

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (VWVRA)
Victorville City Hall – Conference Room “D”, 14343 Civic Drive, Victorville, CA
92392
Phone: (760) 246-8638

MEETING DATE: Thursday, January 18, 2018 **TIME:** 8:00 AM (Closed Session)
8:30 AM (Regular Session)

CALL TO ORDER

PUBLIC COMMENTS – CLOSED SESSION AGENDA

CLOSED SESSION

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted. Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; or (c) employment actions, or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information.

CONFERENCE WITH LEGAL COUNSEL- (Gov. Code Sec. 54954.5-54956.9(d)):

- 1. Flow Diversion-Initiation of Litigation against City of Victorville—Tolling Agreement—Selection of Litigation Counsel**
- 2. Potential Litigation-Claim against City of Hesperia**

CONFERENCE WITH LEGAL COUNSEL-POTENTIAL LITIGATION (Gov. Code Sec. 54956.9(d)):

- 3. Threatened or Pending Litigation- Upper Narrows Project**

CONFERENCE WITH LEGAL COUNSEL-REAL PROPERTY NEGOTIATOR (Govt. Code Sec. 54956.8)

- 4. Agency Negotiators: Logan Olds, General Manager; Piero Dallarda, Best Best Krieger Negotiating Party/Parties: City of Adelanto and G. Michael Milhiser
Under Negotiation: Real Property**

REGULAR SESSION

CALL TO ORDER & PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

PUBLIC COMMENTS – REGULAR SESSION AGENDA

ANNOUNCEMENTS AND CORRESPONDENCE:

5. **Possible conflict of interest issues**
6. **Article: Power Prices Go Negative in Germany, a Positive for Energy Users**

CONSENT CALENDAR:

7. **Approve December 2017 Disbursement Registers**
8. **Approve Minutes from the December 21, 2017 Regular Meeting**
9. **Recommendation to Ratify Low Voltage Power Emergency Purchases**

REPORTS & PRESENTATIONS:

10. **Presentation: Savings by Design (SCE)**
11. **Presentation: Mid-year Budget Review (Keagy)**

ACTION & DISCUSSION ITEMS:

12. **Resolution 2018-01 Victor Valley Wastewater Reclamation Authority Adopting a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program for the American Organics Victor Valley Regional Composting Facility Modification Project and Approving the Project**
13. **Recommendation for Disposal of Dirt Mixed with Biosolids**
14. **Recommendation to Award Contract For SCADA Upgrade**

STAFF/PROFESSIONAL SERVICES REPORTS:

15. **Financial and Investment Report –December 2017**
16. **Operations & Maintenance Report – December 2017**
17. **Environmental Compliance Department Reports – December 2017**

- 18. Septage Receiving Facility Reports – December 2017**
- 19. Safety & Communications Report – December 2017**
- 20. Construction Report – December 2017**

NEXT VVWRA BOARD MEETING:

Thursday, February 15, 2018– Regular Meeting of the Board of Commissioners

FUTURE AGENDA ITEMS

Leave Policy

COMMISSIONER COMMENTS

ADJOURNMENT

VVWRA Regular Meeting Agenda

Thursday, January 18, 2018

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Agenda Posting: In accordance with the requirements of California Government Code Section 54954.2, this agenda has been posted in the main lobby of the Authority's Administrative offices not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Board Secretary.

Items Not Posted: In the event any matter not listed on this agenda is proposed to be submitted to the Board for discussion and/or action, it will be done in compliance with Section 54954.2(b) as an emergency item or because there is a need to take immediate action, which came to the attention of the Board subsequent to the posting of the agenda, or as set forth on a supplemental agenda posted in the manner as above, not less than 72 hours prior to the meeting date.

Public Comments: Any member of the public may address the Board of Commissioners on specific agenda items or matters of general interest. As determined by the Chair, speakers may be deferred until the specific item is taken for discussion and remarks may be limited to five minutes. Persons desiring to submit paperwork to the Board of Commissioners shall provide a copy of any paperwork to the Board Secretary for the official record.

Matters of Interest addressed by a member of the public and not listed on this agenda cannot have action taken by the Board of Commissioners except as authorized by Section 54954.2(b). If you wish to speak, please complete a Speaker's Form (located at the table in the lobby outside of the Board Room) and give it to the Board Secretary prior to the start of the meeting.

If any individual wishes to challenge an action of the Commission in court, he or she may be limited to raising those issues that were raised at the public hearing pertaining to the Commission's actions, or in any written correspondence delivered to the Commission on or prior to the public hearing.

Consent Calendar: All matters placed on the Consent Calendar are considered as not requiring discussion or further explanation and unless any particular item is requested to be removed from the Consent Calendar by a Commissioner, staff member or member of the public in attendance, there will be no separate discussion of these items. All items on the Consent Calendar will be enacted by one action approving all motions, and casting a unanimous ballot for resolutions included on the consent calendar. All items removed from the Consent Calendar shall be considered in the regular order of business.

The Chair will determine if any items are to be deleted from the Consent Calendar.

Items Continued: Items may be continued from this meeting without further notice to a Committee or Board meeting held within five (5) days of this meeting per Government Code Section 54954.2(b)(3).

Meeting Adjournment: This meeting may be adjourned to a later time and items of business from this agenda may be considered at the later meeting by Order of Adjournment and Notice in accordance with Government Code Section 54955 (posted within 24 hours).

Accommodations for the Disabled: In compliance with the Americans with Disabilities Act (ADA), the Board of Commissioners Meeting Room is wheelchair accessible. If you require any special disability related accommodations, please contact the Victor Valley Wastewater Reclamation Authority Board Secretary's office at 760-246-2892 at least 72 hours prior to the scheduled meeting. Requests must specify the nature of the disability and the type of accommodation requested.

Power Prices Go Negative in Germany, a Positive for Energy Users

By [STANLEY REED](#) DEC. 25, 2017



Power from wind and solar waxes and wanes with the breeze and sunshine, not in response to when it is most needed. Credit Gordon Welters

Germany has spent \$200 billion over the past two decades to promote cleaner sources of electricity. That enormous investment is now having an unexpected impact — consumers are now actually paid to use power on occasion, as was the case over the weekend.

Power prices plunged below zero for much of Sunday and the early hours of Christmas Day on the EPEX Spot, a large European power trading exchange, the result of low demand, unseasonably warm weather and strong breezes that provided an abundance of wind power on the grid.

Such “negative prices” are not the norm in Germany, but they are far from rare, thanks to the country’s effort to encourage investment in greener forms of power generation. Prices for electricity in Germany have dipped below zero — meaning customers are being paid to consume power — [more than 100 times](#) this year alone, according to EPEX Spot.

On Sunday, factory owners and other major consumers were at times paid more than 50 euros, about \$60, per megawatt-hour, a wholesale measure, to take power.

Here is a rundown of these negative power prices, and the impact they have.

What causes negative prices?

Basically, when the supply of power outstrips demand for it.

Demand is particularly low on weekends and holidays, when factories are idle and offices empty. The energy supplies that Germany depends on, however, are less predictable than they used to be.

Wind power, in particular, is highly dependent on changes in weather patterns. Giant spinning turbines produce, on average, about 12 percent of Germany's power, but on windy days, they can generate several times that amount.

At the same time, other mainstays of the country's electricity supply, especially some coal and nuclear power plants, are unable to dial back quickly enough, leading to negative prices on electricity trading markets.

Where do they go negative?

Several countries in Europe have experienced negative power prices, including Belgium, Britain, France, the Netherlands and Switzerland.

But Germany's forays into negative pricing are the most frequent. At times, Germany is able to export its surplus electricity to its neighbors, helping to balance the market. Still, its experiences of negative prices are often longer, and deeper, than they are in other countries.

In one recent example, power prices spent 31 hours below zero during the last weekend of October. At one point, they dipped as low as minus €83, or minus \$98, per megawatt-hour, a wholesale measure.

In other words, anyone who was able to hook up for a large blast of electricity at that time was paid €83 per unit for the trouble.

Why is supply so uneven?

The major drawback of both wind and solar power is that they wax and wane with the breeze and sunshine, and not in response to when they are most needed.

Battery storage capacity, meanwhile, is not yet advanced enough to take in all of the excess generation. And because older power plants that run on fossil fuels take a long time to ramp up and reduce electricity generation, they are not able to respond decisively enough to the shifting supply.

Like most traditional power systems, Germany's was designed to match output to demand. However, "we now have technology that cannot produce according to the demand, but is producing according to the weather," said Tobias Kurth, the managing director of Energy Brainpool, a Berlin-based consulting firm.

That, he said, is "one of the key challenges in the whole transition of the energy market to renewable power."

What can be done?

Negative prices indicate that Germany's power grid, like most others around the world, has not yet adapted to the increasing amounts of renewable energy being produced.

"We have a lot of stress on the grid," said Ulrike Hörchens, a spokeswoman for Tennet, a large grid operator in Germany and the Netherlands.

For now, technological improvements that would help store additional power, and better distribute it across and between countries, are lagging.

But regulatory tweaks could make a difference. Germany, for example, does not do enough to encourage customers to increase their use at times of oversupply.

On a basic level, that could be as simple as providing incentives for people to turn on the washing machine when power is plentiful, and cheap. Companies could make even more use of such guidance, ramping up energy-hungry tasks at times of low-cost electricity.

Do German consumers benefit from 'negative prices'?

Not directly.

The wholesale costs of power make up only about a fifth of the average household electricity bill in Germany. The rest is a stew of taxes, fees to finance renewable-energy investments, and charges for use of the grid.

That means their bills are lower than they otherwise would be, because power prices are sometimes negative, though household energy bills have been rising over all anyway. Basically, utilities are not depositing money in customers' bank accounts.

Power producers are learning to adapt to this new world.

RWE, one of Germany's largest operators of power installations, employs a weather forecaster to help anticipate surges in wind power, and to match the spikes to when the company expects peak demand.

While negative prices create problems for the company, they also enhance the value of its more flexible installations, including large storage systems.


In one case, it takes advantage of negative prices by being paid to pump large volumes of water into a mountain lake in Austria. When prices are higher, the company releases the water, using turbines to generate electricity.

"We are able to ramp units down, and switch the pumps on," said Martin Keiner, RWE's head of commercial asset optimization. "You can earn a lot on flexibility."



Victor Valley Wastewater Reclamation Authority
A Joint Powers Authority and Public Agency of the State of California

20111 Shay Rd. Victorville, CA 92394
 Telephone: (760) 246-8638
 Fax: (760) 948-9897

DATE: December 31, 2017
TO: Logan Olds
 General Manager
FROM: Chieko Keagy 
 Controller
SUBJECT: Cash Disbursements Register

RECOMMENDED ACTION

It is recommended that the Board of Commissioners approve the cash disbursements and payroll register for the Victor Valley Wastewater Reclamation Authority.

BACKGROUND

The Cash Disbursements Register totals represented below are for the month of DECEMBER 2017, check numbers 121227- 121298 and ACH's.

<i>Accounts Payable</i>			
<i>Checks</i>	<i>ACH's and EFT's</i>	<i>Payroll</i>	<i>Total</i>
\$55,800.38	\$1,296,337.84	\$323,921.19	\$1,676,059.41

Victor Valley Reclamation Authority
Cash Disbursement Register
From 12/1/17 through 12/31/17

