Dust control and public safety for our work only while on job site.
9. Water to provided by owner for filling, testing, and chlorination of all piping.
10. Bypass pumping is included only for switch over tie ins.

EXCLUSIONS

Our exclusions for this proposal include, but are not limited to the following:

1. All fees, permits, bonds, inspection or connection charges, staking or surveying, engineering or testing.
2. Dewatering, pumping and drainage maintenance.
3. Protection of plant growth and/or existing structures.
4. Tree protection, tree fencing, tree pruning, aeration system, employment of an arborist.
5. Protection of completed items of work from other construction activities and removal or replacement if damaged by others.
6. Repair or replacement of any utility lines or other objects placed by others at elevations above the excavation or scarifying plane required by the plans and/or specifications.
7. Removal or relocation of all underground obstructions, utilities or structures (unless otherwise noted as included) including but not limited to footings, poles, vaults, boxes, pipe, conduit, tanks, wells, etc.
8. Over-excavation, re-compaction, removal, replacement or processing of soil that is loose, oversaturated, contaminated or otherwise unsuitable for compaction.
9. Grading for others' work or handling, hauling and removal of others' spoil.
10. Cost of Water or creating a water source.
11. Archeological and Cultural monitors.

If you have any questions, please contact me at (916) 417-0345 or hall@gatewaypacific.com

Sincerely,

Jay Hall

Jay Hall

Northern California Operations Manager

REVISION 1

Bid Date: 8/21/2024
 Time: 4:00PM

Proposal for:
SCOR East Interceptor Sewer Main Replacement Project - Rev1
 from

MJ Shelton General Engineering, Inc.
 13 Jordans Pl. #100, Chico, CA 95973
 (530) 895-8620 Fax: (530) 895-8682 randy@mjshelton.com
 License: 873037 Type: GENERAL ENGINEERING



Sewerage Commision - Oroville Region

Item	Description	Quantity	Unit	Total Price
BB	Base Bid			
1	Sewer By-Pass Pumping	1.00	LS	
2	Tie-Into Existing Metering Station	1.00	EA	
3	24" SDR 35 Sewer Main - Adjacent To Existing Main	1,540.00	LF	
4	48" Sanitary Sewer Manhole	6.00	EA	
Total:				<u>1,243,200.00</u>
Total w/o Alternates:				<u>1,243,200.00</u>
BI#1	Budget Item #1			
01	Chain Link Fence Replacement	1.00	LS	
Total:				<u>10,000.00</u>

√ = Locked Bid-Item
 ! = Zero Total Price

8/21/2024 10:00 am

Attachment Enclosed

Estimator: Randy Baylor

SCOR East Interceptor Sewer Main Replacement Project - Rev1

MJ Shelton General Engineering, Inc. is pleased to provide material, labor, equipment and insurance to complete the following scope of work as described below.

Project Location: South 5th Ave, Oroville, CA

Project Plans and Specifications: 24" East Interceptor Existing Plan and Profile By Coleman Engineering

Scope of Work:**Item #BB – Base Bid**

Item includes installation of approximately 1,540 LF of 24" PVC sewer pipe adjacent to the existing 24" sewer main with pressure testing. Item includes bypass pumping during replacement and tie-in work, connection to the existing metering station, and replacement of (6) 48" sewer manholes. Also includes all necessary trench shoring to complete work. Existing sewer main and manholes will be abandoned and left in place. Trench spoils will be off hauled from the site upon completion.

SCOPE SPECIFIC EXCLUSIONS: Specifically excludes removal or replacement of existing chain link fencing (see budget item), railroad agreements or fees, removal or replacement of existing metering station or flow meter, manhole lining, screening of native material for backfill, video or camera footage of completed pipeline, pumping or removal of ground water.

Item #BI#1 – Budget Item #1

Item includes replacement of chain link fencing removed for access to install the new sewer line. It is unknown at this time how much fencing will need to be removed so a budget for replacement has been provided. Existing chain link fencing will be reused to replace fence.

SCOPE SPECIFIC EXCLUSIONS: Specifically excludes new fencing or gates.

