

Olivehurst Public Utility District



Agenda Item Staff Report

Meeting Date: October 28, 2026

Item description/summary:

South County Project agreements with Wheatland. We have 5 different agreements that I will provide a brief explanation of: The Capacity Purchase Agreement defines OPUD and Wheatland obligations related to the purchase of capacity in OPUD's wastewater treatment facility for both existing and future Wheatland customers; The Treatment and Operations Agreement defines the obligations of OPUD and Wheatland related to the operations of the shared transmission line between OPUD and Wheatland as well as proportional shares of maintenance responsibility on the shared line and the wastewater treatment facility; The Pass Through Agreement defines OPUD and Wheatland obligations relating to construction of the shared transmission line and how funds from the \$75M state grant will flow from the state to Wheatland and subsequently to OPUD when appropriate; the Bridge Loan agreement defines OPUD and Wheatland obligations relating to a bridge loan from OPUD to Wheatland to provide funding, if necessary, until Wheatland receives their USDA loan/grant; The last agreement is simply called the Forth Funding and Financing Agreement which captures all of the OPUD contract 3 (wastewater treatment plant reliability and redundancy contract) items that were stripped out of the other agreements to clean them up for State review. Additionally, we are asking the Board to adopt resolution 2469 which details to finances and will be sent to the state along with a similar one from Wheatland.

Fiscal Analysis:

As noted in each agreement.

Employee Feedback

None

Sample Motion:

Move to approve all five agreements noted above as to form with minor changes agreed upon by OPUD staff and OPUD legal counsel to approve OPUD resolution 2469.

Prepared by:

John Tillotson, P.E., General Manager

RESOLUTION NO. 2469

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
OLIVEHURST PUBLIC UTILITY DISTRICT
AUTHORIZING THE COMMITMENT AND EXPENDITURE OF CASH RESERVES
TO THE SOUTH COUNTY INFRASTRUCTURE PROJECT**

WHEREAS, the Olivehurst Public Utility District proposes to implement the South County Infrastructure Project which connects the City of Wheatland for conveyance of its wastewater to the OPUD Wastewater Treatment Plant for treatment;

WHEREAS, Olivehurst Public Utility District has the legal authority and is authorized to enter into a funding agreement with the City of Wheatland and the California State Water Resources Control Board for \$75 million in grant funding for the Project; and

WHEREAS, Olivehurst Public Utility District intends to execute loan agreements with the County of Yuba and other entities, as necessary, to complete the funding for the Project; and

WHEREAS, the Olivehurst Public Utility District has sufficient cash reserves to invest in the Project.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF OLIVEHURST PUBLIC UTILITY DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

1. That Olivehurst Public Utility District can demonstrate in its approved budget documents and audited financial statements that the District has reserve funds available in the amount of \$16,300,000 for investment in the Project and is prepared to allocate such funds to the Project in this fiscal year and future fiscal years subject to the Funding and Bridge Loan Agreement between OPUD and Wheatland. See Exhibit A.
2. The City of Wheatland recognizes that the project is fully funded through multiple funding sources secured by both the City and OPUD as shown in Exhibit B
3. The Olivehurst Public Utility District General Manager, or designee is hereby authorized and directed to execute the funding agreement with the City of Wheatland and any amendments thereto.
4. The Olivehurst Public Utility District General Manager, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain the awarded grant funding.
5. The Olivehurst Public Utility District General Manager, or designee does hereby consent to the use of e-signatures.

PASSED AND ADOPTED by the Board of Directors of Olivehurst Public Utility District, this 28th day of October 2026, by the following vote:

SO ORDERED.

OLIVEHURST PUBLIC UTILITY DISTRICT

President, Board of Directors

ATTEST:

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

District Clerk and Ex-Officio Secretary

Deirdre Joan Cox, Legal Counsel

* * * * *

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly adopted and passed by the Board of Directors of the Olivehurst Public Utility District, Yuba County, California, at a meeting thereof held on the 28th day of October 2026, by the following vote:

AYES, AND IN FAVOR THEREOF:

NOES:

ABSTAIN:

ABSENT:

District Clerk and ex-officio Secretary

Exhibit A

OPUD Available Cash

OPUD Fund	October 2026 Fund Balance	Allocated for Project
OPUD Wastewater Treatment Facility Capacity Fee	\$15,742,083	\$15,000,000
OPUD Depreciation Reserve, Wastewater	\$3,700,000	\$650,000
OPUD Capital Replacement Reserve, Wastewater	\$3,470,379	\$650,000
Total	\$22,912,462	\$16,300,000

Exhibit B

Project Funding Sources

Sources of Funds		
Source of Funds	Status of Funds	Total
SWRCB Grant	Secured with agreement	75,000,000
Wheatland Cash	Secured in budget	6,000,000
OPUD Cash	Secured in budget	16,300,000
Yuba County Loan	Secured with loan agreement	10,000,000
Tribal/Casino Loan	Secured with loan agreement	10,000,000
Total Funding Secured		117,300,000