

# AGENDA

## LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT BOARD OF DIRECTORS

Regular Meeting Scheduled 2:00 p.m. July 14, 2020  
1960 Elgin Street, Oroville, CA 95966

**Materials related to an item on the open meeting agenda that are provided to the Board of Directors, including those provided to the Board after distribution of the agenda packet, are available on the District website.**

During this difficult time, due to the shelter in place orders, we invite you to join today's scheduled meeting via Zoom by using your phone to attend the meeting.

Please call the District office at **(530) 533-2000** for assistance in participating in the teleconference.

Dial in: 1-669-900-9128  
Meeting ID: 891 7162 0929  
Meeting Password: 077008

To ensure that our meetings are as orderly as possible, and to enable public participation at the proper times during the meeting, we are asking that everyone take a moment to ensure your line stays muted until public comment is invited. When it comes time for public comment, we will leave enough time for participants to unmute and speak to the entire group and our board.

Because attendees cannot see each other's mute status, we will simply need to be patient as we wait in between comments, and do our best not to speak over each other. Please state your name for the record before sharing comments. We're committed to keeping the public engaged throughout this crisis and appreciate your help in making that happen.

### ACTION ITEMS

1. **SALUTE TO THE FLAG OF THE UNITED STATES OF AMERICA**  
The meeting will open with a salute to the flag of the United States of America.
2. **MOMENT OF SILENCE**  
The Board of Directors will observe a moment of silence.
3. **ROLL CALL AND ACKNOWLEDGMENT OF VISITORS**  
Individuals will be provided the opportunity to address the Board regarding matters not scheduled on the agenda. No action will be taken by the Board on these matters; however, the Board may ask questions for clarification and refer to staff or other resources for information and request staff report at a subsequent meeting. Comments on items scheduled on the agenda may be made as they are considered by the Board.
4. **OATH OF OFFICE**  
Director Don Hosley will take the Oath of Office.

**5. CONSENT AGENDA**

All items listed under the Consent Agenda are considered routine and will be enacted by one motion unless an item is removed. Consent agenda items will be read by title only. There will be no separate discussion of these items unless members of the Board or person in the audience request specific items to be removed from the Consent Agenda to the Regular Agenda for separate discussion, prior to the time the Board votes on the motion to adopt the Consent Agenda. If any item(s) is removed from the Consent Agenda, the item(s) will be considered immediately following action on the Consent Agenda.

**5.1 BOARD MEETING MINUTES- REGULAR BOARD MEETING OF JUNE 9, 2020 AND SPECIAL BOARD MEETING OF JULY 2, 2020**

**5.2 FINANCIAL REPORT-MONTH ENDING JUNE 30, 2020**

**5.3 PAYMENT OF WARRANTS-MONTH ENDING JUNE 30, 2020**

**6. ITEMS REMOVED FROM CONSENT AGENDA**

*DISCUSSION WITH POSSIBLE ACTION*

**7. CONFERENCE WITH LEGAL COUNSEL**

ANTICIPATED LITIGATION: Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (1 potential case)

*DISCUSSION WITH POSSIBLE ACTION*

**8. REQUEST AUTHORIZATION TO HIRE AT AN ADVANCED STEP SALARY RANGE**

The Board will consider authorizing the General Manager to hire at an advanced step salary range.

*DISCUSSION WITH POSSIBLE ACTION*

**REPORTS AND CONSULTATIONS**

**9. SC-OR COMMISSIONERS' REPORT**

**10. BCSDA REPRESENTATIVE & LAFCo COMMISSIONER REPORTS**

**11. QUARTERLY INVESTMENT SCHEDULE AND CASH FLOW ANALYSIS**

**12. BOARD MEMBERS, MANAGERS AND STAFF COMMENTS**

- FIELD OPERATIONS SUPERVISOR REPORT
- DISTRIBUTE BOARD POLICY NO. 2151 "EMPLOYEE COMPENSATION SCHEDULE"

**13. BOARD MEETING ADJOURNMENT**



## Manager's Report

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 1 – Salute To The Flag Of The United States



## **Manager's Report**

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 2 – Moment Of Silence



## Manager's Report

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 3 – Roll Call And Acknowledgment Of Visitors



## Manager's Report

**To:** Board of Directors  
**From:** Scott McCutcheon, General Manager  
**Date:** July 14, 2020  
**RE:** Item No. 4 – Oath of Office

District Secretary, Cindy Quigley, will swear-in newly appointed Director Hosley by administering the Oath of Office to serve as a Board of Director of Lake Oroville Area Public Utility District.

A Certificate of Appointment In-Lieu of Election and Oath of Office will be provided to Director Hosley to subscribe to the Oath of Office. The signed document will be returned to the Butte County Elections Office for filing.

*Recommended Action:* District Secretary Quigley will conduct the Oath of Office proceedings for Director Hosley.



## Manager's Report

**To:** Board of Directors  
**From:** Scott McCutcheon, General Manager  
**Date:** July 14, 2020  
**RE:** Item No. 5 – Consent Agenda

Item No. 5.1 **Board Meeting Minutes** - Minutes from the June 9, 2020 Regular Board meeting and July 2, 2020 Special Board Meeting are included for the Board's review, comment, and approval.

Attachment Included

Item No. 5.2 **Financial Reports** - Profit and Loss report through June 2020 is complete and ready for review, comment, and approval.

Attachment Included

Item No. 5.3 **Payment of Warrants** - The pending June 2020 Claims and Warrants are attached for review and Board approval for payment.

Attachment Included

**UNADOPTED  
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS REGULAR MEETING  
June 9, 2020**

**CALL TO ORDER**

President Kuehner called the meeting to order at 2:00 P.M. Directors present were Fairbanks, Mastelotto and Sharman. Manager McCutcheon, Field Operations Supervisor Sanders, District Engineer Knibb, Accounts Payable Clerk Hamblin, Accounts Receivable Clerk Kahalekulu and Clerk of the Board Quigley represented the District.