General Exclusions:

"Work scope beyond that described. Specifically excludes permits, fees and bond premiums, cost of engineering and testing, dewatering or removal of unsuitable soil, Portland cement concrete not specifically mentioned above, tree replacement, landscaping and / or irrigation removal or replacement, cleanup and / or removal of debris left from others, export of all excess material generated during construction, handling and / or removal of hazardous materials, any extra work related to unmarked and / or conflicting utilities, temporary chain link fencing or orange construction fencing with T-posts to safety open trenches, work during inclement weather, storm water pollution prevention plan, supplies, implementation or monitoring, including erosion control around new drainage inlets, workers compensation waiver of subrogation, overtime work unless expressed and agreed upon in written orders or it is to our convenience."

General Conditions:

1. All work will be inspected and / or tested to the satisfaction of the responsible municipality.
2. All material is guaranteed to be as specified.
3. All work to be completed in a workman like manner according to standard practices.
4. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate.
5. Escalation: This proposal is based on current market prices for aggregate, pipe products, petroleum fuels, and oil. If prior to or during the duration of this project, the price of these elements increases, the owner will be charged for the direct increase in equipment fuel, trucking, and material costs that occurs.
6. Any increases in the price of materials & or labor due to time delay &/or postponement on behalf of others will result in a change order to Owner / General Contractor to reflect price adjustments for effected work.
7. Our workers are fully covered by Workman's Compensation Insurance. A Waiver of Subrogation for Workers Compensation is not included in this proposal. If required, the waiver can be provided at an additional fee.
8. If any legal action or proceeding arising out of or relating to the contract is brought by either party to the contract, the prevailing party will be entitled to receive from the other party, in addition to any other relief that may be granted, the reasonable attorneys' fees, costs, and expenses incurred in the action or proceeding by the prevailing party.

8/21/2024 10:00AM

Estimator: Randy Baylor

For Job: SCOR East Interceptor Sewer Main Replacement Project - Rev1



Generated by a SharpeSoft Product

Job Conditions - Attachment 'A'

SCOR East Interceptor Sewer Main Replacement Project - Rev1

Special Conditions:

- 1. MJ Shelton General Engineering, Inc. assumes the Owner and/or General Contractor has obtained all permits and/or approvals which are, or may be, required by any local, state, or federal agency department, as necessary to perform the said work under this contract. MJ Shelton General Engineering, Inc. will not be held liable for complications if one should arise due to construction of none permitted work.
- 2. Subsurface soil conditions are assumed suitable for "standard" excavation practices with "standard" production rates & shall not require the use of larger and / or "specialized equipment".
- 3. This proposal is based on State Prevailing wages.

Payment Requirements:

- 1. MJ Shelton General Engineering, Inc. will submit monthly invoices for work completed and materials delivered to the site within that pay period.
 - a. All invoices are due and payable on the 10th of the month for the work completed the previous month.
 - b. Final payments shall be due and payable Thirty (30) calendar days from completion of contract. At conclusion of this contract final payment shall include any and all retention held and do payable to MJ Shelton General Engineering, Inc. Regardless of the percent complete of the overall project.
 - c. Invoice amounts not paid within the above stated terms shall accrue interest at the rate of one and one-half percent (1.5%) per month or the applicable statutory rate or maximum legal rate permitted by law, whichever is more. Such non-payment shall constitute a breach of contract. In the event of a breach of contract MJ Shelton General Engineering, Inc. may cease further work and may pursue remedies as it may deem appropriate.

MJ Shelton General Engineering, Inc.

Randy Baylor

By: _____

Randy Baylor, Estimator

This proposal may be withdrawn if not accepted within 30 days.

Acceptance of Proposal:

The prices, specifications, exclusions and conditions included herein are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as specified in above.