Check Number	Check Date	Effective Date	Fund Code	Vendor Name	Transaction Description	Check Amount
121312	12/7/2017	12/7/2017	01	2G Energy Inc.	MWM Engine Parts	\$ 298.04
121313	12/7/2017	12/7/2017	01	Daily Press	Info Systems and Lead Operator Positions	\$ 936.00
121314	12/7/2017	12/7/2017	01	Fedex Freight	Freight For PO 14862	\$ 1,394.50
121315	12/7/2017	12/7/2017	01	Flyers Energy, Llc	Gasoline	\$ 820.51
121316	12/7/2017	12/7/2017	01	Orkin	Pest Control	\$ 381.53
121317	12/7/2017	12/7/2017	01	Prudential Overall Supply	Uniform Service	\$ 421.15
121318	12/7/2017	12/7/2017	01	S.P.S. Engineering, Inc.	Grit Classifier Parts	\$ 1,562.32
121319	12/7/2017	12/7/2017	01	Transcat	Pressure Calibrator Rental	\$ 288.50
121320	12/7/2017	12/7/2017	01	Underground Service Alert Of Southern California	Dig Alert Charges	\$ 109.00
121321	12/14/2017	12/14/2017	01	American Organics	AO Biosolids	\$ 10,595.96
121322	12/14/2017	12/14/2017	01	Apple Valley Transfer & Storage Db	Document Shredding Service	\$ 45.00
121323	12/14/2017	12/14/2017	01	Edenbros, Llc	Multitec Repair and Calibration	\$ 393.62
121324	12/14/2017	12/14/2017	01	Everest Environmental, Inc.	SMARTS Training Development	\$ 1,500.00
121325	12/14/2017	12/14/2017	01	Hi-Desert Communications	Site Rent	\$ 100.00
121326	12/14/2017	12/14/2017	01	Konica Minolta Business Solutions	Konica Lease and Printer Charges	\$ 534.29
121327	12/14/2017	12/14/2017	01	Mailfinance	Mail Finance Lease	\$ 269.61
121328	12/14/2017	12/14/2017	01	Napa Victorville	JCB Alternator	\$ 589.43
121329	12/14/2017	12/14/2017	01	Prudential Overall Supply	Uniform Service	\$ 422.78
121330	12/14/2017	12/14/2017	01	Sparkletts Drinking Water	Bottled Water	\$ 533.27
121331	12/14/2017	12/14/2017	01	Swrcb	Recycled Water Review	\$ 167.00
121332	12/14/2017	12/14/2017	01	Town & Country Tire	Alton's Vehicle Tires	\$ 475.65
121332	12/14/2017	12/14/2017	01	Town & Country Tire	F150 New Tires	\$ 717.01
121332	12/14/2017	12/14/2017	01	Town & Country Tire	F450 Wildf Truck Tires	\$ 926.25
121332	12/14/2017	12/14/2017	01	Town & Country Tire	Gem Cart Tires	\$ 149.47
121333	12/14/2017	12/14/2017	01	Transcat	Calibrator Communicator for Gas Scrubber	\$ 1,522.00
121334	12/14/2017	12/14/2017	01	Victor Valley Chamber Of Commerce	VV Chamber of Commerce Membership Investment	\$ 520.00
121335	12/14/2017	12/14/2017	01	Abacus Int, Inc.	Waukesha Service	\$ 722.00
121336	12/19/2017	12/19/2017	01	Donna Anthony	Retiree Health Benefit Allowance	\$ 438.00
121337	12/19/2017	12/19/2017	01	Dan Sentman	Retiree Health Benefit Allowance	\$ 212.97
121338	12/21/2017	12/21/2017	01	2G Energy Inc.	MWM Engine Parts	\$ 3,433.92
121339	12/21/2017	12/21/2017	01	A-Action Automotive	F250 Repairs	\$ 425.60
121340	12/21/2017	12/21/2017	01	All American Fence Erectors	Fence Repair	\$ 1,550.00
121341	12/21/2017	12/21/2017	01	Liberty Utilities- Apple Valley Ranchos Water	AV Subregional Water Usage	\$ 217.26
121342	12/21/2017	12/21/2017	01	Liberty Utilities- Apple Valley Ranchos Water	Water Usage	\$ 43.69
121343	12/21/2017	12/21/2017	01	Battery Mart	264401 BATT000 Credit	\$ (90.00)
121343	12/21/2017	12/21/2017	01	Battery Mart	Sky Lift Batteries	\$ 520.17
121344	12/21/2017	12/21/2017	01	City Employees Associates	VVWRA Supervisor Association Dues	\$ 50.00
121345	12/21/2017	12/21/2017	01	Concorde Communications	Telephone and Answering Service	\$ 104.90
121346	12/21/2017	12/21/2017	01	Flyers Energy, Llc	Gasoline	\$ 835.30
121347	12/21/2017	12/21/2017	01	Golf Cars Of Riverside	Golf Cart Repairs	\$ 944.59
121348	12/21/2017	12/21/2017	01	Orkin	Pest Control	\$ 381.53
121349	12/21/2017	12/21/2017	01	Prudential Overall Supply	Uniform Service	\$ 421.15
121350	12/21/2017	12/21/2017	01	Scott Equipment, Inc	AP Invoices	\$ 4,227.03
121350	12/21/2017	12/21/2017	01	Scott Equipment, Inc	Brown Bear Skid Blade	\$ 7,515.56
121350	12/21/2017	12/21/2017	01	Scott Equipment, Inc	Brown Bear Skid Plate	\$ 1,249.93
121351	12/21/2017	12/21/2017	01	Thurlow'S Heating & A/C Inc.	Thurlow's Quarterly Maintenance	\$ 1,999.00
121352	12/21/2017	12/21/2017	01	United Rentals Northwest, Inc	Front End Loader Training	\$ 1,012.50
121353	12/21/2017	12/21/2017	01	Virtual Graffiti Inc.	Barracuda Backup Renewal	\$ 3,912.39
Total Checks						\$ 55,800.38
120717UPS	12/7/2017	12/7/2017	01	Ups	Express Shipping	159.21
121717FRON	12/7/2017	12/7/2017	01	Frontier	Acct #760-246-8178-122106-5	346.66
121917SWG	12/19/2017	12/19/2017	01	Southwest Gas Company	Hesperia Subregional- Appaloosa Natural Gas	27.07
121917UPS	12/19/2017	12/19/2017	01	Ups	Express Shipping	47.64
121917UPS	12/19/2017	12/19/2017	01	Ups	Express Shipping	246.22
12192017SWG	12/19/2017	12/19/2017	01	Southwest Gas Company	Hesperia Subregional- Fresno Natural Gas	25.00
12779437	12/7/2017	12/7/2017	01	Verizon Wireless	Wireless Telephone Charges	3,444.28
2005291	12/19/2017	12/19/2017	09	State Water Resources Control Board	UNR Finance Agreement	257,745.38
2009618	12/19/2017	12/19/2017	01	Swrcb	SWRCB Permit WD-0126734	57,637.00
2009657	12/19/2017	12/19/2017	01	Swrcb	SWRCB Permit WD-0128907	11,195.00
2009688	12/19/2017	12/19/2017	01	Swrcb	SWRCB Permit WD-01290101	18,823.00
2009746	12/19/2017	12/19/2017	01	Swrcb	AV Subregional- SWRCB Permiit WD-0129088	4,699.00
2009780	12/19/2017	12/19/2017	01	Swrcb	Hesp Subregional- SWRCB Permit WD-0129089	4,699.00
3374141-1	12/7/2017	12/7/2017	01	Adjusters International, Inc.	DHS/OIG Audit Report Aug 1, 2017- Aug 31, 2017	18,661.25
3374141-1	12/7/2017	12/7/2017	01	Adjusters International, Inc.	DHS/OIG Audit Report July 1, 2017- July 31, 2017	30,019.79
3374141-1	12/7/2017	12/7/2017	01	Adjusters International, Inc.	DHS/OIG Audit Report Oct 1, 2017- Oct 31, 2017	1,285.00
3374141-1	12/7/2017	12/7/2017	01	Adjusters International, Inc.	DHS/OIG Audit Report Sep 1, 2017- Sep 30, 2017	2,162.50
3374141-10	12/7/2017	12/7/2017	01	Hach Company	UVAS Sensor Agreement	1,770.80
3374141-11	12/7/2017	12/7/2017	07	Quinn Company	Emergency Generator	12,592.45
3374141-12	12/7/2017	12/7/2017	01	Siemens Industry Inc.	Level Transmitters	3,396.28
3374141-12	12/7/2017	12/7/2017	01	Siemens Industry Inc.	Level Transmitters for Subregional Hesperia & Pressure TX	1,631.34
3374141-13	12/7/2017	12/7/2017	01	U.S. Bank	Cal Card Charges October 2017	4,529.93
3374141-14	12/7/2017	12/7/2017	01	Walters Wholesale Electric	Hesperia Subregional/ Ote PS Biofilter Blower Timer	1,157.17
3374141-15	12/7/2017	12/7/2017	01	Waxie Sanitary Supply	Waxie Sanitary Supplies	508.05
3374141-2	12/7/2017	12/7/2017	01	A.D.S. Corp.	Flow Monitoring	8,333.28
3374141-3	12/7/2017	12/7/2017	01	American Express	American Express Charges November 2017	530.18
3374141-4	12/7/2017	12/7/2017	01	Applied Maintenance Supplies & Solution	Maintenance Consumables	504.69
3374141-4	12/7/2017	12/7/2017	01	Applied Maintenance Supplies & Solution	Maintenance Consumables	77.86

**Victor Valley Reclamation Authority
Cash Disbursement Register
From 12/1/17 through 12/31/17**

3374141-4	12/7/2017	12/7/2017	01	Applied Maintenance Supplies & Solution	Maintenance Consumables	589.49
3374141-5	12/7/2017	12/7/2017	01	Solenis Llc	Polymer Delivery	6,908.93
3374141-6	12/7/2017	12/7/2017	01	Brenntag Pacific, Inc	Ferric Delivery	3,981.69
3374141-7	12/7/2017	12/7/2017	01	D.K.F. Solutions Inc.	MSO Monthly	350.00
3374141-8	12/7/2017	12/7/2017	01	Graham Equipment	Pond 10 Weed Removal	8,477.00
3374141-8	12/7/2017	12/7/2017	01	Graham Equipment	Pond 3 Weed Removal	10,250.00
3374141-9	12/7/2017	12/7/2017	01	Grainger	Absorbent Pad	262.91
3374141-9	12/7/2017	12/7/2017	01	Grainger	Orange Hand Cleaner	467.64
3398197-1	12/14/2017	12/14/2017	01	Coromina, Robert	Expense Reimbursement	313.90
3398197-2	12/14/2017	12/14/2017	01	Keagy, Chieko	Education Reimbursement Fall 2017	2,817.76
3398197-3	12/14/2017	12/14/2017	01	Michael Koncur	Mileage Reimbursement	49.01
3398197-4	12/14/2017	12/14/2017	01	Xiwei Wang	Education Reimbursement Fall 2017	2,611.36
3398206-1	12/14/2017	12/14/2017	01	Applied Maintenance Supplies & Solution	Maintenance Consumables	45.86
3398206-10	12/14/2017	12/14/2017	01	Mcgrath Rentcorp	Admin Office Lease 6 Months	3,658.12
3398206-11	12/14/2017	12/14/2017	01	Questica Ltd.	PowerPlan Annual Maintenance 12/1/17-11/30/18	3,937.50
3398206-12	12/14/2017	12/14/2017	09	Michael Baker International	WWTP Stormwater Containment System	1,075.00
3398206-13	12/14/2017	12/14/2017	01	Siemens Industry Inc.	Filters Flow Meters Replacement	7,222.92
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	Ethics and Governance	654.51
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	Evaluation of Victorville Project	11,032.40
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	FEMA Audit	2,173.50
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	General Eminent Domain Matters	66.00
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	General Retainer	11,324.77
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	Labor Matters	3,188.50
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	Lahontan Regional Water Quality Control Board Projects	598.50
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	Rate and Charges Analysis	30.63
3398206-2	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	State Revolving Fund Loans	1,764.00
3398206-3	12/14/2017	12/14/2017	01	Best, Best & Krieger, L.L.P.	Biogas Project	1,165.50
3398206-3	12/14/2017	12/14/2017	01	Biogas Power Systems- Mojave, Llc	Managed Switches	64,119.27
3398206-4	12/14/2017	12/14/2017	01	Cdw Government, Inc	Audit Service	710.72
3398206-5	12/14/2017	12/14/2017	01	Fedak & Brown Lip	Mag Meter Replacement Filter 1 and 2	6,260.00
3398206-6	12/14/2017	12/14/2017	01	Davis Electric, Inc	Plant Electrical 3rd Party Assistance	1,942.00
3398206-6	12/14/2017	12/14/2017	01	Davis Electric, Inc	November Lab Analysis	1,990.00
3398206-7	12/14/2017	12/14/2017	01	E.S. Babcock & Sons, Inc.	UV Gen Work Platform	22,951.00
3398206-8	12/14/2017	12/14/2017	01	Grainger	Subregional Construction	443.98
3398206-9	12/14/2017	12/14/2017	09	W.M. Lyles	Retiree Health Benefit Allowance	421,658.89
3410201-1	12/20/2017	12/20/2017	01	Billings, Richard	Retiree Health Benefit Allowance	438.00
3410201-10	12/20/2017	12/20/2017	01	Randy Main	Retiree Health Benefit Allowance	438.00
3410201-11	12/20/2017	12/20/2017	01	Mark McGeec	Retiree Health Benefit Allowance	438.00
3410201-12	12/20/2017	12/20/2017	01	Lillie Montgomery	Retiree Health Benefit Allowance	438.00
3410201-13	12/20/2017	12/20/2017	01	L. Christina Nalian	Retiree Health Benefit Allowance	438.00
3410201-14	12/20/2017	12/20/2017	01	Nave, Patrick	Retiree Health Benefit Allowance	438.00
3410201-2	12/20/2017	12/20/2017	01	Roy Dagnino	Retiree Health Benefit Allowance	438.00
3410201-3	12/20/2017	12/20/2017	01	Tim Davis	Retiree Health Benefit Allowance	438.00
3410201-4	12/20/2017	12/20/2017	01	Terrie Gossard Flint	Retiree Health Benefit Allowance	438.00
3410201-5	12/20/2017	12/20/2017	01	Gillette, Randy	Retiree Health Benefit Allowance	249.30
3410201-6	12/20/2017	12/20/2017	01	Andrew Gyurcsik	Retiree Health Benefit Allowance	438.00
3410201-7	12/20/2017	12/20/2017	01	Thomas Hinojosa	Retiree Health Benefit Allowance	438.00
3410201-8	12/20/2017	12/20/2017	01	Patricia J Johnson	Retiree Health Benefit Allowance	438.00
3410201-9	12/20/2017	12/20/2017	01	Olin Keniston	Retiree Health Benefit Allowance	183.34
3427935-1	12/21/2017	12/21/2017	01	Biogas Engineering	Media Replacement	249.30
3427935-1	12/21/2017	12/21/2017	01	Biogas Engineering	Waukesha 4 & 5 Biogas Engineering	40,900.00
3427935-10	12/21/2017	12/21/2017	01	Vision Internet Providers	Monthly Web Hosting Fee	3,480.00
3427935-11	12/21/2017	12/21/2017	01	Victor Valley Wastewater Employees Assoc	Employee Association Dues	243.10
3427935-2	12/21/2017	12/21/2017	01	Culligan Water Conditioning	Culligan Service	575.00
3427935-3	12/21/2017	12/21/2017	01	Ehs International Inc.	EHS Distracted Driving	470.00
3427935-4	12/21/2017	12/21/2017	01	Grainger	Railing Parts	2,050.00
3427935-4	12/21/2017	12/21/2017	01	Grainger	Railing Parts	1,499.86
3427935-5	12/21/2017	12/21/2017	01	Hach Company	Septage pH and EC Probes	706.20
3427935-5	12/21/2017	12/21/2017	01	Larry Walker Associates	NPDES Permit Board Approved 8/17/17	829.65
3427935-6	12/21/2017	12/21/2017	01	Larry Walker Associates	NPDES Permit Board Approved 8/17/17	2,477.50
3427935-6	12/21/2017	12/21/2017	01	Larry Walker Associates	NPDES Permit Board Approved 8/17/17	393.75
3427935-7	12/21/2017	12/21/2017	09	Mwh Constructors	Subregionals CM Services	110,981.47
3427935-8	12/21/2017	12/21/2017	01	Protection One	Protection One Monitoring	543.08
3427935-9	12/21/2017	12/21/2017	01	Schafer Consulting	Finance Management Software	3,999.70
3427935-9	12/21/2017	12/21/2017	01	Schafer Consulting	Finance Management Software	1,478.15
3427936	12/21/2017	12/21/2017	01	David Wylie	David Wylie Travel Reimbursement	17.44
66243082	12/7/2017	12/7/2017	01	Frontier	Acct #760-246-7864-030481-5	77.86
778251	12/19/2017	12/19/2017	01	Konica Minolta Business Solutions	Big Printer Lease	318.33
778251	12/19/2017	12/19/2017	01	Konica Minolta Business Solutions	Individual Printer Lease	1,387.62
82380696863539	12/19/2017	12/19/2017	01	Southern California Edison	Electricity	49,739.68
83950026113539	12/19/2017	12/19/2017	01	Southern California Edison	Hesperia Subregional Electricity- Appaloosa	8,941.09
83950027693538	12/19/2017	12/19/2017	01	Southern California Edison	Hesperia Subregional Electricity - Fresno	678.24
91000018881822	12/7/2017	12/7/2017	01	Lincoln Financial Group	Life and Disability Insurance	2,767.15
91000018881822	12/7/2017	12/7/2017	01	Lincoln Financial Group	Life and Disability Insurance	96.66
CHAR121917	12/19/2017	12/19/2017	01	Charter Communications	Telephone Charges	4,838.08

Total ACHand EFT 1,296,337.84

APPROVED
01-08-18

Total Checks	55,800.38
Total ACH and EFT	1,296,337.84
Total Payroll - December 2017	323,921.19
Total	1,676,059.41

**MINUTES OF A REGULAR MEETING
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (VWRA)
December 21, 2017**

CALL TO ORDER: Chair Russ Blewett called the meeting to order at 8:03 am; in Conference Room D at Victorville City Hall, located at 14343 Civic Drive, Victorville California, with the following members present:

**CITY OF HESPERIA
ORO GRANDE (CSA 42) AND
SPRING VALLEY LAKE (CSA 64)
TOWN OF APPLE VALLEY
CITY OF VICTORVILLE**

**Russell Blewett, Chair
Jeff Rigney, Vice Chair**

**Scott Nassif, Secretary
Jim Kennedy, Treasurer**

VWRA Staff and Legal Counsel:

**Logan Olds, General Manager
Kristi Casteel, Secretary to GM/Board
Piero Dallarda, Legal Counsel (BB&K)
Alton Anderson, Construction Manager
Chieko Keagy, Controller
David Wylie, Safety & Communications Officer**

**Latif Laari, Business Applications Manager
Xiwei Wang, Senior Accountant
Robert Townsend, EC Inspector
Mauricio Marin, E&I Technician
Marcos Avila, Lead Mechanic
Keith Lueken, Lead Operator**

Others Present:

**Nils Bentsen, City of Hesperia
Art Bishop, Town of Apple Valley
Walter Linn, Rep for Congressman Cook
Keith Metzler, City of Victorville
Greg Snyder, Town of Apple Valley
Larry Byrd, Hesperia
Bill Phillipps, Alpha Omega**

**Doug Robertson, City of Victorville
Brian Gengler, City of Victorville
Chris Brown, Fedak & Brown
Lori Lamson, Town of Apple Valley
Blanca Gomez, City of Victorville
George Harris, City of Victorville**

CLOSED SESSION

PUBLIC COMMENTS- CLOSED SESSION AGENDA

Chair Blewett asked if there were any comments from the public regarding any item on the Closed Session Agenda. Hearing none, he called for a motion to enter into Closed Session.