**SALUTE TO THE FLAG**

President Kuehner led the meeting with the salute to the flag.

**MOMENT OF SILENCE**

President Kuehner asked the Board to observe a moment of silence.

**INTERVIEW APPLICANTS TO FILL BOARD MEMBER VACANCY**

The Board interviewed the following applicants:

Mr. Don Hosley at 2:03P.M., he left the meeting at 2:13P.M.

Ms. Lori Rodgers at 2:14P.M., she left the meeting at 2:22P.M.

Mr. Dennis Jagoda at 2:19P.M., he left the meeting at 2:38P.M.

**CONSIDERATION AND APPOINTMENT OF SUCCESSOR TO FILL BOARD MEMBER VACANCY**

After discussion and consideration, it was moved by Director Fairbanks and seconded by Director Mastelotto to appoint Mr. Dennis Jagoda as Board member to fill the remaining term ending December, 2022. The motion passed with the following roll call vote,

Ayes: Directors Fairbanks, Kuehner, Mastelotto

Nos: Director Sharman

**CONSENT AGENDA**

The Board reviewed the minutes of the Regular Board Meeting of May 12, 2020, the Financial Report and the Warrant List for month ending May 31, 2020. After discussion, it was moved by Director Fairbanks and seconded by Director Kuehner that the items on the consent agenda be approved as presented. The motion passed with the following roll call vote,

Ayes: Directors Fairbanks, Kuehner, Mastelotto, and Sharman.



*Joshua Pierce of W&R, Inc. / Elemental Management representing the River Ranch Project joined the meeting at 2:42P.M.*

*Jacob Glatz representing the River Ranch Project joined the meeting at 2:42P.M.*

*Jeff Ashlock representing the River Ranch Project joined the meeting at 2:42P.M.*

*Mike Nelson of LACO Associates representing the River Ranch Project joined the meeting at 2:42P.M.*

### **RIVER RANCH UPDATE AND BOARD CONSIDERATION OF DEVELOPER REQUEST**

General Manager McCutcheon updated the board on the two separate force main alignments including their respective costs and challenges. Representatives from River Ranch project answered questions from the board concerning the alignments and their respective costs and challenges.

After discussion it was moved by Director Kuehner and seconded by Director Mastelotto to accept the Lincoln route as the approved force main route for the River Ranch Project.

Ayes: Directors Fairbanks, Kuehner, Mastelotto, and Sharman.

Further, it was moved by Director Fairbanks and seconded by Director Sharman to authorize General Manager McCutcheon to enter into separate agreements with John Christofferson and the River Ranch Project design team to facilitate survey work for the Lincoln force main route for the River Ranch Project.

Ayes: Directors Fairbanks, Kuehner, Mastelotto, and Sharman.

*Joshua Pierce of W&R, Inc. / Elemental Management representing the River Ranch Project left the meeting at 3:15P.M.*

*Jacob Glatz representing the River Ranch Project left the meeting at 3:15P.M.*

*Jeff Ashlock representing the River Ranch Project left the meeting at 3:15P.M.*

*Mike Nelson of LACO Associates representing the River Ranch Project left the meeting at 3:43P.M.*

**ADOPTION OF RESOLUTION NO. 05-2020 APPLICATION FOR ANNEXATION OF LANDS OF LAZZARESCHI INVESTMENT CO. PARTNERSHIP**

After discussion, it was moved by Director Fairbanks and seconded by Director Sharman to approve Resolution No. 05-2020 Application for Annexation of Lands of Lazzareschi Investment Co. Partnership AP#078-090-053. The motion passed with the following roll call vote,

Ayes: Directors Fairbanks, Kuehner, Mastelotto, and Sharman.

**RESOLUTION NO. 06-2020 ADOPTING BUDGET FOR FISCAL YEAR 2020/21**

After discussion, it was moved by Director Fairbanks and seconded by Director Kuehner to approve Resolution No. 06-2020 Adopting Budget for Fiscal Year 2020/21 as presented. The motion passed with the following roll call vote,

Ayes: Directors Fairbanks, Kuehner, Mastelotto and Sharman.

**APPROVAL OF BOARD POLICY NO. 2151 EMPLOYEE COMPENSATION SCHEDULE**

After discussion, it was moved by Director Kuehner and seconded by Director Fairbanks to approve Board Policy No. 2151 Employee Compensation Schedule as presented. The motion passed with the following roll call vote,

Ayes: Directors Fairbanks, Kuehner, Mastelotto, and Sharman.

**APPOINTMENT OF SC-OR COMMISSIONERS FOR 2020/2021**

President Kuehner appointed Director Fairbanks and himself to the SC-OR Commission for 2020/2021 with Director Kuehner being the voting commissioner.

**LETTER OF SUPPORT FOR H.R. 7073 THE "SPECIAL DISTRICTS PROVIDE ESSENTIAL SERVICES ACT"**

General Manager McCutcheon noted that a sample letter was included in the Board package. Director Kuehner directed General Manager McCutcheon to submit a Letter of Support for H.R. 7073 the "Special Districts Provide Essential Services Act".

Ayes: Directors Fairbanks, Kuehner, Mastelotto, and Sharman.

**DISTRICT UPDATE OF DRAFT “COMMUNICABLE DISEASE RESPONSE PLAN (COVID19)”**

General Manager McCutcheon updated the Board on the draft plan of “Communicable Disease Response Plan (COVID19)”.

No action taken.

**SC-OR COMMISSIONERS’ REPORT**

No Discussion.

**BCSDA REPRESENTATIVE & LAFCO COMMISSIONER REPORTS**

No Discussion.

**BOARD MEMBERS AND STAFF COMMENTS**

Field Operations Supervisor Sanders updated the Board on the Field Operations Activity Report for May 2020.