Date of Acceptance: _____ Signature: _____ Title: _____

8/21/2024 10:00AM

Estimator: Randy Baylor

For Job: SCOR East Interceptor Sewer Main Replacement Project - Rev1



Generated by a SharpeSoft Product

Proposal for:
SC-OR East Interceptor Pipeline Replacement
 from



Bid Date: 8/22/2024
 Time: 3:30PM

Duke Sherwood Contracting Inc.
 495 Stimpson Rd, Oroville, CA 95965
 (530) 846-2710
 License: 327827 Type: A

Quote Number: 135-24

SCOR

Item	Description	Quantity	Unit	Unit Price	Total Price
01	Equipment Mobilization				
01.01	Equipment Mob./De-Mob.	1.00	LS	1,932.0000	1,932.00
				Total:	<u>1,932.00</u>
02	Temp. Bypass Pumping				
02.01	Temp. Bypass Pumping	1.00	LS	4,691.0000	4,691.00
				Total:	<u>4,691.00</u>
03	Remove & Cap (E.) 24" SS				
03.01	R&C (E.) VCP Pipe @ MH 1	10.00	LF	359.0000	3,590.00
03.02	R&C (E.) VCP Pipe @ MH 5	10.00	LF	359.0000	3,590.00
03.03	Abandon Manhole	6.00	EA	2,977.0000	17,862.00
				Total:	<u>25,042.00</u>
04	Install (N) 24" SDR 35				
04.01	Install (N) 24" SDR 35	1,540.00	LF	383.0000	589,820.00
04.02	Install (N) SSMH's	6.00	EA	5,074.0000	30,444.00
				Total:	<u>620,264.00</u>
05	Gravity Sewer Testing				
05.01	(N) 24" SDR 35 Testing	1.00	LS	5,763.0000	5,763.00
				Total:	<u>5,763.00</u>
				Total:	<u>657,692.00</u>

√ = Locked Bid-Item
 ! = Zero Total Price

Attachment Enclosed

Run by: Doug Sherwood
 Estimator: Peyton Sherwood

Duke Sherwood Contracting Inc.
Job Conditions - Attachment 'A'

SC-OR East Interceptor Pipeline Replacement

Thank you for giving Duke Sherwood Contracting Inc. the opportunity to offer our services.

INCLUSIONS:

01.01.) Equipment Mob./De-Mob.- This line item pricing represents the cost to mobilize, and de-mobilize, all of the DSC Inc. equipment and personnel required to complete the scope items listed below.

02.01.) Temp. Bypass Pumping- Please note, this line item pricing is **subject to change**. This line item pricing represents rough budget numbers to bypass pump the existing S.S. while we complete the (2) tie-ins required to get the (N) 24" SDR 35 line active. We are still awaiting official vendor quotes for this project. We will revise and resubmit our official proposal package after receiving our vendor's quotes.

03.01.) R&C (E.) VCP Pipe @ MH 1- This line item pricing represents the cost to remove ~10' of existing (E.) VCP pipe at MH #1 in order to make room for the (N) 24" SDR 35 tie-in. Also included in this line item pricing is the cost to cap the abandoned end of the (E.) VCP with concrete.

03.02.) R&C (E.) VCP Pipe @ MH 5- This line item pricing represents the cost to remove ~10' of existing (E.) VCP pipe at MH #5 in order to make room for the (N) 24" SDR 35 tie-in. Also included in this line item pricing is the cost to cap the abandoned end of the (E.) VCP with concrete.

03.03.) Abandon Manhole- This line item pricing represents the cost to abandon the (6) (E.) SSMH's shown in the attached site plan. Please note that MH's #2, 3, 4, & 5, as well as "Missed MH's" #1 & 2 are included in our proposed scope of work.

04.01.) Install (N) 24" SDR 35- This line item pricing represents the cost to layout, excavate, and install ~1,540 LF of (N) 24" SDR 35 sewer main per the attached site plan with our (DSC Inc.) markups. As you will see in the attached, we are proposing to offset the (N) 24" line ~8'-0" to the South of the existing VCP main.

04.02.) Install (N) SSMH's- This line item pricing represents the cost to install (6) new SSMH's which will act as replacement structures for MH's #2, 3, 4, & 5, as well as "Missed MH's" #1 & 2. [Please reference the proposed (N) SSMH location markups in the attached site plan for your approval].