Commissioner Nassif made a motion to enter into Closed Session, which was seconded by Commissioner Rigney and approved by roll call vote.

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

REGULAR SESSION

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Chair Blewett called the meeting to order at 8:38 am.

REPORT FROM CLOSED SESSION

Piero Dallarda stated that there was nothing to report from closed session. The item of the Tolling Agreement will be addressed in open session. In closed session there was a recommendation by the Board to approve the Tolling Agreement and to move forward with the mediation.

PUBLIC COMMENTS- REGULAR SESSION AGENDA

NONE

ANNOUNCEMENTS AND CORRESPONDENCE:

5. Possible conflict of interest issues

Commissioner Nassif abstained from any disbursements to Napa Auto Parts.

6. Article: Bioenergy Potential from Food Waste in California

CONSENT CALENDAR:

7. Approve November 2017 Disbursement Registers

Commissioner Nassif abstained from any disbursements to Napa Auto Parts.

VVWRA Regular Meeting Minutes**Thursday December 21, 2017****Page 3**

Commissioner Kennedy made a motion to approve item 7, seconded by Commissioner Rigney and approved by roll call vote with Commissioner Nassif abstaining from any disbursements to Napa Auto Parts.

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Abstained

Commissioner Kennedy: Yes

8. Approve Minutes from the November 16, 2017 Regular Meeting

9. Recommendation to Ratify Low Voltage Power Emergency Purchases

Commissioner Rigney asked we were expecting more ratifications after this one.

Manager Olds stated yes. The final phase of this project is to install and repair the breakers that were identified with GE. The plans is for them to come out in January and then the testing of the temp tap which is the temporary connection to have a trailer mounted generator tie into VVWRA's system. So there are two tasks left to complete and scheduled for January. Manager Olds believes there is another \$30-40,000.00 remaining for this project. Once the microgrid battery system comes on-line, it will have the ability to address these voltage issues.

10. Recommendation to Approve the Purchase and Installation of Ferric Chloride Tank

Commissioner Rigney asked this was something we had to do or something that was good to do with a short payback.

Manager Olds said it was both. Staff waited six months before bringing this item before the Board. It was budgeted for this fiscal year. The issue is the amount of staff time that it takes because of the small tanks and the transfer. It is being brought before the Board now, more for the operational and maintenance issues associated with utilizing the smaller tank that it creates. By installing the larger tank not only will we get the payback in a short period of time but it also reduces the burden on operation and maintenance staff to have to deal with all the transferring and everything that is required with the smaller tank. We are trying to free up some time for staff as well because, as you know, we have had some reductions in our work force and trying to make things easier is also an important goal.

11. Recommendation to approve Professional Service Contract for Groundwater Monitoring for the Regional and Subregional Facilities for Three Years

Commissioner Rigney asked if this item was on last month's agenda.

Manager Olds said yes but he asked to have it tabled for further movement on the issue.

12. Recommendation to Add Check and Remove Check Signers

Commissioner Nassif made a motion to approve the consent calendar items 8 – 12, seconded by Commissioner Kennedy and approved by roll call vote.

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

REPORTS & PRESENTATIONS:

13. Presentation: Low Voltage Power Presentation (O&M)

Marcos Avila and Mauricio Marin gave a presentation on the Low Voltage Power Issues

14. Presentation: Audit for Fiscal Year Ending 16-17 (Keagy)

Chris Brown gave a presentation on VWRA's Fiscal Year End Audit

ACTION & DISCUSSION ITEMS:

15. Resolution 2017-15 Receive and File Audit for Fiscal Year Ending 16-17

Commissioner Nassif made a motion to approve the Recommendation, seconded by Commissioner Rigney

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

16. Resolution 2017- 14 Receive and File CAFR

Commissioner Nassif made a motion to approve the Recommendation, seconded by Commissioner Kennedy

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

17. Recommendation to Proceed with Planning for Alpha Omega Septic Receiving Station in the City of Hesperia

Manager Olds stated that this is an item from Alpha Omega requesting permission to build a septage receiving facility within the city of Hesperia at their business that is currently located there. This has been discussed with staff and a background report has been prepared by Alpha Omega and what they would like to build within the City of Hesperia. The question before the Board now is whether you chose to support moving forward with this request or not. Should you choose to support moving forward with this request; it would then be directed to the City of Hesperia to their planning department for further comment. This request is not currently part of VVWRA's traditional business practices which is why the Board directed staff to review the request with Alpha Omega. Subsequent to the discussions, Alpha Omega prepared a report that has largely addressed VVWRA's concerns regarding this project and is placed in the agenda for your review. Staff's recommendation is to move forward with this concept.

Commissioner Blewett asked how this would affect VVWRA.

Manager Olds stated that this would benefit VVWRA in a couple of ways. Septage waste is extremely high in organic content and what Alpha Omega is proposing to do is to construct a facility that would remove the organic strength of the wastewater. It would then be landfilled. That organic waste would not be coming to VVWRA. The size of our septage receiving station is limited. We can only take as much as the equalization tank will hold. This would also allow VVWRA to better serve the remaining septage haulers of the Victor Valley so they can bring additional loads. Currently there is more demand then there is capacity.

Commissioner Nassif made a motion to approve the Recommendation, seconded by Commissioner Rigney

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

18. Recommendation to Issue an RFP for Engineering Assistance for the Recommissioning of Digesters 1 and 3 and Inspection of Digesters 4 & 5

Manager Olds stated that essentially we need to inspect the domes on digesters 4 and 5. The only way to do that is to drain them. We need to get digesters 1, 2, and 3 running again in order to provide us with the capacity to do what needs to be done. Staff has been meeting weekly to address how we do that. We have come up with a pretty good plan and based on our last discussion which occurred after the writing of this staff recommendation, Manager Olds asked to amend the recommendation based on discussion with staff to add digester 2 so it would be recommissioning of digesters 1, 2, and 3.

Commissioner Rigney asked what the inspection to date has found.

Manager Olds said that the first concern staff had with leaking was very small. It looked like the size of bb's that were coming out but the concern was about structural failure because staff is required to walk on top of these domes and because if you have a structural failure there is a possibility for an explosion. Too much methane is released and a spark could be catastrophic. Staff blocked off access and brought in an engineering firm to look at it. They took a look at the structural drawings and went out there and did testing. They found that based on the amount of structural steel that is there and a number of other factors that the issue is not that significant. However, we still do not know what is going on internally with those digesters. We approached this very aggressively to ensure the safety of our staff and brought the consultant in. Now we need to go through the process of draining these digesters. It is important to understand that traditionally when digesters start to show wear there are two indicators. Typically you start seeing changes to the operation of the digester or you start seeing excessive wear in your mixing equipment. None of those instances have occurred. That is why we find it very unusual to find leakage at the dome. This is all we know at this point until we drain the digesters.

Commissioner Kennedy made a motion to approve the Recommendation as amended, seconded by Commissioner Rigney

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

19. Recommendation to Request Authorization to Retain the Professional Services of Dr. Almgren to Perform an Analysis of the Financial Impact of Flow Diversion

Commissioner Kennedy made a motion to approve the Recommendation, seconded by Commissioner Nassif

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

20. Flow Diversion-Initiation of Litigation against City of Victorville—Tolling Agreement—Selection of Litigation Counsel

Piero Dallarda recommended that the Board enter into a tolling agreement that would allow us to postpone the time that VVWRA has to file a complaint against the City of Victorville. The mediation is proceeding and proceeding in a positive way so the hope is that this will give us enough time to complete the mediation. The tolling agreement will just give VVWRA more time to go ahead and proceed with the steps in mediation. We do have to file a complaint because the City of Victorville rejected the claim in February so it is important that we finish this tolling agreement immediately otherwise VVWRA would have to retain outside counsel to proceed with litigation. The draft that is before has been revised to incorporate a comment from the City of Hesperia's attorney.

Commissioner Rigney made a motion to approve the Recommendation, seconded by Commissioner Nassif

Chair Blewett: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

21. Potential Litigation-Claim against City of Hesperia

Piero Dallarda stated that the claim has been filed pursuant to the direction of the Board. We filed a claim with the City of Hesperia. The attached is the claim filed with the City of Hesperia for the Boards review. We have received a request from counsel of the City of Hesperia to enter into a tolling agreement. This does not have to be done right now because the claim has not yet been rejected so there is no statute running. The statute will start to run for VVWRA to file a complaint once the claim is rejected by Hesperia. At that time it would be recommended to enter into a tolling agreement with Hesperia. This item does not need any action. This is informational only.

STAFF/PROFESSIONAL SERVICES REPORTS:

22. Financial and Investment Report –November 2017

23. Operations & Maintenance Report – November 2017

24. Environmental Compliance Department Reports – November 2017

25. Septage Receiving Facility Reports – November 2017

26. Safety & Communications Report – November 2017

NEXT VVWRA BOARD MEETING:

Thursday, January 18, 2018 – Regular Meeting of the Board of Commissioners

FUTURE AGENDA ITEMS

Leave Policy

COMMISSIONER COMMENTS

ADJOURNMENT

APPROVAL:

DATE: _____
Approved by VVWRA Board

BY: _____
Scott Nassif, Secretary
VVWRA Board of Commissioners



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
Report/Recommendation to the Board of Commissioners

January 18, 2018

FROM: Chieko Keagy, Controller *CK*

TO: Logan Olds, General Manager

SUBJECT: Low Voltage Power and Failure of Standby Generators 1 and 2

RECOMMENDATION

Per Board direction in response to two low voltage power failure emergencies in May of 2017, which damaged standby generators 1 and 2, staff is bringing new expenses before the Board for ratification in the amount of \$25,184.90 that incurred during November and December of 2017.

REVIEW BY OTHERS

This recommendation was reviewed by Piero Dallarda, Legal Counsel.

BACKGROUND INFORMATION

Please review the attached invoices for the November and December expenses. The attachment also shows the expenses incurred to date, \$484,289.72. The repair work will continue to incorporate the emergency generator switch gear with the plant standby generator switch gear. Staff believes VVWRA will finalize the emergency repairs to the standby and emergency generator systems by the end of January of 2018.

FINANCIAL IMPACT

Finance Approval:

Fund 01 or 07	
Accounting Code (String) example: 01-xx-xxx-xxxx (project code if any)	01-02-545-6010 and 01-02-80-6000 From FY 2018 budget
Transfer Needed due to Insufficient Budget	Y [] N [X]
If Transfer, from Which Account String or Reserve	
Budgeted Amount Where Money Comes from	\$ 0.00
Budget Remaining after the Recommendation	
Outside Funding Source if applicable	\$
Original Contract Amount	\$ 0.00

Fund 09	
Accounting Code (String) example: 09-xx-xxx-xxxx (mandatory project code)	
Transfer Needed due to Insufficient Budget	Y [] N []
If Transfer, from Which Account String or Reserve	
Budgeted Amount Where Money Comes from	
Budget Remaining after the Recommendation	
Outside Funding Source	\$
Original Contract Amount	\$

Change Order	Y[] N[]
Contract after Change	\$484,289.72

Change Order	Y[] N[]
Contract after Change	\$

RELATED IMPACTS

The staff will report progress toward resolving the damages caused by the low voltage power to equipment and ensure that backup power is available in the future if both standby generators are damaged.

**E005 Emergency Expenses
As of 12/31/2017**

Previous Expenses			
Document Number	Document Date	Document Description	Posted Amount ID
05222017	5/22/17	Cal Card Charges May 2017	\$ 113.46 USBA000
JE054217	6/1/17	Reclass BIGB000 587	\$ 720.00
05222017	5/22/17	Cal Card Charges May 2017	\$ 246.72 USBA000
17-0042	5/18/17	Emergency Labor for Backwash pumps/Gen hookup	\$ 617.52 DAVI003
17-0043	5/18/17	Emergency Labor for Backwash pumps/Gen hookup	\$ 1,075.33 DAVI003
05222017	5/22/17	Cal Card Charges May 2017	\$ 162.69 USBA000
M00963	5/18/17	Troubleshoot Generator not Producing Volage	\$ 7,776.55 VALL002
108799	5/25/17	Emergency Service Call	\$ 5,655.69 TRIM000
JE053417	5/31/17	Reclass PACI004 I413398 and I413400	\$ 1,981.96
58225	5/24/17	Lucky Chaney	\$ 1,129.44 MORR000
589	5/30/17	Emergency Labor	\$ 720.00 BIGB000
3005139-0001	6/2/17	Generator 1000KW	\$ 4,457.60 JOHN009
JE070217	7/12/17	Reclass JOHN009 3005139-0001	\$ 14,181.25
JE063417	6/28/17	Reclass VALL002 B38543	\$ 48,378.54
6441-538695	6/13/17	VFD Board for Sludge Lagoon Transfer Pump	\$ 3,384.60 ROYA000
B38493	5/4/17	Troubleshoot Generator Failure	\$ 2,163.44 VALL002
JE061817	6/22/17	Reclass ROYA000 6441-538695	\$ 257.91
CI0011822	6/22/17	Emergency Parts	\$ 1,902.03 DRAK000
JE061917	6/22/17	Reclass PACI004 I413399	\$ 6,660.03
S-7483	6/28/17	Unstable Unit	\$ 2,515.15 ABAC000
0039942-IN	7/11/17	Generator Docking Station	\$ 17,538.07 ESLP000
3005139-0002	6/30/17	Emergency Generator	\$ 11,181.25 JOHN009
501302763	6/30/17	Emergency Service Commission	\$ 20,950.00 GEIN001
JE064817	6/30/17	Reclass VALL002 B38493	\$ 10,367.50
501330500	7/25/17	Main Switchboard Modifications	\$ 75,490.90 GEIN002
205767	8/30/17	Emergency Service Used Gen BKR & Troubleshooting	\$ 28,739.08 GEIN002
695	8/10/17	Otoe Pump Station Door Switch Failure	\$ 760.00 BIGB000
B38953	8/23/17	Emergency Gen Service	\$ 2,850.00 VALL002
E7002401	7/27/17	Generator Rental	\$ 12,592.45 QUIN002
E7002402	8/24/17	Emergency Generator Rental	\$ 12,592.45 QUIN002
M01173	7/29/17	Generator 1 Testing	\$ 11,320.25 VALL002
E7002403	9/21/17	E005 Emergency Generator Rental	\$ 12,592.45 QUIN002
e7002404	10/19/17	Emergency Generator Rental	\$ 12,592.45 QUIN002
501445789	10/30/17	PSG Startup Field Service	\$ 16,351.06 GEIN001
17-0175	8/22/17	E005 Generator Termination Cabinet	\$ 109,087.00 DAVI003
			\$ 459,104.82

New E005 Expenses			
Document Number	Document Date	Document Description	Posted Amount ID
E7002405	11/16/2017	E005 Emergency Generator Rental	\$ 12,592.45 QUIN002
E7002406	12/14/2017	E005 Emergency Generator Rental	\$ 12,592.45 QUIN002
			\$ 25,184.90

Total E005 Expenses to Date \$ 484,289.72



10006 Rose Hills Road
City of Industry, CA 90601
(562) 463-4000
www.quinncompany.com

PLEASE MAKE REMITTANCE TO: QUINN COMPANY P O Box 849665, Los Angeles, CA 90084-9665	
Invoice No.	E7002405
Invoice Date	11/16/2017
Payment Due Date	12/16/2017
Amount Due	\$12,592.45
Payment Terms	Net 30 Days
Credit Memo Amount	
Customer Account No	712270L
Contract No	E70024
Customer PO Number	14729

SALES/RENTAL INVOICE

Make : CATERPILLAR INC.
 Model : 1000KW
 Serial No : 0SXC00893
 Equipment No :
 Machine ID No : PR2453 Meter Reading : 8344.0

BILL TO : VICTOR VALLEY WASTEWATER REC
 * 20111 SHAY RD
 VICTORVILLE, CA 92394

VWWR
 NOV 28 2017

SHIP TO : WASTE WATER TREATMENT PLANT
 VICTORVILLE, CA

Please use Remittance Advice on last page of this invoice.