**ADJOURNMENT**

There being no further business to come before the Board the meeting was adjourned at 3:55 P. M.

Respectfully submitted,

Cindy Quigley,  
Clerk of the Board

**UNADOPTED  
LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT  
BOARD OF DIRECTORS REMOTE SPECIAL MEETING  
JULY 2, 2020**

**CALL TO ORDER**

President Kuehner called the meeting to order at 8:00 A.M. Directors present were Fairbanks, Kuehner, Mastelotto and Sharman. Representing the District were Manager McCutcheon, Field Operations Supervisor Sanders, Engineer Knibb, Accounts Payable Clerk Hamblin and Clerk of the Board Quigley. Guest included Lori Rodgers.

**SALUTE TO THE FLAG**

President Kuehner opened the meeting with the salute to the flag.

**MOMENT OF SILENCE**

President Kuehner asked the Board to observe a moment of silence.

**CONSIDERATION AND APPOINTMENT OF SUCCESSOR TO FILL BOARD MEMBER VACANCY**

After discussion and consideration, it was moved by Director Kuehner and seconded by Director Fairbanks to appoint Mr. Don Hosley as Board member to fill the remaining term ending December, 2022. The motion passed with the following vote,

Ayes: Directors Fairbanks, Kuehner, Mastelotto, Sharman

**BUTTE COUNTY LOCAL EARLY ACTION PLANNING (LEAP) GRANT OPPORTUNITY**

Manager McCutcheon updated the Board of the status of the LEAP Grant Submission for the District.

**BOARD MEMBER'S, MANAGER AND STAFF COMMENTS**

None.

**ADJOURNMENT**

There being no further business to come before the Board the meeting was adjourned at 8:13 A. M.

Respectfully submitted,

Cindy Quigley,  
Clerk of the Board

## Lake Oroville Area Public Utility District Profit & Loss Budget Performance June 2020

	Jun 20	Budget	Jul '19 - Jun 20	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
41100 · Sewer Service Charge	120,132.77	120,497.00	1,443,998.05	1,445,964.00	1,445,964.00
41150 · Pumping Charge	11,096.89	10,462.00	128,083.48	125,544.00	125,544.00
41200 · Kelly Ridge Pumping Chg (Taxes)	0.00	1,350.00	40,882.05	45,000.00	45,000.00
41250 · Permit/Inspection Fees	0.00	0.00	2,384.00	0.00	0.00
41300 · Connection Fee	0.00	0.00	10,939.28	0.00	0.00
41350 · Other Services	0.00	0.00	0.00	0.00	0.00
41400 · Sales	0.00	0.00	0.00	0.00	0.00
<b>Total Income</b>	<u>131,229.66</u>	<u>132,309.00</u>	<u>1,626,286.86</u>	<u>1,616,508.00</u>	<u>1,616,508.00</u>
<b>Gross Profit</b>	131,229.66	132,309.00	1,626,286.86	1,616,508.00	1,616,508.00
<b>Expense</b>					
60000 · Office Salaries & Wages	25,312.24	22,652.00	277,201.20	274,718.00	274,718.00
61000 · Field Salaries & Wages	22,841.88	27,653.00	306,060.07	335,487.00	335,487.00
62000 · Office Emp Benefits	14,826.51	17,329.00	212,252.34	211,706.00	211,706.00
63000 · Field Emp Benefits	10,279.04	16,140.00	154,794.92	215,569.00	215,569.00
64000 · Professional Services	5,894.07	11,400.00	97,115.55	153,500.00	153,500.00
65000 · Utilities	2,280.06	7,645.00	55,546.15	91,740.00	91,740.00
66000 · Services & Supplies	9,137.80	13,700.00	58,484.31	103,920.00	103,920.00
67000 · Training/Membership/Fees	792.91	2,283.00	31,668.56	63,311.00	63,311.00
68000 · Operations and Maintenance	22,118.51	3,215.00	71,595.99	109,390.00	109,390.00
69000 · Fuel, Oil, Grease & Auto	2,054.09	4,786.00	32,525.79	58,432.00	58,432.00
<b>Total Expense</b>	<u>115,537.11</u>	<u>126,803.00</u>	<u>1,297,244.88</u>	<u>1,617,773.00</u>	<u>1,617,773.00</u>
<b>Net Ordinary Income</b>	15,692.55	5,506.00	329,041.98	-1,265.00	-1,265.00
<b>Other Income/Expense</b>					
<b>Other Income</b>					
70100 · Capacity Charge	0.00	0.00	42,993.00	0.00	0.00
70110 · Annexation Fee	0.00	0.00	0.00	0.00	0.00
70150 · Sewer Service Late Fees	-55.06	0.00	35,955.76	0.00	0.00
70200 · Interest	445.53	4,852.00	50,453.98	19,386.00	19,386.00
70250 · RD Surcharge	30,237.30	30,150.00	362,016.90	361,800.00	361,800.00
70300 · Other Income	840.82	0.00	17,763.27	0.00	0.00
70349 · Taxes (Parent Account for Taxes Receiv	3,721.67	7,368.00	315,513.71	245,600.00	245,600.00
75000 · Special Income	0.00	0.00	0.00	0.00	0.00
75100 · Gain/Loss Sale of Fixed Assets	0.00	0.00	0.00	0.00	0.00
<b>Total Other Income</b>	<u>35,190.26</u>	<u>42,370.00</u>	<u>824,696.62</u>	<u>626,786.00</u>	<u>626,786.00</u>
<b>Other Expense</b>					
80100 · Capitalized Expenditure	12,555.00	5,475.00	440,980.17	189,805.00	189,805.00
80150 · District Projects CIP	0.00	0.00	0.00	20,895.00	20,895.00
80200 · Loan Principal	0.00	0.00	57,000.00	57,000.00	57,000.00
80250 · Loan Interest Expense	0.00	0.00	106,611.25	106,611.00	106,611.00
82000 · SC-OR Excess Flow Surcharges	0.00	0.00	0.00	0.00	0.00
85000 · Special Expense	0.00	0.00	0.00	0.00	0.00
<b>Total Non Operating Expense</b>	<u>12,555.00</u>	<u>5,475.00</u>	<u>604,591.42</u>	<u>374,311.00</u>	<u>374,311.00</u>