05.01.) (N) 24" SDR 35 Testing- This line item pricing represents the cost to test the (6) new SSMH's, as well as the ~1,540 LF of new 24" SDR 35 sewer main per the attached site plan.

EXCLUSIONS:

GRADING
 STORM DRAIN
 WATER
 SUBGRADE
 FINISH GRADE
 PAVE
 SEAL COAT
 STRIPING & SIGNS
 LANDSCAPING
 SWPPP
 PERMITS
 FEES
 ENGINEERING
 SURVEYING
 BONDS

Duke Sherwood Contracting Inc.
Job Conditions - Attachment 'A'

SC-OR East Interceptor Pipeline Replacement

ESCALATION CLAUSE: Oil surcharges for this quote are based on current rack prices for PG 64-10. An increase of \$0.60 per ton for every \$10.00 increase in liquid asphalt will be reflected in the price at the time of paving.

This proposal is valid for 30 days from the enclosed date.

Thank you,

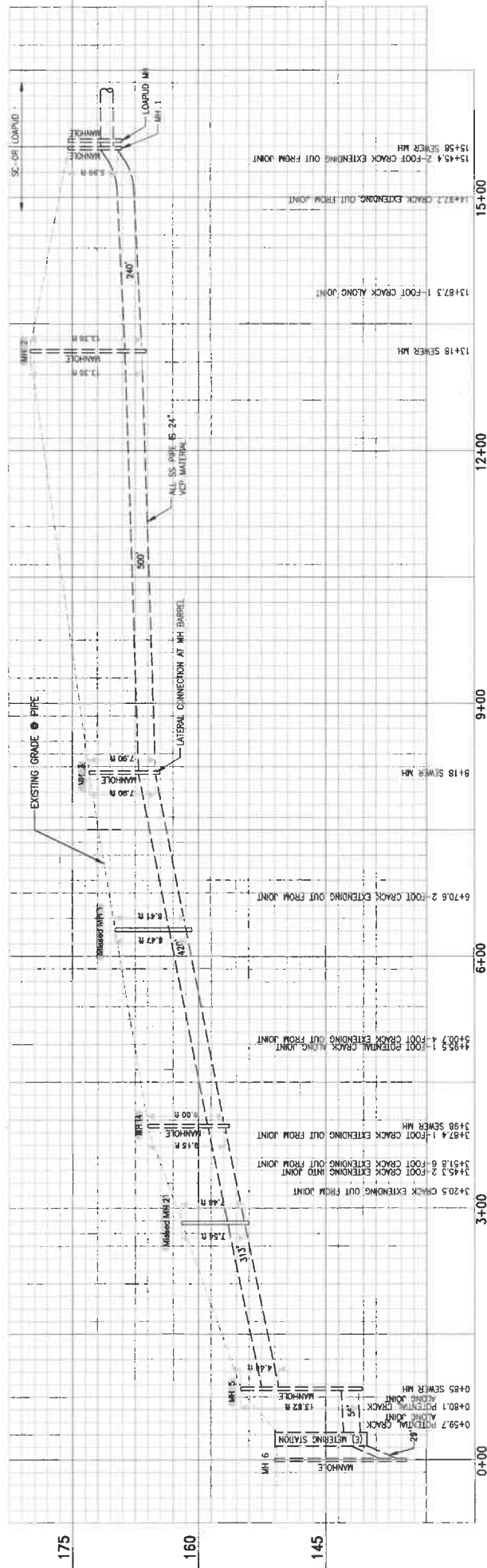
Peyton Sherwood
DIR#:1000007768



- NOTES:
1. ALL MANHOLES LOCATED WITHIN CALIFORNIA HOT WOOD YARD ACCESSIBLE. THE WOOD PILE SHALL BE REMOVED.
 2. ALL MANHOLES LOCATED WITHIN HOT WOOD YARD PROPERTY SHALL BE ACCESSED VIA THE EXISTING DRIVE AT THE NORTHWEST CORNER.
 3. CONTRACTOR SHALL REPLACE DAMAGED AS A RESULT OF CONSTRUCTION WORK.
 4. CONTRACTOR TO COORDINATE WITH ALL OTHER CONSTRUCTION TO SET UP CONSTRUCTION POSSIBLE STAGING AREAS ON PROPERTY OR DUKE SHERWOOD PROPERTY OR DUKE SHERWOOD PROPERTY TO COORDINATE CONSTRUCTION.
 5. CONTRACTOR TO COORDINATE WITH ALL OTHER CONSTRUCTION TO COORDINATE CONSTRUCTION OF PACIFIC RAILROAD FOR ACCESS TO THE VAULT.
 6. CONTRACTOR TO COORDINATE WITH ALL OTHER CONSTRUCTION TO COORDINATE CONSTRUCTION OF PACIFIC RAILROAD FOR ACCESS TO THE VAULT.
 7. VAULT OWNED BY SC-OR.

24" DIA. EAST INTERCEPTOR PLAN VIEW

SCALE: 1"=60'



24" DIA. EAST INTERCEPTOR PROFILE

SCALE:
HORIZ: 1"=60'
VERT: 1"=6'

COLEMAN ENGINEERING
1223 PLEASANT GROVE BOULEVARD
SUITE 100
ROSELAND, CA 95078
(916) 791-1188



FIGURE 1.0

EAST INTERCEPTOR: EXISTING PLAN & PI

2023-2024 Butte County Grand Jury

June 16, 2024

Multiplicity of Sewer Districts in the Oroville Area

BUTTE COUNTY BOARD OF SUPERVISORS

Multiplicity of Sewer Districts in the Oroville Area

2023-2024 BUTTE COUNTY GRAND JURY

SUMMARY

In March of 2024, the Butte County Grand Jury (BCGJ) was asked to review the overlap or duplication of wastewater services to the Oroville area. The duplication was believed to be inefficient and not cost-effective. As a result, the grand jury initiated an inquiry into the agencies providing and overseeing these services.