Customer Contact: LOGAN OLDS

Quinn Sales Representative: JASON WONDOLLECK

Quinn Store Location: RIVERSIDE, 856 E. LA CADENA DR. RIVERSIDE, CA 92507 Ph. 951-883-5860

INVOICE DETAIL Contract Number: E70024 Contract Date: 07/02/2017 Invoice Date: 11/16/2017

QTY	DESCRIPTION	DAY	WEEK	4WEEK	PRICE
	ALL RENTAL ITEMS ARE TAXABLE LINE ITEMS WITH (T) ARE TAXABLE				
1.	ID NO: PR2453 SERIAL NO: 0SXC00893 1000KW GENERATOR - 1000KW HRS OUT: 8344.0	\$1,120	\$3,360	\$10,080	10,080.00
32	ID NO: CABLE 50' SERIAL NO: CABLE 50' CABLE 4/0 50' -	\$0	\$0	\$0	
QUINN POWER SYSTEMS APPRECIATES YOUR BUSINESS					

Rental Subtotal: 10,080.00

Miscellaneous Items

1	ENV REC FEE 2(T)				201.60
1	FIRE, THEFT & VANDALISM				1,411.20
	STATE 7.25% COUNTY 0.5% CITY 1% TOTAL TAX: 8.75%				899.65

Invoice Total: 12,592.45

Go Paperless. To receive your invoices and statements electronically, please visit our website at quinncompany.com.

CARB REGULATIONS Any on-road heavy-duty diesel, alternative diesel, or off-road diesel vehicle, operated in California, may be subject to the California Air Resources Board In-Use On-Road (Truck and Bus) or In-Use Off-Road Diesel Vehicle Regulations. It therefore could be subject to exhaust retrofit or accelerated turnover requirements to reduce emissions of air pollutants. For more information, please visit the California Air Resources Board websites at <http://www.arb.ca.gov/dieseltruck> for the Truck and Bus Regulation or <http://www.arb.ca.gov/msprog/ordiesel/ordiesel.htm> for the Off-Road Regulation. Portable engines operated in California may require State or local air district permitting. Customer is responsible for any required air quality permits necessary to operate this equipment.


TITLE It is understood and agreed that title to and right of possession of any rental item(s) above shall remain vested in the seller until any indebtedness and all sums due or to become due from the customer, whether evidenced by note, book account, judgment or otherwise, shall have been fully paid, at which time ownership shall pass to the customer.

A FINANCE CHARGE OF 1.5% PER MONTH (18% PER ANNUM) will be charged on the past due balance. The past due balance represents all charges remaining unpaid on the closing date of the month following the invoice date. In the event of default in the payment of any amount due, and if the account is placed in the hands of any agency or attorney for collection or legal action, the purchaser agrees to pay finance charges equal to the cost of collection (as permitted by laws governing these transactions). When necessary, Quinn will invoke its repairman's lien pursuant to Sections 3051 and 3051a of the California Civil Code. Acceptance by the customer of the parts, service or equipment listed above is the customer's agreement to be bound by the credit and collection terms set forth above.

Bakersfield • City of Industry • Corcoran • Firebaugh • Foothill Ranch • Fresno • Lancaster
 Oxnard • Paso Robles • Pomona • Salinas • Santa Maria • Sylmar • Tulare • Yuma, AZ



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
Report/Recommendation to the Board of Commissioners
 18 January 2018

FROM: Logan Olds, General Manager 

TO: Board of Commissioners

SUBJECT: Resolution 2018-01; Adopting a Mitigated Negative Declaration and Approving the American Organics Project

RECOMMENDATION

It is recommended that the Board of Commissioners adopt Resolution 2018-01, A Resolution of the Victor Valley Wastewater Reclamation Authority (VWRA), Adopting a Mitigated Negative Declaration (MND) and a Mitigation Monitoring and Reporting Program (MMRP) for the American Organics Victor Valley Regional Composting Facility Modification Project and Approving the Project.

REVIEW BY OTHERS

This recommendation was reviewed by Piero Dallarda, Legal Counsel and Charity Schiller, CEQA Attorney, Best, Best & Krieger.

BACKGROUND INFORMATION

American Organics (AO) wishes to upgrade the infrastructure on land it has leased from VWRA. If approved, this will include new equipment and composting processes as described in the attached documentation. VWRA is the lead CEQA Agency for this project and must therefore adopt the MND and MMRP if the Board agrees with the environmental documentation prepared by Tom Dodson and Associates and wishes to approve the Project.

FINANCIAL IMPACT

None

RELATED IMPACTS

AO will be able to proceed with the planned improvements.

RESOLUTION NO. 2018- 01

**A RESOLUTION OF THE VICTOR VALLEY
WASTEWATER RECLAMATION AUTHORITY,
ADOPTING A MITIGATED NEGATIVE DECLARATION
AND A MITIGATION MONITORING AND REPORTING
PROGRAM FOR THE AMERICAN ORGANICS VICTOR
VALLEY REGIONAL COMPOSTING FACILITY
MODIFICATION PROJECT AND APPROVING THE
PROJECT**

WHEREAS, the Victor Valley Wastewater Reclamation Authority (VWVRA) is a Joint Powers Authority and Public Agency in the State of California, responsible for the regional collection, treatment, and disposal of wastewater in Victor Valley; and

WHEREAS, the VWVRA contracts with American Organics (AO) to operate and manage the Victor Valley Regional Compost Facility (Facility) located at the northern terminus of Shay Road in the City of Victorville, San Bernardino County, California; and

WHEREAS, VWVRA proposes to modify the Facility operated by AO on VWVRA owned land (Project) to allow AO to upgrade their operations with new technology through installing a new storm water basin, concrete lined composting area, and processing building, though the volume of the materials that AO process will remain unchanged; and

WHEREAS, AO also plans to compact a large portion of the site upon which it currently operates, to the east of Shay Road, through compacted soil barrier construction, encompassing approximately 16.2 acres or 707,000 SF of the existing 35 acres leased from VWVRA for operation of the Facility and construct a 30,000 square foot Receiving and Classification Process Building on the southern portion of the site; and

WHEREAS, processing the inbound feedstock will create the following list of products, which will be sold to customers or used onsite during development of the Facility or as needed during daily operations: compost, mulch, wood products, miscellaneous road base, non-structural fill, and compost mid-fraction alternative daily cover; and

WHEREAS, pursuant to section 21067 of the Public Resources Code, Section 15367 of the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), and the VWVRA's local CEQA Guidelines, the VWVRA is the lead agency for the proposed Project; and

WHEREAS, VWVRA staff reviewed the Project and prepared an Initial Study pursuant to State CEQA Guidelines section 15063; and

WHEREAS, on the basis of the Initial Study, which concluded that the Project would have potentially significant impacts but that those impacts could be reduced to less than significant levels with implementation of the proposed mitigation measures, the VWVRA determined that a Mitigated Negative Declaration ("MND") should be prepared for the Project, and an MND was prepared pursuant to Public Resources Code sections 21064.5 and 21080, subdivision (c), and the State CEQA Guidelines section 15070 et seq.; and

WHEREAS, the VVWRA distributed a Notice to Intent to Adopt a Mitigated Negative Declaration pursuant to State CEQA Guidelines section 15072; and

WHEREAS, the VVWRA provided copies of the draft MND and Initial Study to the public and the State Clearinghouse for a thirty-day review and comment period beginning on October 20, 2017 and ending on November 20, 2017 pursuant to Public Resources Code section 21091(b), and eight (8) comment letters were received by the VVWRA; and

WHEREAS, pursuant to Public Resources Code section 21081.6 and State CEQA Guidelines section 15074(d), the VVWRA has prepared a program for reporting on or monitoring the changes which it has either required in the project or made a condition of approval to mitigate or avoid significant environmental effects (the “Mitigation Monitoring and Reporting Program” or “MMRP”); and

WHEREAS, as contained herein, the VVWRA has endeavored in good faith to set forth the basis for its decision on the proposed Project; and

WHEREAS, the VVWRA has endeavored to take all steps and impose all conditions necessary to ensure that impacts to the environment would not be significant; and

WHEREAS, all of the findings and conclusions made by the VVWRA pursuant to this Resolution are based upon the oral and written evidence before it as a whole; and

WHEREAS, the Board of Commissioners has reviewed the MND, Initial Study, and all other relevant information contained in the record regarding the Project; and

WHEREAS, on January 18, 2018 , at its regularly-scheduled meeting, the public was afforded an opportunity to comment on the Project and the MND and the Initial Study, and the Board of Commissioners discussed and considered the Project and the MND and the Initial Study; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW THEREFORE, THE VVWRA BOARD OF COMMISSIONERS DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The VVWRA Board of Commissioners hereby finds that the foregoing recitals are true and correct and are incorporated herein as substantive findings of this Resolution.

SECTION 2. Compliance with the California Environmental Quality Act. As the decision-making body for the Project, the VVWRA Board of Commissioners has reviewed and considered the information contained in the MND, Initial Study, and administrative record on file with the VVWRA and available for review at 20111 Shay Road, Victorville, California. The VVWRA Board of Commissioners finds that the MND and Initial Study have been completed in compliance with the California Environmental Quality Act (Pub. Res. Code § 21000 et seq.: “CEQA”) and the State CEQA Guidelines.

SECTION 3. Findings on Environmental Impacts. In the VVWRA's role as the lead agency under CEQA, the Board of Commissioners finds that the MND and Initial Study contain a complete and accurate reporting of the environmental impacts associated with the Project. The Board of Commissioners further finds that the documents have been completed in compliance with CEQA, the State CEQA Guidelines, and VVWRA's local CEQA Guidelines. The Board of Commissioners further finds that all environmental impacts of the Project are either insignificant or can be mitigated to a less than significant level pursuant to the mitigation measures outlined in the MND, Initial Study, and the Mitigation Monitoring and Reporting Program. The Board of Commissioners further finds that there is no substantial evidence in the record supporting a fair argument that the Project may result in significant environmental impacts, and that any comments received regarding the Project have been examined and determined not to modify the conclusions of the MND or the Board of Commissioners. Furthermore, the Board of Commissioners finds that the MND has not been substantially revised after public notice of its availability and recirculation is not required. (State CEQA Guidelines, § 15073.5.) The Board of Commissioners finds that the MND contains a complete, objective, and accurate reporting of the environmental impacts associated with the Project and reflects the independent judgment of the Board of Commissioners.

SECTION 4. Adoption of the Mitigated Negative Declaration. The VVWRA Board of Commissioners hereby approves and adopts the MND prepared for the Project.

SECTION 5. Adoption of the Mitigation Monitoring and Reporting Program. The VVWRA Board of Commissioners hereby approves and adopts the Mitigation Monitoring and Reporting Program prepared for the Project, attached hereto as Exhibit "A".

SECTION 6. Approval. The Board of Commissioners hereby approves and adopts the Project.

SECTION 7. Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings are based are located at VVWRA's office at 20111 Shay Road, Victorville, CA 92394. Kristi Casteel, the Secretary to the General Manager/Board, is the custodian of the record of proceedings.

SECTION 8. Notice of Determination. Staff is directed to file a Notice of Determination with the County of San Bernardino and the State Clearinghouse within five (5) working days of approval of the Project.

SECTION 9. Execution of Resolution. The Chair of the VVWRA Board of Commissioners shall sign this Resolution and the Secretary to the Board shall attest and certify to the passage and adoption thereof.

PASSED, APPROVED, AND ADOPTED this 18th day of January 2018.

Russ Blewett, Chair
VVWRA Board of Commissioners

ATTEST:

Scott Nassif, Secretary
VWRA Board of Commissioners

APPROVED AS TO FORM:

Piero Dallarda, a Partner of
Best Best & Krieger LLP
General Counsel, VWRA

EXHIBIT "A"
MITIGATION MONITORING & REPORTING PROGRAM

FINAL INITIAL STUDY

FOR THE

**AMERICAN ORGANICS VICTOR VALLEY
REGIONAL COMPOSTING FACILITY
MODIFICATION PROJECT**

Prepared for:

Victor Valley Wastewater Reclamation Authority
20111 Shay Road
Victorville, California 92394
(760) 246-8638

Prepared by:

Tom Dodson & Associates
2150 North Arrowhead Avenue
San Bernardino, California 92405
(909) 882-3612

January 2018

Table of Contents

Conformed copy of Notice of Determination

Comment Letters and Responses to Comments

Mitigation Monitoring and Reporting Program

Draft Initial Study (redlined/strikeout version), October 2017



**CONFORMED COPY OF
NOTICE OF DETERMINATION**

**COMMENT LETTERS AND
RESPONSES TO COMMENTS**

TOM DODSON & ASSOCIATES
 2150 N. ARROWHEAD AVENUE
 SAN BERNARDINO, CA 92405
 TEL (909) 882-3612 • FAX (909) 882-7015
 E-MAIL tda@tdaenv.com



MEMORANDUM

From: Tom Dodson

To: Mr. Logan Olds

Date: January 9, 2018

Subj: **Completion of the Mitigated Negative Declaration for the American Organics Victor Valley Regional Composting Facility Modification Project (SCH#201710047)**

The Victor Valley Wastewater Reclamation Authority (VWVRA or Authority) prepared and distributed an Initial Study (IS) and Mitigated Negative Declaration (MND) for the American Organics Victor Valley Regional Composting Facility Modification Project and made it available for public review in accordance with the California Environmental Quality Act (CEQA). The Initial Study was distributed to local and regional organizations and was also available for public review at the Authority office. The State Clearinghouse was included on the distribution list for review of the Initial Study and MND as one or more state agencies may have authority over implementing the proposed project.