## Lake Oroville Area Public Utility District Profit & Loss Budget Performance June 2020

	Jun 20	Budget	Jul '19 - Jun 20	YTD Budget	Annual Budget
<b>Net Non Operating Revenue/Expense</b>	22,635.26	36,895.00	220,105.20	252,475.00	252,475.00
	<b>38,327.81</b>	<b>42,401.00</b>	<b>549,147.18</b>	<b>251,210.00</b>	<b>251,210.00</b>
<b>64400 · Depreciation</b>	45,888.00	45,888.00	550,656.00	550,656.00	550,656.00
<b>Change in Net Assets</b>	-7,560.19	-3,487.00	-1,508.82	-299,446.00	-299,446.00

# Claims & Warrants

July 14, 2020		Five Star Bank			
General Fund					
Warrant No.	Vendor	Description	Amount		
021648	Patelco Credit Union	Insurance	\$1,249.98		
021649	H S A Bank	Insurance	\$1,041.65		
021650	LOAPUD	Villa Verona	\$6,670.68		
021651	Comcast	5/26-6/26 Services	\$351.43		
021652	Data Tree	Office Expense	\$99.00		
021653	Durham Pentz Truck Center	Truck Maintenance	\$216.00		
021654	Fastenal Supply	Repairs & Maintenance	\$51.91		
021655	Humana	Insurance	\$870.88		
021656	Recology	Utilities	\$85.16		
021657	SDRMA	Insurance	\$33,386.75		
021658	SFWP	Utilities	\$33.11		
021659	VOID				
021660	McCauley, Kana	Replacement check for 021634	\$546.02		
021661	Better Deal Exchange	Repairs & Maintenance	\$95.56		
021662	Dan's Electrical Supply	Repairs & Maintenance	\$39.71		
021663	Mendes	Office Expense	\$46.49		
021664	Northern CA Glove	Safety Supplies	\$178.40		
021665	PG & E	Utilities	\$4,386.24		
021666	Sauers Engineering	Engineering services	\$14,432.50		
021667	Umpqua Bank	Safety Supplies, Meetings, Repairs & Maint.	\$8,705.15		
021668	Tehama Tire	Repairs & Maintenance	\$39.95		
021669	USPS	Postage	\$370.50		
021670	Broderson, Robert	PPE 6/15/2020	\$2,322.84	GROSS	\$1,552.48
021671	Hamblin, Kelly	PPE 6/15/2020	\$1,946.53	GROSS	\$1,274.86
021672	Kahalekulu, Darin	PPE 6/15/2020	\$2,552.33	GROSS	\$1,709.95
021673	Tomlinson, Levi	PPE 6/15/2020	\$2,438.00	GROSS	\$1,741.68
021674	Broderson, Robert	Vision Insurance	\$184.99		
021675	Alhambra	Office Expense	\$58.27		
021676	Answerline Communications	Office Expense	\$224.20		
021677	Batteries Plus Bulbs	Repairs & Maintenance	\$141.67		
021678	Better Deal Exchange	Repairs & Maintenance	\$122.72		
021679	Dan's Electrical Supply	Repairs & Maintenance	\$360.62		
021680	VOID	VOID	\$0.00		
021681	K-Gas	Propane	\$378.67		
021682	Minasian Meith EtAl	May Services	\$1,227.43		
021683	PayGov	May Fees	\$757.26		
021684	Riebes Auto Parts	Repairs & Maintenance	\$92.39		
021685	Vista Net	Office Expense	\$278.56		
021686	VOID	VOID			
021687	Humana	Insurance	\$870.88		
021688	South Feather River Water	Utilities	\$91.98		
021689	Butte Lafco	Annexation	\$2,800.00		
021690	All Metals Supply	Repairs & Maintenance	\$14.74		
021691	USPS	Postage	\$1,675.38		
021692	AT & T	Utilities	\$682.32		
021693	Blue Shield of CA	Insurance	\$10,634.18		
Subtotal					\$99,772.30