LAFCo, or the Local Agency Formation Commission, is an agency authorized by the State of California to look at county and city governments, city boundaries, special districts, and other public entities. Each county has a LAFCo. Butte County's LAFCo has formulated 20-year growth plans and conducts Municipal Service Reviews (MSR) in which it notes opportunities for greater efficiency.

LAFCo performed an MSR in 2022, when it looked at the agencies making up the wastewater resources in the Oroville area. The agencies involved are Lake Oroville Area Public Utilities District (LOAPUD); the City of Oroville (COOR); Thermalito Water & Sewer District (TWSD); and the Sewerage Commission - Oroville Region (SC-OR).

In its extensive research, LAFCo identified redundancies in the services provided by these entities. While SC-OR is the wastewater treatment, the other three agencies are the collectors. Each agency has its own Board of Directors, with representatives paid for each meeting they attend. These same representatives are paid for attending meetings of SC-OR as well. There are also identified overlaps of areas served. Each of the entities must cope with miles of outdated sewer infrastructure, with no overarching plan for efficiency's sake. Duplication of equipment was also noted, as each agency stands alone at this point. LAFCo noted that those people performing the actual work would likely continue to be needed should any consolidation of services occur. Nevertheless, substantial cost savings could be realized via consolidation of administration. A major benefit of consolidation would be the ability for the presumed joint agency to develop a master plan, utilizing the knowledge of each of the current three collectors.

LAFCo endorsed the idea of consolidation in its MSR conclusions. Given the extensive benefits to be gained through consolidation, the BCGJ also supports the coming together of these entities to develop a plan for a joint power's agreement, like how SC-OR came into existence, when separate processing plants were integrated as a solution to a building moratorium in

Oroville. LAFCo presented several options by which this consolidation could be achieved. It made this recommendation in prior years, and the BCGJ believes that now is the appropriate time for this to be undertaken.

