

**PARADISE SEWER REGIONALIZATION PROJECT ADVISORY COMMITTEE
(SRPAC)**

**COMMITTEE MEETING MINUTES
MONDAY, 13 DECEMBER 2021**



COMMITTEE MEETING LOCATION: CITY OF CHICO (Also broadcast over Zoom for viewing)

COMMITTEE MEMBERS PRESENT:

Paradise Mayor Steve Crowder	Chico Mayor Andrew Coolidge
Paradise Vice Mayor Jody Jones	Chico Vice Mayor Kasey Reynolds

COMMITTEE MEMBERS ABSENT:

All present.

TOWN OF PARADISE STAFF PRESENT:

Kevin Phillips, Town Manager
Marc Mattox, Town Engineer and Public Works Director
Ashley Stanley, Principal Engineer

CITY OF CHICO STAFF PRESENT:

Mark Orme, City Manager
Erik Gustafson, Public Works Director

CENTRAL VALLEY WATER BOARD STAFF PRESENT:

Clint Snyder
Bryan Smith
David Durette (Zoom)

ADDITIONAL ATTENDEES PRESENT WHO WERE IDENTIFIED:

John Buttz and Leslie Tice (HDR Engineering) – Consultants for Town of Paradise
Butte County Local Agency Formation Commission (LAFCo)

AGENDA ITEM 1 - INTRODUCTIONS

At 1:00 p.m. Clint Snyder called the meeting to order, stated the purpose of the meeting and organizational structure of the meeting, provided an overview of attendance options and procedures, and facilitated introductions. This is an in-person meeting at the City of Chico's Council Chambers and is being broadcast for listen-only on the Zoom platform. Mr. Snyder introduced Water Boards staff present, Mr. Phillips introduced Town of Paradise staff present, and Mr. Orme introduced City of Chico staff present.

Mr. Snyder noted that copies of the meeting agenda, past minutes, and Draft Principles of Agreement were available in hard copy in the room.

AGENDA ITEM 2 – PUBLIC FORUM

No speakers.

AGENDA ITEM 3 – APPROVE PREVIOUS MEETING MINUTES

Committee unanimously approved October 11, 2021 meeting minutes. Will be posted final to the internet. Crowder moved; Reynolds seconded. All aye, Coolidge abstains.

AGENDA ITEM 4 – COMMITTEE MEMBER COMMUNICATION

No specific comments. Members stated, happy to be here.

AGENDA ITEM 5 – STATUS UPDATES

A. ENVIRONMENTAL IMPACT REPORT

Ms. Tice, HDR Engineering, provided an update on the project's EIR. The draft EIR is on track for early 2022 (likely Feb or Mar). Ms. Jones stated that she would prefer a specific target date to be met, rather than just sometime in first quarter. Field studies are completed. Continued engagement with stakeholders. Refining scope of analysis and alternatives considered. Starting to plan for public engagement process in spring of 2022. Two live, in person meetings planned, one at Town and one at City. Virtual room available on project website provides 24/7 access. Ms. Tice gave a reminder on how to provide input: web, phone, mail, Facebook, YouTube. Mr. Buttz stated that the process to work with Butte LAFCO has been added to the master schedule for mid-2022. No further discussion by SRPAC members.

B. COOPERATIVE FUNDING AGREEMENT (CFA) SCOPE OF WORK

City of Chico consultants, Carollo Engineering, meeting regularly with staff at Town and City working through study scope. Met earlier that day. Ms. Beverly Hann from Carollo summarized status of work. Preliminary findings being worked through for discussion at next meeting. City sewer and treatment plant planning work started in 2017. Since that time a number of factors affected analysis including increased population in City following Camp Fire. Rate study underway by City to address treatment capacity, regulatory assumptions, and condition-driven needs at the plant. Now includes possible Paradise connection as well. Planning horizon broadened from 2040 to 2057. Will present draft findings at next meeting.

C. OTHER FOLLOW-UP ACTION ITEMS FROM SRPAC

None.

D. PUBLIC COMMENTS ON ITEMS 5A THROUGH 5C.

None.

AGENDA ITEM 6 – PRINCIPALS OF AGREEMENT WORKING SESSION

Mr. Buttz facilitated Committee working session on continued development and refinement of the Principals of Agreement (POA). The POA will serve as an outline for an inter-municipal agreement should the project be approved and follows City of Chico code requirements for considering regional projects. Mr. Buttz explained that there have been several Town and City staff meetings since the last Committee meeting to develop draft language for Committee discussion and consideration. Further, that the Committee will revisit each of the POA topics multiple times through the document's development process. The first eight items come directly from the City of Chico Municipal Code, then an additional four items not in the municipal code but important for this agreement. Copies of the working document are available at the meeting.

1. Sewer Use Ordinance –

No new discussion or changes.

2. User Inventory –

No new discussion or changes.

3. Pretreatment –

No new discussion or changes.

4. Pretreatment Data Access –

No new discussion or changes.

5. Wastewater Limits -

Waiting for additional information to propose draft language.

6. Wastewater Monitoring –

No new discussion or changes.

7. Access to Facilities –

No new discussion or changes.

8. Remedies for Breach of Agreement

No new discussion or changes.