# Claims & Warrants

July 14, 2020						
General Fund						
Warrant No.						
021694	California Water Service	Utilities				\$65.57
<b>021695</b>	<b>Custom Fiberglass Works</b>	Tank				<b>\$2,337.98</b>
021696	Del Mar Equipment Rental	Repairs & Maintenance				\$567.32
<b>021697</b>	<b>Humana</b>	Insurance				<b>\$776.80</b>
021698	K-Gas	Propane Tank				\$1,446.82
<b>021699</b>	<b>MJB Welding</b>	<b>Gas</b>				<b>\$72.50</b>
021700	Oroville Cable & Equipment	Repairs & Maintenance				\$77.83
<b>021701</b>	<b>Oroville Ford</b>	Repairs & Maintenance				<b>\$4.33</b>
021702	Riebes Auto Parts	Repairs & Maintenance				\$10.81
<b>021703</b>	<b>Sharp's Locksmithing</b>	Repairs & Maintenance				<b>\$215.80</b>
021704	South Feather River Water	Utilities				\$24.42
<b>021705</b>	<b>Streamline</b>	<b>5/15-6/15</b>				<b>\$200.00</b>
021706	Vista Net	Office Expense				\$68.56
<b>021707</b>	<b>Xerox</b>	Office Expense				<b>\$176.06</b>
021708	SC-OR	4th Quarter				\$255,560.20
<b>021709</b>	<b>Broderson, Robert</b>	PPE 6/30/2020	\$2,951.55	GROSS		\$1,927.63
021710	Hamblin, Kelly	PPE 6/30/2020	\$1,946.53	GROSS		\$1,274.88
<b>021711</b>	<b>Kahalekulu, Darin</b>	PPE 6/30/2020	\$2,552.33	GROSS		\$1,709.94
021712	Tomlinson, Levi	PPE 6/30/2020	\$2,176.44	GROSS		\$1,547.78
<b>021713</b>	<b>Sharman, William</b>	PPE 6/30/2020	<b>\$400.00</b>	<b>GROSS</b>		<b>\$365.40</b>
021714	Better Deal Exchange	Repairs & Maintenance				\$17.94
<b>021715</b>	<b>Black Mountain Software</b>	Office Expense				<b>\$100.00</b>
021716	Comcast	Office Expense				\$351.43
<b>021717</b>	<b>MME</b>	<b>Repairs &amp; Maintenance</b>				<b>\$733.80</b>
021718	South Feather River Water	Utilities				\$33.11
<b>021719</b>	<b>Surplus City</b>	Repairs & Maintenance				<b>\$660.46</b>
021720	Verizon	Utilities				\$418.10
<b>021721</b>	<b>Weimer &amp; Sons</b>	<b>Repairs &amp; Maintenance</b>				<b>\$288.50</b>
021722	H S A Bank	Insurance				\$833.32
<b>021723</b>	<b>Patelco Credit Union</b>	Insurance				<b>\$1,249.98</b>
021724	Aflac	Insurance				\$467.20
<b>021725</b>	<b>Hobbs Pest Solutions</b>	<b>Repairs &amp; Maintenance</b>				<b>\$62.00</b>
DD1029	MC CUTCHEON, SCOTT	P.P.E. 6/15/2020	\$3,898.46	GROSS		\$2,308.00
<b>DD1030</b>	<b>QUIGLEY, CINDY</b>	P.P.E. 6/15/2020	\$2,855.67	GROSS		\$1,756.05
DD1031	RACKLEY, ANN	P.P.E. 6/15/2020	\$599.72	GROSS		\$516.79
<b>DD1032</b>	<b>SANDERS, DAN</b>	P.P.E. 6/15/2020	\$3,605.33	GROSS		\$2,057.31
DD1033	SMITH, DAN	P.P.E. 6/15/2020	\$3,154.29	GROSS		\$2,199.07
<b>DD1034</b>	<b>MC CUTCHEON, SCOTT</b>	P.P.E. 6/30/2020	\$3,898.46	GROSS		\$2,308.00
DD1035	QUIGLEY, CINDY	P.P.E. 6/30/2020	\$2,855.67	GROSS		\$1,756.04
DD1036	RACKLEY, ANN	P.P.E. 6/30/2020	\$606.54	GROSS		\$522.87
DD1037	SANDERS, DAN	P.P.E. 6/30/2020	\$3,605.33	GROSS		\$2,057.31
<b>DD1038</b>	<b>SMITH, DAN</b>	P.P.E. 6/30/2020	\$2,588.10	GROSS		\$1,818.57
DD1039	DEE FAIRBANKS	Jun-20	\$400.00	GROSS		\$365.40
<b>DD1040</b>	<b>KUEHNER, LARRY</b>	Jun-20	\$400.00	GROSS		\$365.40
DD1041	ANGIE MASTELOTTO	Jun-20	\$400.00	GROSS		\$365.40
					Subtotal	\$391,814.98



# Claims & Warrants

1001584860	CA Public Employers' Retirement System	Classic	\$1,993.10
1001584862	CA Public Employers' Retirement System	Pepra	\$1,759.56
1001595523	CA Public Employers' Retirement System	Classic	\$1,993.10
1001595525	CA Public Employers' Retirement System	Pepra	\$1,759.56
1001584859	CA Public Employers' Retirement System	Unfunded Liability Classic	\$10,421.89
1001584863	CA Public Employers' Retirement System	Unfunded Liability Pepra	\$77.15
1001584861	CalPERS 457		\$1,966.23
1001595524	CalPERS 457		\$1,945.96
0625206816	EDD	State P/R Taxes	\$980.94
1652094496	EDD	State P/R Taxes	\$1,016.29
04888619	US Treasury	Federal P/R Taxes	\$5,386.19
43423724	US Treasury	Federal P/R Taxes	\$5,641.60
56351	USDA	Bank Transfer for July USDA Loan Pymt.	\$113,000.00
Subtotal			\$539,756.55

GENERAL CHECKING ACCT FSB

\$539,756.55

THE ABOVE CLAIMS AND WARRANTS WERE APPROVED AT A REGULAR MEETING OF  
THE LAKE OROVILLE AREA PUBLIC UTILITY DISTRICT HELD ON JULY 14, 2020

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
DIRECTOR

\_\_\_\_\_  
DIRECTOR



## Manager's Report

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 6 – Items Removed From Consent Agenda



## Manager's Report

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 7- CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION: Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (1 potential case)

*Recommended Action:* None



## Manager's Report

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 8– Request to Authorize Hiring at Advanced Step Salary Range

The District will soon be advertising for a new Operator.

Board Policy No. 2150 requires that the General Manager request the Board of Director's authorization to hire an employee at a step salary range that is something other than the first step of the salary range.

In accordance with Policy No. 2150, the General Manager is requesting authorization to hire an Operator at a step range that is greater than the first step in the applicable salary range, if and when it is necessary, in order to fill the position with a qualified applicant.

*Recommended Action:* Consider the General Manager's request for authorization to hire an Operator at a step salary range necessary to obtain a qualified applicant.



## **Manager's Report**

**To:** Board of Directors  
**From:** Scott McCutcheon, General Manager  
**Date:** July 14, 2020  
**RE:** Item No. 9 –SC-OR Commissioner's Report

Included in your packet (if available) are the June 2020 Minutes of the Regular Meeting of the Sewerage Commission – Oroville Region. Directors Fairbanks and Kuehner will present the SC-OR report if any information is available for reporting.