GLOSSARY

- COOR - City of Oroville
- DUC - Disadvantaged Unincorporated Community
- I/I - Infiltration and Inflow
- JPA - Joint Powers Authority
- LAFCo - Local Area Formation Commission
- LOAPUD - Lake Oroville Area Public Utility District
- MSR - Municipal Services Review
- SC-OR - Sewerage Commission - Oroville Region
- TWSD - Thermalito Water and Sewer

METHODOLOGY

In the Butte County Grand Jury investigation of special sewer service districts in the Oroville Area, representatives of the following departments, organizations or groups were interviewed and/or documents/websites were reviewed:

- Butte County Board of Supervisors
- Local Agency Formation Board (LAFCo)
- City of Oroville (COOR)
- Thermalito Water & Sewer District (TWSD)
- Lake Oroville Area Public Utility District (LAOPUD)
- Sewerage Commission - Oroville Region

Municipal Service Reviews by LAFCO dated 2006, 2009 and 2022

BACKGROUND AND DISCUSSION

In March of 2024, a citizen's complaint was received regarding the overlap or duplication of wastewater services to the Oroville area. It was alleged that this duplication of services was inefficient and not cost-effective. As a result, the BCGJ initiated an inquiry into the agencies providing and overseeing these services.

During the investigation, the BCGJ learned about Butte County LAFCo, the agency authorized by the State of California to conduct municipal service reviews (MSR), to improve efficiency in county and city governments, city boundaries, special districts, and other public entities. Each county has a LAFCo; they were established in 1963 to control California's urban sprawl that occurred in the 1950s. We also learned LAFCo is authorized to perform Municipal Service Reviews, or MSRs, to evaluate the efficiency in public services. LAFCo also develops 20-year plans for growth. It is charged with overseeing the logical, efficient and most appropriate formation of special districts.

In 2022, Butte County LAFCo did an MSR on wastewater services for the Oroville area. It had previously looked at the same issue in 2006 and 2009, with the goal of greater efficiency. The three service providers considered were COOR, LOAPUD, and TWSD. LAFCo and prior grand juries found that "as individual entities, the wastewater special service districts functioned in an open and transparent manner."

The City of Oroville is a municipality; the City Council serves as its board of Directors, Governing Board. LAFCo's MSR shows COOR's 2021-2022 revenue as \$4.3M, with expenditures of \$5.4M. It has 3,700 sewer connections.

TWSD and LOAPUD are independent special districts. Independent special districts are accountable only to the residents within each one's boundaries. TWSD has its own board and general manager; in 2021-2022 its revenues were \$4.3M, with expenditures of \$3.5M. It has 2,365 sewer hookups. LOAPUD has its own board and general manager, with revenues for 2021-2022 at \$2.4M and expenditures of \$2.0M. It has 5,733 sewer connections.

LAFCo also reviewed the Sewerage Commission-Oroville Region (SC-OR), as it performs the treatment of the wastewater collected from these three service providers. Its revenues for the same period as above were \$5.7M, with expenditures of just under \$2.8M. It also has a board and general manager. Note, that in addition to the various boards, each of the three "collector" agencies sends two representatives to the SC-OR meetings, for which they are paid.

The MSR analysis described several key issues regarding service provision. The most significant issue was related to the of duplication of the current service provisions within the Oroville region, including three independent sewer collection systems." Another issue was the geographic overlap between service providers' boundaries and/or Sphere of Influence. LAFCo looked at these agencies' financial stability, present and planned capacities, and opportunities for shared facilities. As noted above, each of these agencies has a board of directors, a general manager, administrative staff, and the actual workers, along with various items of equipment. COOR, LOAPUD, and TWSD each have miles of sewer pipeline, some 150 years old. Each

company services its own pipelines, spending millions of dollars per year, but LAFCo noted that a good amount of Infiltration & Inflow, or I/I, occurs, particularly in times of extreme weather. LAFCo noted significant issues with I/I for two of the three entities which have potential growth inhibitor in the south county. Storm water can enter leaky pipes, causing a surge of wastewater to SC-OR, sometimes taxing its capacity. In a worst-case scenario, wastewater could be discharged/exfiltrated into the Feather River. LAFCo and prior Grand Juries have consistently suggested that cost savings and efficiencies could be realized were the three collectors to be placed under one administration. This would allow for a general plan for remediation to exist. However, this idea has been resisted by the entities, and LAFCo has no mechanism by which they can mandate consolidation.