The Authority received eight written comment letters on the proposed MND for the Composting Facility Modification Project by the close of the comment period on November 20, 2017. CEQA requires a Negative Declaration to consist of the Initial Study, copies of the comments, any responses to comments as compiled on the following pages, and any other project related material prepared to address issues evaluated in the Initial Study.

For this project, the original Initial Study will be utilized as one component of the Final IS/MND package. The attached responses to comments, combined with the IS and the Mitigation Monitoring and Reporting Program (MMRP), constitute the Final Negative Declaration package that will be used by the Authority to consider the environmental effects of implementing the proposed project. The following agencies submitted comments. The comments are addressed in the attached Responses to Comments:

1. Office of Planning and Research, State Clearinghouse and Planning Unit
2. California Native American Heritage Commission
3. Mojave Desert Air Quality Management District
4. California Department of Toxic Substances Control
5. San Manuel Band of Mission Indians
6. San Bernardino County Department of Public Works
7. Lahontan Regional Water Quality Control Board
8. California Department of Resources Recycling and Recovery (CalRecycle)

Because mitigation measures are required for this project to reduce potentially significant impacts to a less than significant level, the MMRP attached to this package is required to be adopted as part of this Final IS/MND package. The MMRP has been incorporated by reference to this package for approval and implementation. Tom Dodson will attend the public meeting on this project to address any questions that the VWVRA Board members or other parties may have regarding the adoption of the Mitigated Negative Declaration for the proposed project.

Do not hesitate to give me a call if you have any questions regarding the contents of this package.


A handwritten signature in black ink, appearing to read "Tom Dodson". The signature is written in a cursive, slightly slanted style.

Tom Dodson

Attachments



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
Report/Recommendation to the Board of Commissioners
 18 January 2018

FROM: Logan Olds, General Manager 

TO: Board of Commissioners

SUBJECT: Disposal of Dirt Mixed with Biosolids

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the General Manager to enter in to a professional service agreement with American Organics in an amount not to exceed \$85,000.00 for the disposal by land application of biosolids mixed with dirt.

REVIEW BY OTHERS

This recommendation was reviewed by Piero Dallarda, Legal Counsel, Chieko Keagy, Controller and Eugene Davis Manager of Operations and Maintenance.

BACKGROUND INFORMATION

Several years ago VVWRA's biosolids drying beds were severely damaged from a summer monsoon. The storm washed thousands of tons of sand and dirt through and beyond the concrete V-ditches and in to the biosolids drying beds. Staff estimates that the dirt mixed with biosolids amounts to between 4000 and 6000 tons of material.

Typically American Organics would dispose of the biosolids generated by VVWRA. The difficulty is that the dirt is inorganic and is not desired by farmers to fertilize their fields. Staff reached out to Nursery Products and learned that their estimate to dispose of the material exceeded \$300,000.00. Staff has also tried finding local farmers and cement kilns willing to take the material with limited success due to the volume and inorganic fraction.

VVWRA cannot store the material any longer without pursuing a permit to do so. If the choice is made to continue to store the material the Authority will need to coordinate with EPA Region 9 and the California Department of Toxic Substances Control (DTSC) to begin the permitting process to list VVWRA as a Hazardous Materials Storage Site. This will significantly impact the Authority's ability to manage its property as well as increase annual expenses for laboratory, regulatory costs and staff time. VVWRA would still have to dispose of the material.

American Organics has located a farmer that is willing to take the material to build up their soil structure however the cost to VVWRA will be approximately \$85,000.00. It is believed that this cost is less than what it would cost to permit VVWRA as a Hazardous Materials Storage Site and still have the additional burden of disposing of the dirt/biosolids mixture. Therefore staff urges the Board to enter in to a professional service agreement with American Organics to dispose of the material as quickly as possible.

Following the storm event VVWRA built a detention basin and lined it with boulders in the area that was most damaged by the monsoon. Since the initial incident three additional storms, although less severe, have occurred and the basin has worked well.

FINANCIAL IMPACT

This is an unbudgeted operation expense of \$85,000.00 to 01-02-535-7235

Finance Approval:

Fund 01 or 07	
Accounting Code (String) example: 01-xx-xxx-xxxx (project code if any)	01-02-535-7235
Transfer Needed due to Insufficient Budget	Y[] N[]
If Transfer, from Which Account String or Reserve	
Budgeted Amount Where Money Comes from	
Budget Remaining after the Recommendation	
Outside Funding Source if applicable	\$
Original Contract Amount	\$
Change Order	Y[] N[]
Contract after Change	\$

Fund 09	
Accounting Code (String) example: 09-xx-xxx-xxxx (<u>mandatory</u> project code)	
Transfer Needed due to Insufficient Budget	Y[] N[]
If Transfer, from Which Account String or Reserve	
Budgeted Amount Where Money Comes from	
Budget Remaining after the Recommendation	
Outside Funding Source	\$
Original Contract Amount	\$
Change Order	Y[] N[]
Contract after Change	\$

RELATED IMPACTS



2151 E. Convention Center Way
Suite 211
Ontario, CA 91764
Office: (626) 723-3744

January 5, 2018

Mr. Logan Olds
VV Wastewater Reclamation Authority
Logan Olds
20111 Shay Road
Victorville, CA 92394

RE: Removal of Bio-solids mixed with native soil

Dear Logan:

Per prior discussion, Athens DBA as American Organics has agreed to partner with VVWRA on the removal of the bio-solids that have been mixed with native soil. The original estimate on volume was 2,500 tons and it was assumed the cost would be \$50,000 for disposal (\$20/ton) which Athens agreed to pay 50% of such costs for a maximum of \$25,000.

We mutually assumed some costs in 2017 which were \$10,587. Therefore, we have budgeted an expense of \$15,000 towards the removal in 2018 to complete our \$25,000 partnership commitment.

That being said it has now been estimated by the VVWRA team that the total tons were 6,000 tons and with the 1,066 tons removed in 2017 would leave a total of 5,000 tons to be disposed of in 2018. VVWRA's estimated cost is therefore \$85,000 after Athens' \$15,000 contribution.

We do have a site prepared to properly receive this material and the matter is somewhat urgent in that the customer would like to start receiving material 1/22/18 or 1/29/18. It is estimated that it will be a 4-8 week period for completion of this order.

Athens will pay the customer \$20.00/ton for their expenses and services and will bill VVWRA weekly. Immediate payment will be required in order to keep cash flow to the contractors which require payment Net 10 days from Athens.

Please inform me at your convenience if this plan meets with your approval.


Sincerely,

Robert Phillips
Director Organics, American Organics

cc: Anthony Bertrand, Athens Area Vice President



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
Report/Recommendation to the Board of Commissioners
January 18, 2018

FROM: Latif Laari, Business Applications Manager 
TO: Logan Olds, General Manager
SUBJECT: Recommendation to Award a contract for SCADA Upgrade to Ignition Software to Trimax Systems

RECOMMENDATION

It is recommended that the Board of Commissioners approve a Contract for SCADA Upgrade to Ignition Software to Trimax Systems, Inc. in the amount of \$263,372.51 (\$125,000.00 is budgeted for fiscal year 17-18 and \$138,372.51 will occur in fiscal year 18-19).

REVIEW BY OTHERS

This recommendation has been prepared by Latif Laari, Business Applications Manager, reviewed by Robert Coromina, Director of Administration and Eugene Davis, Operations and Maintenance Manager and Chieko Keagy, Controller.

BACKGROUND INFORMATION

Supervisory Control and Data Acquisition, (SCADA), software is the backbone of treatment plant operations. It is utilized by operations staff for controlling the equipment in the field on a daily basis. It allows for the automation of control processes and the accumulation of data which is highly utilized for processes control analytics.

Currently VWVRA utilizes Wonderware Software SCADA (Supervisory control and data acquisition) to accomplish the following:

- Control plant processes locally or at remote locations (pump stations)
- Monitor, gather, and process real-time data
- Directly interact with devices such as sensors, valves, pumps, motors, and more through human-machine interface (HMI) software
- Record events into a log file and create trends.

Most SCADA packages like Wonderware require licenses for servers and spares, cost increase with the number of tags, recently with the addition of the two new Sub Regional Water Reclamation plant, VWVRA needs for tags went from 5000 to 25,000 and the cost for both hardware, software and annual maintenance grew proportionally.

Staff recognized the need to find a more sustainable SCADA solution that can meet modern technology and integration standards and that was more affordable.

Staff researched many new SCADA software solutions and finally chose Ignition Software by [Inductive Automation](#) because it offers the following features:

- **Web-Based Deployment:** Cross-platform software that will let us quickly launch our SCADA system to any computer or device equipped with a web browser.

- **Rapid Development:** Powerful and intuitive rapid development tools will allow us to spend less time developing and more time implementing.
- **Unlimited Licensing:** Everything we will need for one affordable price. We will use our existing server hardware and use an unlimited number of clients, connections, tags and possibilities.
- **Security and Stability:** we will create a secure, reliable control system using modern security protocols and a unified architecture with built-in redundancy.
- **Easy Expandability:** A flexible modular architecture built upon modern IT standards designed to perfectly fit VVWRA's needs.

The contract will allow Trimax Systems an Ignition Software Gold system integrator to convert our existing Wonderware SCADA software to a fully functional SCADA system based on Ignition Software platform from Inductive Automation.

The project was advertised on August 2, 2017 and bids were received and opened on November 13, 2017. Bids have been reviewed by staff, with their recommendation attached. The bid tabulation sheet is also attached for reference.

For the apparent low Bidder, the references provided in the bid documents were contacted. All other bid requirements were evaluated and found to be complete.

The bids received are as follows:

Company	Bid Amount
Trimax Systems Inc	\$263,372.51
Vertech	\$410,890.00
Industrial Automation Group	\$715,334.00
South Coast Automation Systems	\$837,143.00
Tesco Controls, INC.	\$1,080,543.00

In all aspects of our review Staff has identified that Trimax Systems, Inc. is a contractor with an excellent reputation and the ability to perform the work of this contract. We recommend to the Board that this contract be awarded to Trimax Systems for SCADA Upgrade to Ignition Software.

FINANCIAL IMPACT

Fund 01 or 07			Fund 09		
Accounting Code (String) example: 01-xx-xxx-xxxx (project code if any)	01-02-530-8120-9999		Accounting Code (String) example: 09-xx-xxx-xxxx (mandatory project code)		
Transfer from Reserve	Y []	N [X]	Transfer from Reserve	Y []	N []
If Transfer, from Which Reserve			If Transfer, from Which Reserve		
Outside Funding Source if applicable			Outside Funding Source		
Change Order	Y []	N [x]	Change Order	Y []	N []
Original Budget Amount	\$125,000.00 (FY 17-18) \$138,372.51 (FY 18-19)		Original Budget Amount	\$	
Revised Original Contract Amount	\$ 263.372.51		Original Contract Amount	\$	
Budget Remaining after the Recommendation	\$0		Budget Remaining after the Recommendation	\$	
Contract after Change	\$		Contract after Change	\$	

RELATED IMPACT

The new SCADA Ignition Software by Inductive Automation will help VVWRA achieve the following:

- a) Utilizes open, non-proprietary architecture that is scalable and expandable without loss of initial investment.
- b) Achieves high performance standards for SCADA functionality for displaying, monitoring, trending, controlling, reporting and alarming of specified parameters.
- c) Addresses current and future essential operational and regulatory functions with a predictable cost.

Victor Valley Wastewater Reclamation Authority



Financial and Cash Report

December 2017

Victor Valley Wastewater Reclamation Authority
CASH AND RESERVE SUMMARY
 January 8, 2018

G/L Account	Description	Balance
1000	DCB Checking Account	\$ 1,113,000
1030	DCB Sweep Account	1,092,675
1075	Cal TRUST	3,082,824
1070	LAIF	1,530,392
	Total Cash	\$ 6,818,891

Reserves:	Current Balance	Restricted	Assigned	Not Assigned
Targeted Capital Reserve	\$ -	\$ -	\$ -	\$ -
O&M Reserve: 10% of Prior Year Budgeted Operating Expenses	-	-	1,081,523	-
R&R Reserve: 1% of Land Improvements/Plants/Interceptors PY CAFR	1,100,000	-	1,670,006	-
Reserve for SRF Payments (P& I) - Operating	2,819,883	2,819,883	-	-
Reserve for SRF Payments (P& I) - Capital	2,431,926	2,431,926	-	-
Available for O&M	467,082	-	-	-
Total Cash	\$ 6,818,891	\$ 5,251,809	\$ 2,751,529	\$ -

Note 1: ACCUMULATION FOR SRF LOAN PAYMENTS:

	9.5 MGD, 11.0 MGD, NAVI, Phase III-A	Upper Narrows Replacement	Nanticoke Bypass	Sub-Regional Apple Valley	Sub-Regional Hesperia	Total
Reserve for SRF Payments (P& I) - Operating	\$ 782,104	257,745	178,764	640,818	960,452	\$ 2,819,883
Reserve for SRF Payments (P& I) - Capital	1,348,576	-	59,588	409,703	614,059	2,431,926
	\$ 2,130,680	257,745	238,352	1,050,521	1,574,511	\$ 5,251,809

Note 2: PROJECTS AND FUNDING:

a. Construction and Change Orders for Sub-Regional Plants	Bureau of Reclamation - Title 16 Grant	Dept. of Water Resources - Proposition 84 Grant	SWRCB SRF Loan - Hesperia	SWRCB SRF Loan - Apple Valley	SWRCB - Proposition One Grant - A.V.	SWRCB - Water Recycling Prop 13 Grant - A.V.	Total
Completion (or Termination) Dates	05/31/16	12/31/17	06/30/17	06/30/17	06/30/17	03/31/17	
Agreement Amounts	\$ 3,242,523	\$ 3,000,000	\$ 35,442,795	\$ 22,537,632	\$ 8,135,648	\$ 4,000,000	\$ 76,358,598
Claimed	(3,242,523)	(3,000,000)	(31,892,676)	(19,693,477)	(7,645,935)	(3,900,815)	(69,375,426)
Grant and Loan Balance Remaining	\$ -	\$ -	\$ 3,550,119	\$ 2,844,155	\$ 489,713	\$ 99,185	\$ 6,983,172

b. Planning and Design for Sub-Regional Plants	Bureau of Reclamation - Title 16 Grant	Dept. of Water Resources - Proposition 84 Grant	SWRCB SRF Loan - Hesperia	SWRCB SRF Loan - Apple Valley	SWRCB - Proposition One Grant - A.V.	SWRCB - Water Recycling Prop 13 Grant - A.V.	Total
Completion (or Termination) Dates	05/31/16	not applicable	06/30/17	06/30/17	06/30/17	not applicable	
Agreement Amounts	\$ 1,607,477	\$ -	\$ 5,107,160	\$ 4,535,127	\$ 1,046,193	\$ -	\$ 12,295,957
Claimed	(1,607,477)	-	(3,134,436)	(4,413,807)	(1,038,301)	-	(10,194,020)
Grant and Loan Balance Remaining	\$ -	\$ -	\$ 1,972,724	\$ 121,320	\$ 7,892	\$ -	\$ 2,101,937

c. Upper Narrows Emergency

*FEMA/Cal OES PW 1136 Revised Grant Limit - Completion 12/27/15	\$ -	7,954,740	
Eligible Cost Incurred 12/26/10 - 11/06/16		(7,750,326)	
Grant Balance Remaining	\$ -	204,414	
Funding Received or To Be Received:			
FEMA (Claims x .90 x .7500)	\$ 5,231,470		
Cal OES (Claims x .90 x .1875)	1,307,868	6,539,338	
VVWRA Share:			
VVWRA (Claims x .0625)	484,395	484,395	
10% Retention to Be Received upon Completion: (Claim - VVWRA portion) x .10	726,593	726,593	
	\$ -	7,750,326	

d. Upper Narrows Replacement

*FEMA/Cal OES PW 828 Grant Limit - Completion 12/27/15	\$ -	33,124,002		
Eligible Costs Incurred 04/01/11 - 08/31/16		(33,124,002)		
Grant Balance Remaining	\$ -	-		
Funding Received or Expected to Receive:				
FEMA (Claims x .90 x .7500)	\$ 22,358,701			
Cal OES (Claims x .90 x .1875)	5,589,675	27,948,377		
VVWRA Share:				
VVWRA (Claims x .0625)	2,070,250	2,070,250		
10% Retention to Be Received upon Completion: (Claim - VVWRA portion) x .10	3,105,375	3,105,375		
	\$ -	33,124,002		
	Incurred	Claimed	Remaining	
* SRF Loan	Construction	1,655,130	(1,655,130)	-
	Change Orders	1,825,000	(1,825,000)	-
	Soft Costs	806,250	(806,250)	-
		4,286,380	(4,286,380)	-