Attachment Included

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

(Held at the Commission office on June 24, 2020 at 5:00 p.m.)

**1. Call to Order ❖**

Chairman Fairbanks 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 ❖**

Vice-Chair Hatley led Commissioners, staff and guest in the salute to the flag.

**4. Acknowledgment of Visitors ❖**

Shelly Anderson of Bryce Consulting.

**5. Board Meeting Minutes of the Regular Meeting held on May 27, 2020❖**

Upon motion by Vice-Chairman Hatley to approve the minutes of the meetings, and second by Commissioner Kuehner, the minutes of the May 27, 2020 regular meeting were unanimously approved.

**6. Employee Safety Meeting Minutes❖**

Upon motion by Commissioner Latulippe to approve the minutes of the meetings, and second by Vice-Chair Hatley, the minutes of the May 27, 2020 employee safety meeting were unanimously approved.

**7. Authorization of Warrants ❖**

Chairman Fairbanks met with Manager Koch and checked the warrants earlier, and having found everything to be in order made a motion for their approval. The motion was seconded by Commissioner Kuehner. Warrants 26160-26210 in the total amount of \$446,554.65 from May 28 to June 24, 2020, including Commissioner fees and electronic fund transfers, were unanimously approved and ordered paid.

## **8. Fiscal Reports ❖**

Manager Koch stated the fiscal reports for May 2020 were in the packets for review. There were no questions and nothing further to report.

## **9. Election of Officers ❖**

Clerk Koch opened the nominations for Chairman for fiscal year 2020/21. Commissioner Hatley was nominated by Commissioner Reynolds for the position of Chairperson, which was seconded by Commissioner Pittman, and closed by Commissioner Kuehner. There being no other nominations, Commissioner Hatley was elected Chairperson for fiscal year 2020/2021 by acclamation.

Chairman Fairbanks opened the nominations for Vice-Chair. Commissioner Hatley nominated Commissioner Pittman for the position of Vice-Chair, which was seconded by Commissioner Latulippe and closed by Commissioner Kuehner. There being no other nominations for the position, Chairman Fairbanks closed the nominations and cast the unanimous vote for Commissioner Pittman, who was elected Vice-Chair for fiscal year 2020/2021 by acclamation.

## **10. Appreciation of Service Award ❖**

Vice-Chair Hatley presented outgoing Chairman Fairbanks with an award to thank him for his service as Chairman to the Commission for fiscal year 2019/2020.

## **11. Resolution 02-20 Corrections (Rescinding Resolution 03-10 and Declaring Capacity Limitations and Establishing Developer Agreements) ❖**

Manager Koch stated that Resolution 02-20 is a correction to the resolution that was adopted at the May meeting correcting a conflict in wording.

A motion was made by Commissioner Kuehner to adopt Resolution 02-20 as corrected – Rescinding Resolution 03-10 and Declaring Capacity Limitations and Establishing Developer Agreements. The motion was seconded by Commissioner Vice-Chair Hatley, and passed by the following votes: Reynolds – Aye, Fairbanks – Aye, Hatley – Aye.

**12. Resolution 03-20 and SC-OR Policy 7140 (Establishing Monthly Sewer Service Charge Reserve in Unrestricted Account and yearly Review of Sewer Service Charge) ❖**

Manager Koch reported that Resolution 03-20 and policy 7140 sets the monthly sewer service charge at \$15.85 per the budget adopted at the May meeting.

A motion was made by Vice-Chair Hatley to adopt Resolution 03-20 (Establishing Monthly Sewer Service Charge Reserve in Unrestricted Account and yearly Review of Sewer Service Charge) and Policy 7140. The motion was seconded by Commissioner Kuehner, and passed by the following votes: Reynolds – Aye, Hatley – Aye, Fairbanks – Aye.

**13. Resolution 04-20 and SC-OR Policy 7400 (Establishing Septage Processing Charge Reserve in Unrestricted Account and Yearly Review as a Part of Sewer Service Charge) ❖**

Manager Koch stated that this resolution and policy maintains the current septage fees at \$71.52 per 1,000 gallons within the SC-OR service area, and \$83.55 within in the SC-OR sphere but outside the service area. Commissioner Pittman commented that due to the fact that the campgrounds at Bidwell and Loafer Creek were closed there would be a reduction in influent.

A motion was made by Vice-Chair Hatley to adopt Resolution 04-20 and Policy 7400 – Establishing Septage Processing Charge Reserve in Unrestricted Account and Yearly Review as a Part of Sewer Service Charge. The motion was seconded by Commissioner Latulippe, and passed by the following votes: Reynolds – Aye, Hatley – Aye, Fairbanks – Aye.

**14. Resolution 05-20 (Establishing Source of Funds for Facility Upgrades Necessary to Meet Regulatory Requirements) ❖**

Manager Koch said that this resolution establishes the funds for the plant modifications, which are currently going to the Environmental Design and Funding applications. We were able to increase the amount going into that account to \$5.25 per EDU.

A motion was made by Commissioner Kuehner to adopt Resolution 05-20 – Establishing Source of Funds for Facility Upgrades Necessary to meet Regulatory Requirements. The motion was seconded by Commissioner Pittman, and passed by the following votes: Reynolds – Aye, Hatley – Aye, Fairbanks – Aye.



**15. Resolution 06-20 (Financial Assistance Application for a Loan/Grant from the State Water Resources Control Board for the Design and Construction of the Wastewater Treatment Plant Upgrade Project) ❖**

Manager Koch said that this is a new resolution that authorizes the manager or Chairman of the Board to direct, sign and file on behalf of SC-OR a financial assistance application for a loan/grant from the State Water Resources Control Board in an estimated amount of \$38,000,000 for the design and construction of the Wastewater Treatment Plant Upgrade Project.