9. Connection Fees –

This is a treatment and connection payment. This would be a single up-front payment from Town to City.

10. Monthly User Fees –

Suggested language from staff. Town and City would pay same amount for treatment. Any future increases would include Prop 218 process. Language sounds fine to Ms. Jones. Ms. Reynolds asked about fee schedule and what Paradise would pay. Mr. Buttz explained that cost to get to the plant is the Town's responsibility and that once the wastewater is in Chico then it blends in and is same thing as Chico's. Ms. Reynolds agreed and clarified that she didn't want there to be unfair profiting off Paradise.

Mr. Buttz discussed a previous idea for an annual financial report and how other municipalities have handled the ability to audit. City will be able to audit Town collection of treatment fees. Captured in annual budgets. Use some info from Sacramento County Sanitation District from their Memorandum of Agreement that cover much of what we are talking about. Also, City of Folsom's version has this ability to audit language. Will be able to direct attorneys to this in the future to ensure appropriate language. City and Town staff don't think a separate financial report is needed, given this. Mr. Snyder noted that an annual report would place additional burden on the City and Town to prepare, without much benefit. Mr. Buttz noted that the POAs will talk about how many people connected and how many are projected to connect. Ms. Jones noted her satisfaction. Ms. Reynolds asked Mr. Orme if he agrees this is a good path. Mr. Orme concurred. All other satisfied.

11. Operation and Maintenance (O&M) of Facilities –

Mr. Buttz mentioned that previously there was a suggestion about maybe having a separate municipal agreement. This concept is discussed in the previous item's text. No separate agreement needed for now, but could develop in future. Could be a win-win using City staff expertise. Not precluded from doing this. So no separate agreement right now. Any concerns? None.

12. Term and Termination of the Agreement –

No discussion.

13. "Revisit" Clause –

No discussion.

14. Service Area Boundary –

Mr. Buttz discussed information from North Carolina. This was raised last time, and was discussed. Bringing back for further discussion. A particular issue when two entities are close or contiguous. This happens more with water than wastewater. But in this case the City and Town sit miles apart. We don't think this one really applies and propose deleting this one. All members say OK to remove. Mr. Coolidge wants to make sure we consider the future, like 100 years from now. Mr. Snyder notes that the POAs will be framework for attorneys and if there is concern then they will raise and address. Could leave in and refer to attorneys if they think important enough, or just remove now. Mr. Coolidge says we should think long term. Mr. Buttz will work on a bit. Will get input from Town and City attorney to craft this clause.

Following discussion of Item 16, discussion returned to Item 14. Future spheres of influence could overlap. If that occurs, it should be addressed at that time. Mr. Coolidge would be comfortable with additional legal input. Ms. Reynolds agrees...get their input. Want to make sure this covers into the future adequately. Mr. Mattox suggests adding "extremely unlikely" in text.

15. Notice Required for Fee Changes –

Mr. Buttz reads text about Prop 218. Mutually update info provided to each other. Ms. Jones thinks fine. Notes Prop 218 has plenty of opportunity. Ms. Reynolds agrees.

16. Excessive I/I –

Mr. Buttz explained concept of Inflow and Infiltration (I/I) and proposed text. I/I adds more water to be handled at the treatment plant. Town system will be new with low I/I, but over time I/I can increase. Town will monitor and we will see if flows go up over winter and will be assessing. If excessive, then Town will address per language. Directly quoted from Folsom/Sac San contract. Staff thinks this language is a good approach. Coolidge confirms that Town would be resp for their I/I. Mr. Snyder stated that language should be transparent that Town needs to manage collection system and pipeline responsibly and prevent excessive I/I. Mr. Coolidge wants to make sure this includes the entire pipeline including through City to WWTP. Ms. Jones agrees that we should make that clear. Mr. Buttz added language.

17. Resolving Conflicts or Disagreements –

Mr. Buzz notes that attorney can look at Folsom/Sac language if they want to use that. Ms. Jones asked what they used as a conflict resolution process? Binding arbitration? John not sure but will find out. Mr. Coolidge would like to see. Mr. Buttz will send out Folsom contract for them to see. John will also send other references discussed.

AGENDA ITEM 6a – PUBLIC FORUM

Shannon from Butte LAFCO clarified the spheres of influence cannot overlap, and maybe the previous discussion was about service boundaries. SRPAC members agreed that that made sense.

AGENDA ITEM 7 – CLOSING COMMITTEE REMARKS

Mr. Snyder discussed meeting schedule. Meetings started off monthly, then backed off to bi-monthly, but will need to increase in frequency again due to deliverables coming and the need for more discussion. The next meeting is scheduled for 14 Feb 2022. Propose moving to monthly after that, starting on 14 March 2022. Further discussion. Mr. Coolidge likes Jan 31st then hold off to March 14th, unless revised at next meeting. Works for SRPAC. Same time 1pm and Town of Paradise hosting. Then March 14th unless revised at next meeting, and monthly after that. Kasey notes Mar 14th is spring break. SRPAC to talk about at next meeting if needed.

Committee members expressed appreciation for a good meeting and for the progress being made. Location for next meeting is in Paradise on 31 January 2022.

ADJOURNMENT

Mr. Snyder adjourned the Committee meeting at 2:06pm.