Victor Valley Wastewater Reclamation Authority
Flow Study
For the Month Ended November 30, 2017

Measured by ADS	Percentage of Total %	November Monthly MG
VSD 1 (less North Apple Valley)	5.9864%	20.7200
VSD 2	14.1883%	49.1080
VSD 3	25.6850%	88.9000
VSD 4	7.3423%	25.4130
VSD 5	0.4880%	1.6890
VSD 6	6.2404%	21.5990
VSD Total	59.9304%	207.4290
Apple Valley 01	10.5077%	36.3690
Apple Valley 02	5.1928%	17.9730
Apple Valley North	0.0951%	0.3290
Apple Total	15.7956%	54.6710
Hesperia	18.7231%	64.8040
CSA 64 SVL	4.7897%	16.5780
CSA 42 Oro Grande	0.7613%	2.6350
CSA Total	5.5510%	19.2130
Total Apportioned Flow	100.0000%	346.1170
Mojave Narrows Regional Park		0.1000
Total Study Flow		346.2170

Victor Valley Wastewater Reclamation Authority
Statement of Net Position
December 31, 2017

<i>Assets and Deferred Outflows of Resources</i>	2017
Current assets:	
Cash and cash equivalents	\$ 12,939,168
Interest receivable	4,495
Accounts receivable	4,604,066
Receivable from FEMA Grants	4,162,990
Accounts receivable - Other	4,373
Allowance for Doubtful Accounts	(64,828)
Materials and supplies inventory	86,516
Prepaid expenses and other deposits	183,692
Total current assets	21,920,472
Fixed assets:	
Capital assets not being depreciated	84,118,732
Capital assets being depreciated	117,153,968
Total capital assets	201,272,700
Total assets	223,193,172
Deferred outflows of resources	
Deferred outflows of resources - pension	1,743,035
Total	\$ 224,936,207
<i>Liabilities, Deferred Inflows of Resources, and Net Position</i>	
Current liabilities:	
Accounts payable and accrued expenses	\$ 775,380
Accrued interest on long-term debt	75,383
Long-term liabilities - due within one year:	
Compensated absences	48,647
Loans payables	1,849,149
Other payables	6,766,769
Total current liabilities	9,515,328
Non-current liabilities:	
Long-term liabilities - due in more than one year:	
Compensated absences	219,396
Other post employment benefits payable	1,419,041
Loans payable	81,741,082
Net Pension Liability	5,011,624
Other payables	447,960
Total non-current liabilities:	88,839,103
Total liabilities	98,354,431
Deferred inflows of resources	
Deferred inflows of resources - pension	165,023
Net position:	
Net position as of 6/30/17	127,976,748
Restricted for SRF loan covenant	2,863,641
Decrease in net position FY 18	(4,186,773)
Total net position	126,416,753
Total	\$ 224,936,207

Victor Valley Wastewater Reclamation Authority
Revenues and Expenses
Operations and Maintenance
For the Month Ended December 31, 2017

	Actual December 2017	YTD Actual FY 17-18	Approved Budget FY 17-18
REVENUES			
User Charges	\$ 1,186,750	\$ 6,630,340	\$ 13,661,700
Sludge Flow Charge	4,390	50,115	137,074
High Strength Waste Surcharges	-	8,285	25,000
ADM FOG Tipping Fee Revenue	24,479	151,722	205,000
Septage Receiving Facility Charges	52,701	326,772	609,000
Reclaimed Water Sales	1,821	9,406	44,000
Potable Well Water Sales	50	538	650
Leased Property Income	50	300	600
Interest	124	248	-
Pretreatment Fees	4,500	25,900	51,200
Finance Charge	-	-	-
Grant - FEMA/Cal-EMA	-	-	747,034
Grant - Proposition 1	-	-	458,297
Grant- Water Recycling	-	-	246,466
Grant- CEC Microgrid	-	3,013	-
Sale of Assets, Scrap, & Misc Income	283	3,651	-
Total REVENUES	\$ 1,275,148	\$ 7,210,290	\$ 16,186,021
EXPENSES			
Personnel	\$ 322,560	\$ 2,126,263	\$ 4,086,603
Maintenance	92,673	859,729	2,919,360
Operations	77,620	1,229,470	3,066,985
Administrative	118,544	782,484	2,270,884
Construction	-	-	2,389,065
Total EXPENSES	\$ 611,397	\$ 4,997,946	\$ 14,732,897
Revenues over Expenses before Depreciation, Debt Service and Transfers	\$ 663,751	\$ 2,212,344	\$ 1,453,124
Depreciation Expense	(674,781)	(4,049,901)	-
DEBT SERVICE			
SRF Interest	\$ -	\$ -	\$ 361,138
FUND TRANSFERS IN			
Salary/Benefits Charge from Capital	\$ -	\$ 26,136	\$ -
Admin Charge from Capital	-	9,932	-
Total FUND TRANSFERS IN	\$ -	\$ 36,068	\$ -
FUND TRANSFERS OUT			
Transfer to Repairs and Replacements Fund	\$ -	\$ -	\$ 247,500
Inter-fund loan payment to Capital	-	(3,254)	-
Total FUND TRANSFERS OUT	\$ -	\$ (3,254)	\$ 247,500
Excess Revenues Over Expenses	\$ (11,030)	\$ (1,804,743)	\$ 844,486

Victor Valley Wastewater Reclamation Authority
Revenues and Expenditures
Repairs and Replacement
For the Month Ended December 31, 2017

	Actual December 2017	YTD Actual FY 17-18	Approved Budget FY 17-18
REVENUES			
R&R Revenues	\$ -	\$ -	\$ -
Total REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
OTHER FINANCING SOURCES			
SRF Loan Funding	\$ -	-	-
CAPITAL EXPENSES			
Personnel	\$ -	-	-
Maintenance	-	43,045	242,500
Operations	12,592	62,962	-
Administrative	-	-	5,000
Construction	-	-	-
Total CAPITAL EXPENSES	<u>\$ 12,592</u>	<u>\$ 106,007</u>	<u>\$ 247,500</u>
Revenues over Expenses before Debt Service and Transfers	<u>\$ (12,592)</u>	<u>\$ (106,007)</u>	<u>\$ (247,500)</u>
DEBT SERVICE			
SRF Interest	\$ -	-	-
FUND TRANSFERS IN			
Transfer from Operations and Maintenance Fund	\$ -	247,500	\$ 247,500
Interfund Loan Payment from O&M	-	-	-
Total FUND TRANSFERS IN	<u>\$ -</u>	<u>247,500</u>	<u>\$ 247,500</u>
FUND TRANSFERS OUT			
Salary/Benefits Charge to O & M	\$ -	-	-
Admin Charge to O & M	-	-	-
Total FUND TRANSFERS OUT	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Excess Revenues Over Expenses	<u>\$ (12,592)</u>	<u>141,493</u>	<u>\$ -</u>

Accrual Basis

Victor Valley Wastewater Reclamation Authority
Revenues and Expenditures
CAPITAL
For the Month Ended December 31, 2017

	Actual December 2017	YTD Actual FY 17-18	Approved Budget FY 17-18
REVENUES			
Connection Fees	\$ 307,085	\$ 834,681	\$ 878,900
Title 16 Grant - Subregional	-	-	-
Grant- Water Recycling	-	290,648	157,577
Sale of Assets, Scrap, & Misc Income	-	-	-
Interest	6,649	26,914	38,000
Proposition 1 Grant	-	538,850	293,010
Proposition 84 Grant	-	-	-
FMV Adjustment	-	1,612	-
Grant - FEMA/Cal-EMA	-	-	3,105,375
Total REVENUES	<u>\$ 313,734</u>	<u>\$ 1,692,705</u>	<u>\$ 4,472,862</u>
CAPITAL EXPENSES			
Personnel	\$ -	-	\$ 416,716
Maintenance	-	-	40,000
Operations	-	-	170
Administrative	-	(2,054)	140,000
Construction	-	4,101,577	2,482,435
Total CAPITAL EXPENSES	<u>\$ -</u>	<u>\$ 4,099,523</u>	<u>\$ 3,079,321</u>
Revenues over Expenses before Debt Service and Transfers	<u>\$ 313,734</u>	<u>\$ (2,406,818)</u>	<u>\$ 1,393,541</u>
DEBT SERVICE			
SRF Interest	<u>\$ 64,247</u>	<u>\$ 83,891</u>	<u>\$ 209,281</u>
			<u>209,281</u>
FUND TRANSFERS IN			
Capital Recovery - Septage from O&M	\$ -	-	\$ -
Interfund Loan Payment from O&M	-	3,254	-
Total FUND TRANSFERS IN	<u>\$ -</u>	<u>\$ 3,254</u>	<u>\$ -</u>
FUND TRANSFERS OUT			
Salary/Benefits Charge to O & M	\$ -	26,136	\$ -
Admin Charge to O & M	-	9,932	-
Total FUND TRANSFERS OUT	<u>\$ -</u>	<u>\$ 36,068</u>	<u>\$ -</u>
Excess Revenues Over Expenses	<u>\$ 249,487</u>	<u>\$ (2,523,523)</u>	<u>\$ 1,184,260</u>

Accrual Basis

VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
 SRF LOAN SUMMARY
 December 31, 2017

Existing 9.5 MGD Capital Improvements	Existing 11 MGD Expansion	Existing North Apple Valley Interceptor	Existing Phase IIIA Regulatory Upgrades	Existing UN Replacement Project	In Progress Nanticoke Pump Station Bypass	In Progress Apple Valley Subregional	In Progress Hesperia Subregional	Total Agreed SRF Loans
--	---------------------------------	--	--	--	--	--	--	---------------------------

SRF LOANS

Original Amount Financed	\$ 4,069,859.00	\$ 11,430,726.00	\$ 4,084,688.00	\$ 18,581,561.00	\$ 4,286,380.00	\$ 4,459,190.00	\$ 27,129,023.47	\$ 40,658,809.92	\$ 114,700,237.39
SRF Interest Rate (fixed)	2.60%	0.00%	2.50%	2.70%	1.90%	1.90%	1.00%	1.00%	Varies
Local Match Amount	n/a	1,905,159.00	-	-	-	-	-	-	1,905,159.00
Principal Forgiveness	n/a	n/a	n/a	3,000,000.00	n/a	n/a	n/a	n/a	3,000,000.00
SRF Amount Borrowed	4,069,859.00	9,525,567.00	4,084,688.00	15,717,667.66	4,286,380.00	4,459,190.00	27,129,023.47	40,658,809.92	109,931,185.05
Annual Payment Amount	265,049.56	579,869.96	258,151.05	1,027,609.73	257,745.38	238,350.61	1,050,520.94	1,574,511.25	5,251,808.48
Annual Payment Due Date	September 15	April 3	February 13	June 30	December 31	June 30	February 28	February 28	Varies
Loan Term (years)	20	20	20	20	20	20	30	30	Varies
Years remaining	2	5	7	15	15	20	30	30	Varies
DEBT SERVICE									
Loan Outstanding Balance	510,119.27	2,747,174.41	1,639,101.83	12,538,025.97	3,187,940.73	4,459,190.00	27,129,023.47	40,658,809.92	92,869,385.60
Principal Paid to Date	3,559,739.73	6,778,392.59	2,445,586.17	3,179,641.69	1,098,439.27	-	-	-	17,061,799.45
Interest Paid to Date	1,154,214.00	1,752,983.59	910,377.48	1,900,631.83	110,860.41	-	-	-	5,829,067.31
First Payment Date	Sept. 15, 2000	April 3, 2003	Feb. 13, 2005	June 30, 2013	Dec. 31, 2016	Jun 30, 2018	February 28 2019	February 28 2019	Varies
Final Payment Date	Sept. 15, 2019	April 3, 2022	Feb. 13, 2024	June 30, 2032	Dec. 31, 2032	Jun. 30, 2037	February 28, 2048	February 28, 2048	Varies
Effective interest rate	2.544%	1.850%	2.499%	2.700%	1.900%	1.900%	1.00%	1.00%	Varies

* An imputed interest rate is 1.707% per annum.