A motion was made by Commissioner Pittman to adopt Resolution 06-20 – Financial Assistance Application for a Loan/Grant from the State Water Resources Control Board for the Design and Construction of the Wastewater Treatment Plant Upgrade Project. The motion was seconded by Vice-Chair Hatley, and passed by the following votes: Reynolds – Aye, Hatley – Aye, Fairbanks – Aye.

**16. Compensation Review Advisory Committee Report ❖**

The advisory committee reported on meetings with Attorney Vance and Shelly Anderson, Bryce Consulting representative. Commissioner Pittman reported on the issues of salary compensation and organizational structure. Shelly has submitted some options for restructuring for consideration.

Shelly Anderson from Bryce Consulting said they were asked to review the organization structure of SC-OR, specifically for the general managers' position, and to conduct a compensation study. Direction was given to Shelly to create a wage scale based upon option 2 with the current list of agencies provided, with the elimination of Redding and Yuba City, and the addition of Butte College.

A motion was made by Commissioner Pittman to authorize Bryce Consulting to move forward with Option 2 and the creation of a wage scale based upon the agency list with requested changes. The motion was seconded by Commissioner Kuehner, and passed by the following votes: Reynolds – Aye, Hatley – Aye, Fairbanks – Aye.

**17. Attorney's Report ❖**

She reported that all is running smoothly at the plant. There is nothing further to report.

**18. Manager's Report ❖**

Manager Koch reported that we had an inspection by the Regional Water Quality Control Board. He believes it went well. The representative was impressed by our upgrade design, and said that once complete it will be the most advanced plant in the north state.

Commissioner Pittman asked about the status of the Highway 70 man camp. Manager Koch said he hasn't heard anything from them; and we are no longer taking water from them.

Manager Koch said that the old POPI plant contacted SC-OR regarding leasing some of our property for storing logs from Paradise. He has no more information than that. This may be brought back to the board for consideration.

**19. Visitor Comments ❖**

No comments.

**20. Commissioner and Staff Comments ❖**

Chairman Fairbanks thanked the Commission for letting him be the Chairman, and appreciated the demeanor of the Commissioners.

**21. Adjournment ❖**

There being no further business, the meeting was adjourned at 6:12 p.m. to the regular meeting scheduled on July 22, 2020 at 5:00 p.m.

Respectfully submitted,



SCOTT J. KOCH, CLERK



## **Manager's Report**

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 10 – BCSDA Representatives and LAFCo Report

### **BCSDA**

No report at this time.

### **LAFCo**

The Butte LAFCO July 2, 2020 regular meeting was cancelled.

**Attachment Included**

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BUTTE LOCAL AGENCY FORMATION COMMISSION  
1453 DOWNER STREET, SUITE C, OROVILLE, CALIFORNIA 95965  
TELEPHONE (530) 538-7784 FAX (530) 538-2847

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REGULAR MEETING NOTICE OF THE COMMISSION

Location: Butte County Administration Building, Supervisors Chambers,  
25 County Center Drive, Oroville, California  
Date/Time: **July 2, 2020 - 9:00 a.m.**

**MEETING CANCELLATION NOTICE**

The July 2, 2020 meeting of the Butte Local Agency Formation Commission has been cancelled.

The next regularly scheduled LAFCO meeting will be held Thursday, August 6, 2020 in the Butte County Administration Building, Supervisors Chambers, 25 County Center Drive, Oroville, California.

**LOCAL AGENCY FORMATION COMMISSION**

*Stephen Lucas*

**By: Stephen Lucas, Executive Officer**



## Manager's Report

**To:** Board of Directors  
**From:** Scott McCutcheon, General Manager  
**Date:** July 14, 2020

**RE:** Item No. 11 – Quarterly Investment Schedule and Cash Flow Analysis

Included are the 4th quarter District Investment Schedule Summary and Cash Flow Analysis.

Attachment 1: "Investment Schedule" shows that the District's cash balance increased by \$122,327.86 over the last quarter.

Attachment 2: "Cash Flow Analysis" shows the movement of money into and out of the District's accounts each month over the last quarter.

Attachment Included

LOAPUD INVESTMENT SCHEDULE

June 30, 2020

Bank	Beginning Balance April 1, 2020	Ending Balance June 30, 2020	Difference	Maturity	Interest Rate
Five Star General	\$ 125,822.22	\$ 232,738.90	\$ 106,916.68	CKG	0.00%
Five Star USDA	\$ 66,617.03	\$ 66,958.57	\$ 341.54	CKG	0.00%
Five Star MM	\$ 251,577.12	\$ 252,709.92	\$ 1,132.80	IF	1.43%
LAIF	\$ 2,662,131.04	\$ 2,676,067.88	\$ 13,936.84	IF	1.43%
LAIF Series A Bond Res	\$ 107,048.00	\$ 107,048.00	\$ -	IF	1.43%
<b>Total Investments</b>	<b>\$ 3,213,195.41</b>	<b>\$ 3,335,523.27</b>	<b>\$ 122,327.86</b>		

## Cash Flow Analysis

### INCOME

**Apr-20                      May-20                      Jun-20**

**Operating Income**  
Income - Operating

567,666	123,986	61,738

**Total Operating Income \$ 567,666 \$ 123,986 \$ 61,738**

**Non-Operating Income**

Income - El Medio Fuel	-	538	341
Income - Capacity Charge	-	-	
Income - RFC	-	-	
Income - Property Taxes	-	182,022	3,722

**Total Non-Operating Income \$ - \$ 182,561 \$ 4,062**

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### TOTAL INCOME

**\$ 567,666 \$ 306,546 \$ 65,800**

### EXPENSES

**Operating Expenses**

Expense - Operating	174,096	97,008	193,526

**Total Operating Expenses \$ 174,096 \$ 97,008 \$ 193,526**

**Non-Operating Expense**

Expense - SC-OR pass through	-	255,560
Expense - SC-OR RFC pass through	-	
Expense - USDA Payment Transfer	-	113,000
Expense -	-	