A similar dilemma was faced by Marin County, CA in 2008 following a series of large storms. A massive amount of I/I occurred, with the result that millions of gallons of raw sewage were "exfiltrated" (discharged), into the San Francisco Bay. At that time, Marin County had nine separate special districts, and the public uproar over the spill meant that something had to change. Each of the nine entities was unwilling to give up its autonomy voluntarily. Another consolidation method would have been to have a special election in each district, but for consolidation to occur, all nine districts would need a yes vote. Because this appeared to be an intractable problem, special legislation was passed by the State which enabled LAFCo in that county to mandate consolidation.

SC-OR, which operates the area's single sewage treatment plant, came into being in 1973. Just prior to that time, because of the limited capacity of the several existing Oroville-area sewage treatment plants, a moratorium was declared regarding any new housing construction. As a result, the entities came together and formed SC-OR, which is a JPA, or Joint Powers Agreement entity. Each of the three collector entities has representatives to SC-OR, and each representative is paid for attending meetings. This JPA will expire in 2030, and LAFCo considers the looming expiration date as a propitious time to consider a reorganization of the three collector agencies, like what took place in 1973.

There are issues with the current alignment. Both LOAPUD and TWSD provide service within COOR boundaries. LOAPUD has several Disadvantaged Unincorporated Communities, or DUCs. These are defined as areas with a median household income, or MHI, below \$60,188. In addition, Palermo has experienced water contamination during severe weather. Some areas have a high percentage of septic tanks. Connection to the sewer system for these communities, and allowance for new growth, would be facilitated by a reorganization of present services.

Although LAFCo has strongly recommended consolidation, so far, the three collectors have been unwilling to move forward with such a plan. Consolidation could be achieved by calling a special election in each of the districts, but all three districts would need to provide a yes vote. Should one district not pass the measure, no consolidation would occur. Simple attrition is

another way consolidation could occur. And finally, legislative action could be taken. In its 2022 MSR, LAFCo outlined several ways in which consolidation could occur without disrupting service.

- Should consolidation take place, several benefits would be realized. Administrative costs would be reduced. One administrative staff could manage the new entity, which could be established as its own JPA. Most line workers could be retained, as the need for inspection and repair to the miles of pipe would still exist. Equipment redundancies would be eliminated as well. Residential costs could be reduced, or at least stabilized (note that Oroville’s city council just approved sewer cost increases). LAFCo stated that “it may be efficient to have the collection system operated under a single agency with one set of comprehensive policies and procedures umbrella.”

The benefits of consolidation will include;

- One central team of managers;
- One central plan for the upgrade of infrastructure
- One equipment purchasing and maintenance system;
- Better use of existing personnel, equipment and infrastructure
- A better financial plan to meet the present and future needs for infrastructure upgrades and maintenance
- Retention of local control and management of the system

Findings

F1. - Each of the wastewater districts operates independently with its own management and staff resulting in extensive administrative overhead.

F2 - Consistent with previous grand juries, this Grand Jury found that as individual entities, the wastewater special service districts function in an open and transparent manner. **F32** - There are four components to the Oroville sewer system. There are three special districts, City of Oroville wastewater service, Lake Oroville Area Public Utility District, and Water and Sewer

District which provide for the collection and transmission of wastewater. The wastewater ends up at the water treatment plant operated by the Sewer Commission-Oroville Region (SC-OR). Each of the districts operates independently with its own management and staff, resulting in extensive administrative overhead. The public would be better served by consolidation.

F3 - The Butte County Local Area Formation Agency (LAFCO) conducts periodic Municipal Service Reviews (MSR) of service districts in the county, including those involved in wastewater management. Each is doing what is required to make the system function, but it would be in the public interest for the operations to be consolidated going forward.