VVWRA
Upper Narrows Interceptor and Emergency Projects
12/31/2017

Upper Narrows Interceptor and Emergency Projects
12/31/2017

Upper Narrows Interceptor (E004)

<u>Planning/Design/Construction Management</u>		Expended to Date	Contract Amount	Total Remaining
Planning		449,368	277,990	(171,378)
(Tetra Tech) Design		737,952	783,481	45,529
(URS/AECOM) Construction Management		1,642,759	993,673	(649,086)
(TetraTech) Engineering Services During Construction		531,269	348,290	(182,979)
	Total	3,361,348	2,403,434	(957,914)
<u>Construction</u>		Expended to Date	Contract Amount	Total Remaining
Construction - J.W. Fowler		26,136,908	26,482,075	345,167
Construction - AV Construction		1,525,267	863,371	(661,896)
<u>Contingency</u>		Expended to Date	Contract Amount	Total Remaining
(Tetra Tech) Design		-	-	-
(URS/AECOM) Construction Management		271,346	325,612	54,266
(TetraTech) Engineering Services During Construction		-	-	-
Construction - J.W. Fowler		3,536,620	3,536,620	-
Construction - AV Construction		214,287	214,287	-
	Total	35,045,776	33,825,399	(1,220,377)

Claimed to Date

FEMA/CalOES	27,948,377	29,811,603	1,863,226
FEMA/CalOES 10% Retention	3,105,375	3,312,400	207,025
UNR SRF Loan	3,515,952		
Total	34,569,704	33,124,003	2,070,251

Upper Narrows Emergency (E003)

Spent to Date 12/31/2017

<u>Planning/Design/Construction Management</u>		Expended to Date
Materials		811,401
Rented Equipment		3,226,387
Contracts		3,899,051
Force Account OT		42,805
Force Equipment		274,341
	Total	8,253,985

Received to Date

FEMA/CalOES	6,539,338
FEMA/CalOES 10% Retention	726,593
Total Grants to Date	7,265,931
VVWRA 6.25% Unreimbursable Cost	484,395
Total	7,750,326

Subregional Water Reclamation Plant Projects
12/31/2017
Hesperia

Costs Incurred Up to 12/31/2017

		Expended to Date	Contract Amount	Total Remaining
Planning/Design/Construction Management				
	Planning	895,080	624,264	(270,816)
	(Carollo/HDR) Design	3,106,096	3,580,792	474,696
	(MWH) Construction Management	2,503,033	1,479,914	(1,023,119)
	(Carollo/HDR) Engineering Services During Construction	1,437,664	1,687,052	249,388
	Sub-Total	7,941,873	7,372,022	(569,851)
Construction				
	Construction	32,691,597	33,220,000	528,403
		Expended to Date	Contract Amount	
			SRF Loan	Lyles
Change Order (Contingency)				
	Planning/Design/Construction Management	-	1,111,398	-
	Construction - Cascade Drilling	463,231	383,334	-
	Construction - Lyles	708,198	728,063	500,000
	Sub-Total	1,171,429	2,222,795	500,000
Total		41,804,899	43,314,817	1,509,918

Eligible for Reimbursements

		Claimed	Contract Amount	Total Remaining
	Title 16	2,445,244	2,460,369	15,125
	Proposition 84-HES Construction Cost	2,227,586	1,512,522	(715,064)
	Total Grants	4,672,830	3,972,891	(699,939)
	<i>% of Total Project</i>		9%	
	SRF-HES Planning/Design/Construction Management	3,134,436	7,329,955	4,195,519
	SRF-HES Construction Cost	33,997,633	33,220,000	(777,633)
Total		41,804,899	44,522,846	2,717,947

Claims Made as of 12/31/2017

		Requested	Contract Amount	Total Remaining
	Title 16	2,445,244	2,460,369	15,125
	Proposition 84-HES Construction Cost	2,227,586	1,512,522	(715,064)
	Total Grants	4,672,830	3,972,891	(699,939)
	SRF-HES Planning/Design/Construction Management	3,134,436	7,329,955	4,195,519
	SRF-HES Construction Cost	31,892,676	33,220,000	1,327,324
Total		39,699,942	44,522,846	4,822,904

Subregional Water Reclamation Plant Projects
12/31/2017
Apple Valley

Costs Incurred Up to 12/31/2017

		Expended to Date	Contract Amount	Total Remaining
Planning/Design/Construction Management				
	Planning	1,278,710	970,271	(308,439)
	(Carollo/HDR) Design	2,552,681	3,117,326	564,645
	(MWH) Construction Management	2,088,434	1,455,410	(633,024)
	(Carollo/HDR) Engineering Services During Construction	1,631,151	1,610,418	(20,733)
	Sub-Total	7,550,976	7,153,425	(397,551)
Construction				
	Construction	32,688,107	32,670,000	(18,107)
Change Order (Contingency)				
		Expended to Date	Contract Amount SRF Loan	Lyles
	Planning/Design/Construction Management	-	1,001,640	-
	Construction - Cascade Drilling	252,951	376,986	-
	Construction - Lyles	709,845	624,654	500,000
	Sub-Total	962,796	2,003,280	500,000
Total		41,201,879	42,326,705	2,087,622

Eligible for Reimbursements

		Claimed	Contract Amount	Total Remaining
	Title 16	2,404,756	2,419,631	14,875
	Proposition 13 - Recycling Grant	3,840,817	4,000,000	159,183
	Proposition 84-AV Construction Cost	772,414	1,487,478	715,064
	Proposition 01-AV Planning/Design/Construction Management	1,038,301	1,046,193	7,892
	Proposition 01-AV Construction Cost	7,534,420	8,135,648	601,228
	Total Grants	15,590,708	17,088,950	1,498,242
	<i>% of Total Project</i>		39%	
	SRF-AV Planning/Design/Construction Management	4,413,807	4,535,127	121,320
	SRF-AV Construction Cost	21,197,364	22,537,632	1,340,268
Total		41,201,879	44,161,709	2,959,830

Claims Made as of 12/31/2017

		Requested	Contract Amount	Total Remaining
	Title 16	2,404,756	2,419,631	14,875
	Proposition 13 - Recycling Grant	3,900,817	4,000,000	99,183
	Proposition 84-AV Construction Cost	772,414	1,487,478	715,064
	Proposition 01-AV Planning/Design/Construction Management	1,038,301	1,046,193	7,892
	Proposition 01-AV Construction Cost	7,645,937	8,135,648	489,711
	Total Grants	15,762,225	17,088,950	1,326,725
	SRF-AV Planning/Design/Construction Management	4,413,807	4,535,127 *	121,320
	SRF-AV Construction Cost	19,693,473	22,537,632	2,844,159
Total		39,869,505	44,161,709	4,292,204

*Note: Proposition 01 grant of \$9.2M reduces AV SRF loan to \$4.5M.

Nanticoke Interceptor
12/31/2017

Costs Incurred Up to 12/31/2017		Expended to Date	Contract Amount	Total Remaining
Planning/Design/Construction Management				
	Planning		342,397	342,397
	Design		101,524	101,524
	Construction Management	476,557	407,373	(69,184)
	Engineering Services During Construction			-
	Sub-Total	476,557	851,294	374,737
Construction				
	Construction - Christensen Brothers GE Inc.	3,202,494	3,207,896	5,402
Change Order (Contingency)		Expended to Date	Contract Amount	
	Planning/Design/Construction Management		SRF Loan	
	Construction	780,139	400,000	(380,139)
	Sub-Total	780,139	400,000	(380,139)
	Total	4,459,190	4,459,190	-

Eligible for Reimbursements		Claimed	Contract Amount	Total Remaining
	SRF-Planning/Design/Construction Management	476,557	851,294	374,737
	SRF-Construction Cost	3,982,633	3,607,896	(374,737)
	Total	4,459,190	4,459,190	-

Claims Made as of 12/31/2017		Requested	Contract Amount	Total Remaining
	SRF-Planning/Design/Construction Management	476,557	851,294	374,737
	SRF-Construction Cost	3,982,633	3,607,896	(374,737)
	Total	4,459,190	4,459,190	-

Victor Valley Wastewater Reclamation Authority



Operations and Maintenance Report

December 2017

VWRA O&M Monthly Report – December 2017

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**Victor Valley Wastewater Reclamation Authority
Operations and Maintenance Report
December 2017**

TO: Logan Olds, General Manager
FROM: Operations & Maintenance Staff
SUBJECT: OPERATIONS/MAINTENANCE REPORT
DATE: January 08, 2017

The following information details the operation of the Victor Valley Wastewater Reclamation Authority Facility. Included in this report is pertinent information regarding flows, process control information, process sampling, permit requirements, operations activities, and facility maintenance activities. This report is based on O&M activities for December 2017.

	Total	Average
Effluent to Mojave	175.118	5.649
Effluent to Ponds	161.5398	5.211

	Limit
Biochemical Oxygen Demand (BOD) Effluent to Mojave	10 mg/l
Percent Removal	
	<5.05
	>98.662

	Limit
Total Suspended Solids (TSS) Effluent to Mojave	10 mg/l
Percent Removal	
	<2.1
	>99.563

	Limit
Turbidity 30 Day Average	2.0 ntu
	0.43

Major Operations Activities

Headworks

The Headworks area operated as intended throughout the months with normal equipment maintenance performed on a weekly basis.

Primary Treatment

Overall removal efficiency of the primary clarifiers was 42.98% removal of influent BOD and 77.39% removal of TSS. Typical operating parameters are 25 to 35 percent removal of BOD and 50 to 60 percent removal of TSS. The primary sludge concentration averaged 3.10% total solids at 69,260 gallons per day.

Primary clarifiers: #1,#2 ,#3, #5, #6 #7, #8 are currently online and continue to treat all incoming flow. Primaries #4 remained offline for the month. With one clarifier off line, the remaining 7 primary clarifiers are capable of treating peak flows up to 27 MGD.

The digester gas conditioning system remains online. The system will prevent premature wear and tear on engines #2 & #3 by removing siloxanes by the addition of ferric chloride. The system increases fuel pressure to the blower gas system, allowing for more output from the blower engine. Digester #4 and 5 gas is mixed and sent to the gas conditioning system. This all but eliminates the use of Natural gas to run engines #2 and #3.

Staff continues to add ADM/ Grease to Daft #3 from Primaries and truck deliveries where it is then feed it to Digesters #4 and #5. This operation is assisting in additional grease removal from the primary clarifiers and increased gas production in the anaerobic digesters.

Secondary Process

Secondary Clarifiers #1 thru #6 are currently offline, not needed at this time.

Aeration basins #1 thru 12 have been retrofitted with the new Aquarius diffusers and are currently performing very well reducing the RPM's on the Piller blower. Currently basins #1-6 and 7-12 are online.

Piller #1 is supplying air to basins #1-6, mixed liquor channel and aerated grit chamber. Piller #6 is supplying air to AB's #7-12.

Staff continues to monitor the solids under aeration and SVI to compare against the SRT Master Control Program. The SRT Master program is performing well. The secondary process has been performing well as a result of the SRT Master Control Program. Weekly Nitrogen studies performed by VVWRA staff produced results below regulatory requirements.

Thioguard was not used during the month.

Secondary turbidity averaged 1.67 (NTU) during the month of December 2017
The 30 minute settleometer test averaged 159.7 mL/L.
The average "pop time" of the MLSS was >91min.

Percolation Ponds

South percolation ponds #7, #8, #10, #11, #12 and #13 were used and rotated during the month.

All Percolation Pond freeboard level requirements have been met during the month. All ponds are being rotated on a daily basis. Percolation Pond #6 remains off line and drained to minimal levels. No flow seepage has been observed. The north percolation ponds were used sparingly during the month.

Tertiary Filters

Aqua Diamond Filters #1 and #2 were utilized for the month of December. Filter Effluent average Turbidity of 0.52 NTU.

Solids

Digester #1 was drained on 8/19/16 and is offline. Digester #2 and #3 remain off line, drained and clean.

VVWRA O&M Monthly Report – December 2017

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Staff has been operating Digester #4 and #5 at predetermined sludge levels which is controlled by the SCADA system.

VVWRA received 608,528 gallons of ADM (Anaerobically Digestible Material) and FOG (Fats Oil and Grease). Total is comprised of 554,930 gallons of ADM and 53,598 gallons of FOG.

A Total 21,575,910 cf/day of gas was created by digesters #4 and 5 for the month of December 2017. That is an average gas production of 695,997 cf/day.
 Digester #4 averaged 368,911 cf/day.
 Digester #5 averaged 327,086 cf/day.
 Digester Volatile Acid/Alkalinity averaged 0.014 for the month.

Ultra Violet Disinfection (UV)

The UV system is currently operating via one channel mode.
 Monthly UV intensity probe and flow meter calibration checks were performed.

Permit Continuous Monitoring Requirements and Permit Violations

All permit required, continuous monitoring equipment was on-line, in calibration and working properly during the month.

Date of last reportable incident: March 10, 2015

Days since last reportable incident: 899 days

Discharge Sampling

All required samples during the month of December 2017 were collected and processed as scheduled.

Miscellaneous

Maintenance Activities

VVWRA O&M Monthly Report – December 2017

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CMMS Work Order Activity

VVWRA KPI Report

1/6/2018

11:55 AM

12/1/2017 - 12/31/2017

KPI	Count	Percent
Planned Work Total	283	
Planned Work Completed	283	100.00%
Planned Work Completed On-Time	244	86.22%
Planned Work Incomplete	0	0 %
Planned Work Completed Late	39	13.78%
Total Work Completed	655	
Reactive Work Completed	96	14.66%
PM Work Completed	511	78.02%

Safety

1. Monthly Vehicle Safety Inspections completed.
2. Monthly gas tech monitor inspections completed.
3. Monthly Eyewash safety showers inspected.
4. Monthly SCBA inspections.
5. Hazardous storage area inspection.
6. Spill kit inspections.
7. Distracted driver training.

Preliminary Process

1. Aqua Guard pre-treatment screen inspected and serviced.
2. Headwork's Conveyor Belt Lube & Inspect.

VVWRA O&M Monthly Report – December 2017

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Primary Process

1. All PH and conductivity probes cleaned and calibrated.
2. Influent PH and conductivity probe calibrations complete.
3. Primary sludge pump repack.
4. Primary clarifier #1 shear pin replacement.

Secondary Process

1. Piller blowers 1 & 6 weekly inspections complete.
2. Service Air compressors inspection and service completed.
3. Waukesha engines inspections.
4. Piller #1 and #6 Filters Replacement.

Tertiary

1. Monthly gear box and platform drive wheel service complete
2. Filter #1 & #2 monthly platform gear box PM's comp
3. Monthly festoon inspection.
4. Filter #1 & #2 monthly backwash wasting pumps oil checks complete

VVWRA O&M Monthly Report – December 2017

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5. All PH and conductivity probes cleaned and calibrated.

Ultra Violet Disinfection (UV)

1. PH and conductivity probes cleaned and calibrated
2. UVT probe calibrated
3. UV Compliance sample pumps foot valve cleaning.
4. UV MCC filters cleaning.
5. UV compliance sample pumps foot valves cleaning.
6. UV channel #1 lamp wiper replacement.

Treatment Disposal

1. DAFT #1 and #2 Air Compressors 1&2 PM services complete.
2. DAFT #2 replaced Compressor pressure switch.
3. Digester #5 Air feed valve solenoid replacement.
4. DAFT #3 quarterly cleaning completed.
5. DAFT #3 pump inspection.
6. Ferric pump #1 replacement.

Miscellaneous Plant

1. Emergency plant generator test.
2. Monthly Blower buildings AHU filter replacement

Plant Equipment**G/CHP 1&2**

1. Monthly UREA refill completed CHP #2
2. CHP #2 differential pressure readings taken within normal range, Gas DP pressure collected within normal range.
3. Monthly gas samples collected.
4. CHP #2 starter, replacement.