**Total Non-Recurring Expenses \$ - \$ - \$ 368,560**

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### TOTAL EXPENSES

**\$ 174,096 \$ 97,008 \$ 562,087**

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### NET INCOME

**\$ 393,570 \$ 209,538 \$ (496,287)**

### SUMMARY OF CASH FLOW

**\$ 106,822**



## **Manager's Report**

**To:** Board of Directors

**From:** Scott McCutcheon, General Manager

**Date:** July 14, 2020

**RE:** Item No. 12 – Board Members', Manager and Staff Comments

### **12.1 Field Operations Supervisor Report**

The June, 2020 Field Operations Activity Report is included for your review and discussion.

Attachment Included

### **12.2 Board Policy No. 2151 "Employee Compensation Schedule"**

Included in this packet is a final copy of Board Policy No. 2151 for your policy book.

Attachment Included



# **FIELD OPERATIONS ACTIVITY REPORT**

## **JULY 2020**

### **Safety Meetings and Compliance**

- Multiple Covid Safety Meetings - Updates on the latest changes
- 2 employees had DMV physicals
- Safety meeting - Heat Stress

### **General meetings**

- Meeting with local distributors regarding a shed for the new office generator
- Met with John Starr regarding the new office building for Mooretown

### **I & I Related Work**

- Cut and cap faulty lateral at 3290 Burlington

### **New Permits and Connections, Estimates, Inquiries or Termination**

- Replaced entire line at 3932 Burlington
- Final new home on Galaxy
- New lateral replaced at 1620 Elgin
- Installed new Villa Verona tank

### **Lines Cleaned**

- 13,853' L.F. Cleaned with Jet Rodder

### **CCTV Work**

- 894' L.F. Televised (push camera work only)

### **GIS Work**

- Oak Knoll, Vista Del Cerro neighborhood, Lower Wyandotte, Oro Bangor, Wattles Way, Mooretown, Grey Fox Lane

### **Hanging Tree Pump Station Incident**

- On 6-1-20 I was checking the pump stations and encountered fumes that smelled of gasoline. Scott came up and we decided to call an environmental cleaning company and they took care of it.

### **PSPS Related**

- Installed propane tank and gas line. Waiting for PG&E to disconnect service due to it being wired incorrectly originally and waiting for Cummins tech due to undervoltage. Made cat 5 cable and pulled new wires through conduit

### **General Maintenance**

- Reconstruct bins and add shelves for files
- Made cat 5 cable for generator and pulled through conduit
- Removed backhoe tire for repair
- Wrapped pump station piping to prevent los of insulation
- Repaired tailgate of service truck
- Change brake booster on 4wd
- Change bulbs in office and clean A/C filters
- Repaired bent clamshell bucket on John Deere Backhoe
- Replaced tire on dump truck
- Removed and reinstalled rebuilt hydraulic ram for John Deere 410
- Repaired camera cables

### **Field Maintenance, Repairs and Misc.**

- Replaced intake suction valve at L-2
- Pulled weeds at Hanging Tree Pump Station
- Installed new blocks for screwing down Villa Verona lid
- Pour slab for shed around office generator

### **Callouts Primary- 4 (5 Last Month)**

- 1-Laterals plugged-Non District problem
- 1-Power Failure-All of Kelly Ridge
- 1-Pump tripped during power failure-Replaced time delay fuse
- 1-Odor complaint from neighbor-Owner wouldn't answer door

### **V.V. Callouts and Tanks That Needed Serviced- 7 (8 Last Month)**

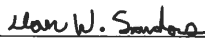
- 5-Tanks cleaned, flushed and/or pumped
- 1-Customer hit lid with roto tiller-Repaired
- 1-Lateral plugged-Faulty lateral

Gas Consumption: 251.4 (Last Mo. 208.2)

Diesel Consumption: 349.7 (Last Mo. 284.7)

LOAPUD Gas: 251.4 (Last Mo. 199.9) Diesel: 148.8 (Last Mo. 69.4)

El Medio Fire Dept. Gas: 0.0 (Last Mo. 8.3) Diesel: 200.9 (Last Mo. 215.3)



Field Operations Supervisor  
Dan W. Sanders

EXHIBIT F

TITLE: EMPLOYEE COMPENSATION SCHEDULE

NUMBER: 2151

ADOPTED: February 8, 1984

AMENDED: June 9, 2020

EFFECTIVE: July 1, 2020

Range No.	Position Title	Step A	Step B	Step C	Step D	Step E	Step F
1	Administrative Aide - Part Time & Temporary	12.00	12.36	12.98	13.63	14.31	15.03
2	Administrative Aide - Reg.	16.65	17.49	18.37	19.27	20.24	21.24
3	Utility Worker - Part Time & Temporary	12.36	12.98	13.63	14.31	15.03	15.78
4	Utility Worker I	18.74	19.65	20.64	21.66	22.74	23.88
5	Utility Worker II	19.65	20.64	21.66	22.74	23.88	25.08
5	Acct Receivable Clerk - Reg Operator - Part Time	20.60	21.63	22.73	23.86	25.05	26.30
6	Office Clerk	22.06	23.18	24.34	25.55	26.82	30.95
7	Operator - Regular Computer Support Specialist/ Administrative Assistant Accounts Receivable Clerk II	22.46	23.60	24.78	26.04	27.34	29.87
8	Foreman-F.O.T.	24.19	25.41	26.69	28.01	29.41	30.88
9	Bookkeeper/Clerk of the Board	24.77	26.03	27.33	28.72	30.14	34.45
10	Field Operations Supervisor	31.49	33.06	34.72	36.45	38.27	43.10