



CITY OF WHEATLAND

CITY COUNCIL MEETING STAFF REPORT

June 9, 2020

SUBJECT: Council consideration and adoption of Resolution No. 27-20 approving a Memorandum of Understanding (MOU) with Olivehurst Public Utility District (OPUD) regarding regional wastewater collaboration

PREPARED BY: Jim Goodwin

Recommendation

Adopt Resolution No. 27-20 approving a Memorandum Understanding (MOU) with Olivehurst Public Utility District (OPUD) regarding regional wastewater collaboration.

Background/Discussion

Earlier this year the City Council directed to staff to evaluate regional wastewater treatment options for the City of Wheatland and appointed a Sewer Ad-hoc Committee to work with staff on that evaluation. Work accomplished to date positions Olivehurst Public Utility District (OPUD) as the City's best potential partner. The key reasons are as follows:

1. OPUD's annexation of the Yuba County Entertainment District and plan to provide wastewater services to that area extends the OPUD collection system south and reduces the capital cost of connecting to a regional wastewater plant;
2. OPUD staff has entered into very constructive dialogue with Wheatland staff regarding a potential service agreement;
3. Yuba Water Agency has agreed to fund the engineering design of OPUD's expanded collection system;
4. Yuba Water Agency (YWA) POD Committee has recommended a similar funding package for design of a Wheatland wastewater connection to OPUD. The full YWA Board of Directors will consider that funding commitment on June 16.
5. Any potential state or federal funding partners are unlikely to consider awards in Yuba County for separate regional wastewater efforts.

As a result, staff has recommended to our Wheatland Sewer Ad-hoc Committee to focus on the OPUD partnership as the top priority. To memorialize the work already occurring, both OPUD and Wheatland staff are recommending adoption of the attached MOU.

Attachments

1. Resolution No. 27-20 – OPUD/Wheatland Regional Wastewater MOU
2. OPUD/Wheatland Regional Wastewater MOU

RESOLUTION NO. 27-20

**APPROVING A MEMORANDUM OF UNDERSTANDING (MOU) WITH
OLIVEHURST PUBLIC UTILITY DISTRICT (OPUD) REGARDING REGIONAL
WASTEWATER COLLABORATION**

WHEREAS City of Wheatland wishes to find a solution to future wastewater capacity needs; and

WHEREAS the City Council has previously directed staff to explore regional wastewater capacity solutions; and

WHEREAS a collaboration with Olivehurst Public Utility District (OPUD) appears as the best potential partnership at this time; and

WHEREAS the City Council wishes to provide formal direction to staff to proceed with developing an agreement with OPUD.

THEREFORE, in consideration of the above, the Wheatland City Council approves the attached MOU with OPUD and directs the Mayor to sign.

PASSED AND ADOPTED by the City Council of the City of Wheatland on the 9th day of June 2020 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Rick West, Mayor

Lisa J. Thomason, City Clerk

**MEMORANDUM OF UNDERSTANDING REGARDING REGIONAL SEWER
COLLABORATION BETWEEN OLIVEHURST PUBLIC UTILITY DISTRICT (OPUD)
AND CITY OF WHEATLAND**

WHEREAS Olivehurst Public Utility District (OPUD) operates a wastewater treatment plant (WWTP); and

WHEREAS, the OPUD wastewater treatment plant currently has 1.5 MGD available capacity now and expansion capacity for up to 8 MGD in the future; and

WHEREAS OPUD is in process of annexing and serving the Yuba County Entertainment Zone with water and sewer utilities; and

WHEREAS OPUD wishes to increase flows into its WWTP, reduce its overall O&M costs, and minimize future sewer rate increases to all its customers; and

WHEREAS Wheatland requires a solution for future wastewater capacity; and

WHEREAS Wheatland wishes to connect to the OPUD wastewater treatment plant to meet current and future wastewater treatment needs; and

WHEREAS the extension of the OPUD wastewater collection infrastructure to serve the Yuba County Entertainment District significantly reduces the capital investment required for Wheatland to connect to the OPUD wastewater treatment plant; and

WHEREAS both OPUD and Wheatland are committed to negotiating a mutually beneficial agreement for a regional sewer collaboration.

THEREFORE, in consideration of the above, both parties agree to the following:

1. Parties direct their respective staffs to negotiate a long-term agreement between OPUD and Wheatland for wastewater treatment and collection services that meets the needs of both jurisdictions and establishes an appropriate share of cost; and
2. Parties agree to appoint a Regional Sewer Ad-hoc Committee comprised of two elected members of each jurisdiction's governing board to work with staff toward completion of an agreement; and
3. Parties agree to work collaboratively to finance the required capital improvements in a manner that does not burden the rate payers of either jurisdiction.

Rick West, Mayor
City of Wheatland

Dennise Burbank
Board Chair
Olivehurst Public Utility District