Gas Conditioning Skid

1. Monthly gas sampling collected.
2. New H₂S and siloxane media on two vessels.
3. Gas scrubber switch replacement.

OGPS

1. Monthly Generator Test completed.
2. Pump #1 replacement.

VVWRA O&M Monthly Report – December 2017

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AVPS OTOE

1. Wet well cleaning.
2. Monthly Emergency generator test.

OFFROAD EQUIPMENT

1. Brown Bear weekly PM's completed.
2. JCB front loader weekly PM's complete.
3. JCB front loader alternator.

FLEET

1. Monthly fleet inspections completed pumps, vehicles, hose reel trailer, light towers.

Victor Valley Wastewater Reclamation Authority



Environmental Compliance Department Report

December 2017

VWRA Environmental Compliance Department
Industrial Pretreatment Program

I. Interceptors Operation and Maintenance:

1. Interceptors cleaning & CCTV:

- ✓ No Cleaning was performed in December

2. Interceptors Inspections:

The following interceptors were visually inspected for signs of damage, vandalism and evidence of sanitary sewer overflows:

- ✓ South Apple Valley & North Apple Valley.
- ✓ Schedule 1, 2, 3 & 4
- ✓ UNE Bypass HDPE pipe
- ✓ Hesperia, I Ave and Santa Fe.
- ✓ CSA 64
- ✓ Adelanto
- ✓ SCLA1

3. Damage and repair summary:

- ✓ No Damage reported

4. Sanitary sewer overflows (SSO) summary:

- ✓ Date of last reportable SSO: September 18th, 2017

5. Interceptors maintenance budget remaining:

- ✓ The fiscal year 2016-2017 Interceptor sewer maintenance amount remaining for sewer cleaning and inspection services is \$49634.06

6. Dig Alert Underground tickets processed:

- ✓ A total of Seventy-Two (72) USA Tickets were received and processed in December 2017.

7. Flow monitoring Studies:

- ✓ A flow monitoring study by ADS Environmental is continuing.

II. Industrial pretreatment Activities:

1. **New Business Questionnaires and permits applications evaluated:**
 - ✓ Five (5) New Business Questionnaires were processed in the month of December 2017.
 - ✓ Zero (0) New Business Inspections were conducted in the month of December 2017.
2. **New permits issued:**
 - ✓ Zero (0) New permits were issued in the month of December 2017.
3. **Permit renewals issued:**
 - ✓ Eighteen (18) Class III permit renewals were issued in the month of December 2017.
4. **Work Orders:**
 - ✓ 62 Work Orders were completed in December 2017
5. **Monthly revenues collected, and invoices issued:**
 - ✓ Revenues: \$5,000
 - ✓ Invoiced: \$4,500
6. **Lucity CMMS Software implementation:**
 - ✓ The implementation of Lucity CMMS software for the industrial pretreatment program and the operations and maintenance of interceptors including GIS is ongoing.

III. Industrial Pretreatment Activities (continued)

1. Current enforcement actions:

- ✓ Zero (0) Notice of Violation was issued in December 2017.

2. Current active industrial pretreatment permits:

- ✓ The current number of VVWRA’s industrial wastewater discharge permits is 433, they are comprised as follows:

1	Class I	Categorical Industrial User
10	Class II	Non-Categorical Significant Industrial User
418	Class III	Non-Significant Industrial User
2	Class IV	Zero Discharge Industrial User
9	Class V	Sanitary Waste Haulers

- ✓ The permitted establishments include:

20	Automotive Service Facility
13	Bakery
1	Brewery/Winery
21	Car Wash/Truck Wash/Bus Wash
4	Coffee Shop
9	Dry Cleaner
299	FSE
22	Grocery Store
3	Hospital
1	Medical
3	Misc. Food
3	Misc. Industrial
8	Other
1	Photographic
1	Print Shop
1	Prison
4	School
4	Water Retail
9	Waste Haulers

- ✓ Permitted businesses are distributed among member entities as follows: 171 in Victorville, 123 in Apple Valley, 123 in Hesperia and 1 in Oro Grande.

Victor Valley Wastewater Reclamation Authority



Environmental Compliance Department

Septage/FOG/ADM Monthly Report

December 2017

1. Septage/FOG/ADM receiving invoices and payments monthly report:

Payments and Invoices period: December 1st thru December 31st – Septage rate per Gallon: \$ 0.0936
FOG/ADM rate per Gallon: \$ 0.04

Receiving invoices

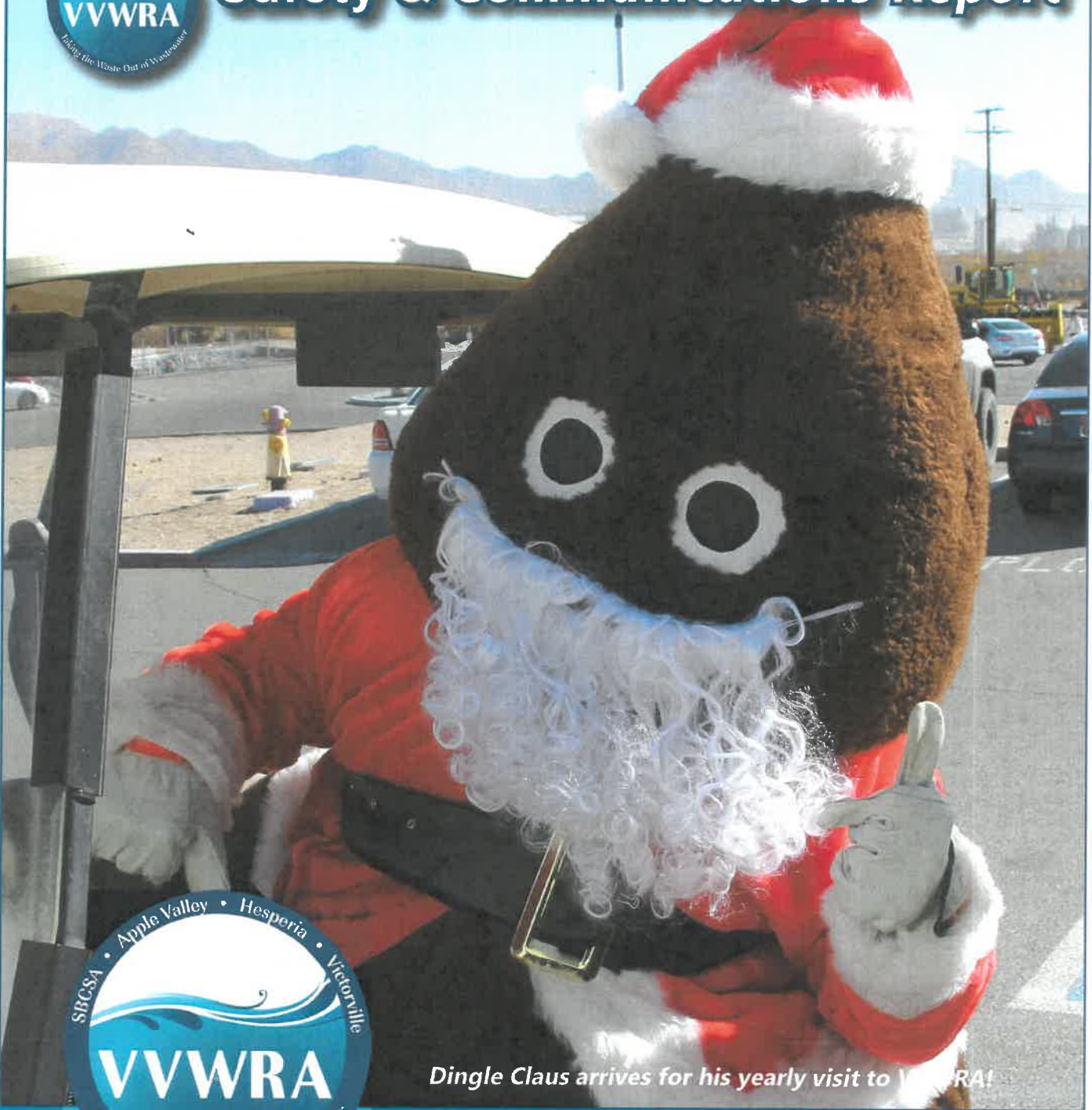
ID No	Septage Hauler	Invoice Date	Total Gallons	Invoice Amount
ABS000	Absolute Pumping	12/29/2017	39,048	\$3,654.89
ALP000	Alpha Omega Septic Service	12/29/2017	156,338	\$14,633.24
BUR000	Burns Septic	12/29/2017	96,000	\$8,985.60
HIT000	Hitt Plumbing	12/29/2017	0	\$0
HON001	Honest Johns Septic Service, Inc	12/29/2017	74,627	\$6,985.09
ROT001	T.R. Stewart Corp. dba Roto Rooter	12/29/2017	99,566	\$9,319.38
USA000	USA Septic	12/29/2017	60,000	\$5,616.00
ALP000	Alpha Omega Septic Service (Nutro)	12/29/2017	53,598	\$3,361.12
COW000	Co-West Commodities	12/29/2017	200,000	\$8,000.00
LIQ000	Liquid Environmental Solutions of CA	12/29/2017	0	\$0
SMC000	SMC Grease Specialist, Inc.	12/29/2017	324,500	\$12,980.00
WES004	West Valley MRF, LLC Burrtec Waste Industries, Inc.	12/29/2017	0	\$0
HIT000	Hitt Plumbing	12/29/2017	3,435	\$137.40
Grand Totals			1,107,112	\$73,672.72

Septage/FOG/ADM receiving payments:

ID No	Business Name	Payments Received
ABS000	Absolute Pumping	\$3,716.11
ALP000	Alpha Omega Septic Service	\$0
BUR000	Burns Septic	\$8,611.20
HON001	Honest Johns Septic Service, Inc	\$19,986.88
ROT001	T.R. Stewart Corp. dba Roto Rooter	\$9,962.36
USA000	USA Septic	\$4,988.88
ALP000	Alpha Omega Septic Service (Nutro)	\$0
COW000	Co-West Commodities	\$7,800.00
LIQ000	Liquid Environmental Solutions of CA	\$0
SMC000	SMC Grease Specialist, Inc.	\$13,200.00
WES004	West Valley MRF, LLC Burrtec Waste Industries, Inc.	\$0
HIT000	Hitt Plumbing	\$0
Grand Total		\$69,367.38



Safety & Communications Report



Dingle Claus arrives for his yearly visit to VVWRA!

December 2017



Safety

STAFF SAFETY TAILGATE/ORIENTATION

- Dec. 7---Otoe Pump Station precautions



- Dec. 11--Office ergonomics



- Dec. 14--Managing stress



- Dec. 21--Electrical safety





Safety

SAFETY POLICY REVIEWS/ REVISIONS

- Hazardous energy control (LOTO)
- Hazardous communication

SAFETY EVENTS/ TRAINING

- Distracted driving
- Front end loader

UNSAFE CONDITIONS REPORTED/RESOLVED

- New safety signs on used oil tank and in haz mat storage
- Carollo report on the condition of digester 4 & 5

DATE OF LAST REPORTABLE ACCIDENT/INJURY:
SEPT. 18, 2017

DAYS SINCE LAST REPORTABLE ACCIDENT/INJURY:
104 DAYS



Safety

NEXT MONTH'S SCHEDULE OF STAFF TRAINING/SAFETY EVENTS :

- Safety Tailgates will be conducted at the Thursday weekly staff briefings.
- Safety Tailgates will be conducted at the monthly Administrative staff meetings.

Communications

- Facilitated CWEA/DAMS awards banquet in Victorville
- New Fall edition of the Purple Pipe newsletter released
- Worked with EC staff to resolve odor complaint from Otoe Pump Station





Communications

ACTIVITIES

- Continued work on updating new website including work on internal pages



- Maintained current website and social media sites including Facebook & Twitter.



- Helped facilitate Mr. Dingle visit to Town of AV Holiday Party



- Helped facilitate VVWRA holiday party



Victor Valley Wastewater Reclamation Authority



CONSTRUCTION DEPARTMENT REPORT

November-December 2017

SubRegionals TOAV Change Order Summary

December 2017

Bids Opened – November 7, 2014

Contractor: W.M. Lyles Co., Temecula, CA

Notice To Proceed Date:	2/27/2015
Original Contract Days:	821
Original Contract Completion Date:	6/7/2017
Additional Contract Days:	
Revised Contract Completion Date:	
Original Contract Amount:	\$32,670,000.00
Revised Contract Amount:	\$33,483,182.33
Change Order Value to Original:	2.489%

Change Order #	Change Order Date	Change Amount	Contract Amount
1	July 16, 2015	0	-
2	Feb 18, 2016	\$288,062.22	\$32,958,062.22
3	Feb 18, 2016	(\$48,730.95)	\$32,621,269.05
4	April 26, 2016	\$205,409.03	\$33,114,740.30
5	Dec 8, 2016	\$230,957.75	\$33,345,698.05
6	May 18, 2017	\$49,806.88	\$33,395,504.93
7	Nov 16, 2017	\$87,677.40	\$33,483,182.33
Net Change		\$813,182.33	\$33,483,182.33

Note: CO #1 was only to incorporate the proper Davis-Bacon wage listing

Processed Pay Requests

Lyles Total to Date	\$32,140,445.62
MWH Total to Date	\$1,961,300.31

SubRegionals HESP Change Order Summary

December 2017

Bids Opened – November 7, 2014

Contractor: W.M. Lyles Co., Temecula, CA

Notice To Proceed Date:	2/27/2015
Original Contract Days:	821
Original Contract Completion Date:	6/7/2017
Additional Contract Days:	
Revised Contract Completion Date:	
Original Contract Amount:	\$33,220,000.00
Revised Contract Amount:	\$33,989,284.22
Change Order Value to Original:	2.316%

Change Order #	Change Order Date	Change Amount	Contract Amount
1	July 16, 2015	0	-
2	Feb 18, 2016	(\$82,532.28)	\$33,137,467.72
3	April 26, 2016	\$201,010.27	\$33,338,477.99
4	Dec 8, 2016	\$154,027.13	\$33,492,505.12
5	May 18, 2017	\$435,693.09	\$33,928,198.21
6	Nov 16, 2017	\$61,086.01	\$33,989,284.22
Net Change		\$769,284.22	\$33,989,284.22

Note: CO #1 was only to incorporate the proper Davis-Bacon wage listing

Processed Pay Requests

Lyles Total to Date	\$32,612,085.82
MWH Total to Date	\$1,961,300.31

Monthly Construction Department Report Nov-Dec 2017

SUMMARY OF WORK:

Subregional WRPs

- Work with CM reviewing possible change orders
- Continuing equipment testing and Staff training
- Weekly progress meeting with CM and Contractor
- VVWRA staff operating Hesperia WRP
- Continuing construction at Apple Valley WRP
- Continuing Staff training on Apple Valley WRP
- Completed 7-day testing on Apple Valley WRP
- Tested standby generators
- Working to reduce H2S loading to biofilters at Apple Valley
- Completed off-site piping at Apple Valley

Laboratory Building

- Put on Hold

Westside Plant Spill Containment

- Design agreement with Michael Baker International

Digesters 4 & 5 Supernatant Line

- Put on Hold

Oro Grande Crossing the Mojave River

- Continuing environmental clearance

Desert Knolls Wash Interceptor Design

- Carollo Engineers started design
- Design kick off meeting September 25
- 30% Review meeting December 5

Microgrid Project

- Team meeting November 7
- Update meeting December 7
- Construction cost estimate

UPCOMING WORK IN January:

Subregionals

- Continue Apple Valley WRP construction
- Continue Hesperia WRP testing
- Start seeding at Apple Valley WRP for operations testing with wastewater

- Prepare final punch lists

Laboratory Building

- On Hold

Westside Plant Spill Containment

- Continue design

Digesters 4 & 5 Supernatant Line

- On Hold

Ossum Wash

- Hold for FY 17/18

Oro Grande Crossing the Mojave River

- Complete design and prepare for bid

Desert Knolls Wash Interceptor

- Continue Design

Microgrid Project

- Prepare for construction to begin in February