F4 - The system infrastructure, 150 years old in some sections, is failing due to age, antiquated materials and a lack of maintenance resulting in inflow, infiltration and exfiltration in the system. This means that sewage is leaking from the system, water leaking into the system and storm water is being discharged directly into the system. The result is pollution and the potential, and actual, overload of the water treatment facilities. The cost of addressing these problems related to aging wastewater infrastructure and meeting future water quality mandates isis substantial and beyond the resources of the individual districts. and can best be addressed by consolidation.

The advantages of consolidation include:

- One central team of managers,
- One central plan for the upgrade of infrastructure,
- One equipment purchasing and maintenance system,
- Better use of existing personnel, equipment and infrastructure,
- A better financial plan to meet the present and future needs for infrastructure upgrades and maintenance,
- Retention of local control and management of the system.

Recommendations

R1. By the end of calendar year 2024, the Butte County Board of Supervisors use its influence begin discussions with COOR, SC-OR, TWSD and LOAPUD to begin the process of consolidating wastewater services in the Oroville area with the goal of eliminating duplication of services, increasing efficiency, and providing for the upgrade of infrastructure and facilities while retaining local control.

R2. The Butte County Board of Supervisors tries to consolidate Oroville area wastewater services as part of the 2030 County General Plan.

REQUIRED RESPONSES:

Pursuant to Penal Code section 933.05, the following responses are required:

Butte County Board of Supervisors – Recommendations R1,2 within 90 days of receipt of this report.

Responses are to be submitted to the Butte County Superior Court in accordance with the provisions of Penal Code section 933.05. Responses must include the information required by Penal Code section 933.05.

Reports issued by the Grand Jury do not identify the individuals who have been interviewed. Penal Code section 929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

GLOSSARY

COOR - City of Oroville

DUC - Disadvantaged Unincorporated Community

I/I - Infiltration and Inflow

JPA - Joint Powers Authority

LAFCo - Local Area Formation Commission



Mr. Glen Sturdevant, Manager/Superintendent
Sewerage Commission – Oroville Region
P.O. Box 1350
Oroville, California 95965

August 20, 2024

Subject: Progress Report – General Consulting, Upgrade Design, Ruddy Creek Pump Station

Dear Glen,

This progress report for engineering services related to General Consulting covers work performed through July 26, 2024. Our invoices for services performed during this period is attached.

Work performed during this period includes the following:

- TO 20 – General Consulting
 - Bi-weekly check-in calls
 - Completion of package 1 technical edits
 - Development of River Ranch, Nelson Point, Orchardcrest capacity studies
 - Submission on Nelson Point Capacity study
 - On-going project management and administrative tasks
- TO 34 – WWTP Upgrade Final Design
 - Developed revised specification set, with revised dates, stamps and attachments
 - On-going project management and administrative tasks
- TO 36 – Ruddy Creek Lift Station Design
 - Working through new pump station layout
 - Worked through MCC dimensional changes
 - Worked on developing new site plan and grading
 - Coordinated with surveyor to get survey points for area within Ruddy Creek

If you have any questions regarding this progress report, please call me at 650-644-5948.

Regards,

Ted Couch

Ted Couch, P.E.
Project Manager

Environmental Compliance Report

To the SC-OR Commissioners and Staff from Kendra Morgan

August 27, 2024

INDUSTRIAL PRETREATMENT PROGRAM

INSPECTIONS

The dischargers submitted their monthly flow reports for July 2024. All dischargers and lines appear to be in compliance with their permits.

ENFORCEMENT

There are no enforcement items to report.

ACTIVITIES

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

Sewerage Commission - Oroville Region

Monthly Flows Report - Jul-24

Name of Agency	Total Monthly Flow (MG)	Average Daily Flow (MG)	Total Peak Flow (MG)	Date of Peak Flow
SC-OR Plant Total	77.628	2.504	7.40	7/12/2024
Lake Oroville Area P.U.D.	19.821	0.639	1.20	7/1/2024
Thermalito Water and Sewer	/	/	/	/
City of Oroville	/	/	/	/

Septage Pumps 0.0674 Million Gallons/Month

Monthly Rainfall 0.00 Total Inches/Month