

**MINUTES OF A REGULAR MEETING
REGULAR MEETING OF THE BOARD OF COMMISSIONERS
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (VWVRA)
January 18, 2018**

CALL TO ORDER: Chair Jeff Rigney called the meeting to order at 8:04 am; in Conference Room D at Victorville City Hall, located at 14343 Civic Drive, Victorville California, with the following members present:

CITY OF HESPERIA	Larry Bird, Alternate
ORO GRANDE (CSA 42) AND	Jeff Rigney, Vice Chair
SPRING VALLEY LAKE (CSA 64)	
TOWN OF APPLE VALLEY	ABSENT
CITY OF VICTORVILLE	Jim Kennedy, Treasurer

VWVRA Staff and Legal Counsel:

Logan Olds, General Manager	Marcos Avila, Lead Mechanic
Kristi Casteel, Secretary to GM/Board	David Wylie, Safety & Communications Officer
Piero Dallarda, Legal Counsel (BB&K)	Latif Laari, Business Applications Manager
Alton Anderson, Construction Manager	Xiwei Wang, Senior Accountant
Chieko Keagy, Controller	Robert Townsend, EC Inspector
Eugene Davis, O&M Manager	

Others Present:

Nils Bentsen, City of Hesperia	Anthony Bertrand, Athens
Keith Metzler, City of Victorville	Amy Olsen, SCE
Greg Snyder, Town of Apple Valley	Greg Anderson, SCE
Tom Dodson, Tom Dodson & Associates	Brian Gengler, City of Victorville
Kaitlyn Dodson, Tom Dodson & Associates	

CLOSED SESSION

PUBLIC COMMENTS- CLOSED SESSION AGENDA

Chair Rigney 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 Kennedy made a motion to enter into Closed Session.

REGULAR SESSION

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Chair Rigney called the meeting to order at 8:43 am.

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**

Commissioner Kennedy made a motion to approve the consent calendar, seconded by Commissioner Bird and approved by roll call vote.

Chair Rigney: Yes

Commissioner Bird: Yes

Commissioner Kennedy: Yes

REPORTS & PRESENTATIONS:

10. **Presentation: Savings by Design (SCE)**

Amy Olsen from SCE presented a check for \$92,676.00 for the Savings by Design Program for the Sub regionals.

Greg Anderson with SCE also gave the Board an update on the low voltage issues.

11. Presentation: Mid-year Budget Review (Keagy)

Chieko Keagy gave a presentation on the mid-year budget review.

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

Tom Dodson stated that it seemed fairly straight forward when they first started working on this project. A lot of time was spent assembling information on how American Organics would meet the new requirements set forth by the State. During the process, the San Manuel Tribe stepped forward. There is a very important archeological site just outside the gates of the facility. It is a very old historic area. A lot of time was spent working with San Manuel. When the document was published, San Manuel had a lot of comments. Tom Dodson and his staff worked with San Manuel and VVWRA's legal staff to ensure all of their comments were addressed.

Anthony Bertrand stated that with all the new State regulations on organics diversion, there will be a hundred plus new facilities in the state of California just to meet those new regulations. Organics are no longer allowed to go to a landfill and American Organics is one of those facilities that can assist in taking the organics. Part of the process to comply with the new regulations is upgrading the site. The Water Board gave a brand new permit to American Organics requiring them to have a storm water pond that is completely lined to be able to hold a thousand years storm along with several other upgrades.

Manager Olds stated that the design and improvements are all consistent with what was negotiated as part of the lease extension.

Chair Rigney opened a public hearing 9:08 AM

There were no public comments orally or written received.

Closed public hearing 9:09 AM

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

Chair Rigney: Yes

Commissioner Bird: Yes

Commissioner Kennedy: Yes

13. Recommendation for Disposal of Dirt Mixed with Biosolids

Manager Olds stated that VVWRA has an agreement with American Organics to dispose of VVWRA's biosolids as part of their lease terms. Storms several years ago took a ton of dirt and mixed it in with the biosolids, so now it is not just biosolids. American Organics is responsible for finding the locations where this material can be disposed of. It has been extremely difficult, a better part of two years, trying to find a site that could handle this material. They just found one but because the material contains so much dirt and grit, it will damage the equipment that spreads it as part of the process which causes the process to be expensive. To American Organics credit, they said they would contribute \$25,000.00 because they do have some liability for disposing of the material but the bulk of the expense is VVWRA's. We need to get that material out of there because if it stays there too long our facility would have to go through the permit process to become a hazardous material site. This material needs to be removed. Manager Olds stated that his recommendation to the Board is to move forward and authorize him to work with American Organics with an amount not to exceed \$85,000.00 for the disposal of this material.

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

Chair Rigney: Yes

Commissioner Bird: Yes

Commissioner Kennedy: Yes

14. Recommendation to Award Contract For SCADA Upgrade

Robert Coromina stated that there were a couple of reasons for this upgrade. Last time the current SCADA system was upgraded was in 2008. At that time the upgrade was top of the line but 10 years later, as you know with technology, it is outdated. This update needs to be done and the system needs to be upgraded. VVWRA is looking to move away from the very expensive system that we are currently using called Wonderware. We also need to prepare for the retirement of key personnel leaving. When this individual leaves, he will be taking key knowledge with him of the current system that we need to spread amongst the rest of the staff. This upgrade will allow the transfer of that knowledge to happen as well.

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Commissioner Rigney asked about the huge price difference between the different bidders.

Robert Coromina stated that the high bidder must have thought it was in their best interest to quote VVWRA for a completely brand new system and not just an upgrade.

Commissioner Kennedy asked if Robert had seen this system in place and asked if Trimax knows what they are doing.

Robert Coromina stated that yes, that is another reason why Trimax is so much lower than the other bidders. They know our system. They have worked on our system and worked with VVWRA. They know exactly what they have to do. The other bidders had the numbers but were not familiar with VVWRA's system.

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

Chair Rigney: Yes

Commissioner Bird: Yes

Commissioner Kennedy: Yes

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**

NEXT VVWRA BOARD MEETING:

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

FUTURE AGENDA ITEMS

Leave Policy

COMMISSIONER COMMENTS

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Commissioner Kennedy read comments into the minutes-

The decisions by the Hesperia City Counsel to not pay their bill for services rendered by VVWRA are unconscionable and I believe it is clearly illegal. It is a violation of their constructional agreement with VVWRA. Since it is a willful action and is not based on their inability to pay, it should be obvious to all of us that their goal is to drive this agency into financial ruin. Further, Mr. Blewett has made the public statement that Hesperia doesn't need VVWRA and that they are more than happy to go it alone. For these reasons, I am asking the Board, and I am sorry that Apple Valley is not here and I'm sorry Russ Blewett is not here. But for these reasons, I am asking the Board to agendize a discussion for the next meeting to consider all possible actions available to us to include the possibility of discontinuing service to the City of Hesperia. The only way I can see to avoid a financial disaster in the next six months, is to reduce costs by reducing operations. The only way to do that is to discontinue service to non-paying customers. Is any of the Board willing to have that discussion at our next meeting?

Chair Rigney said that he was willing to have the discussion about the impact but as far as making demands or taking action, he said he is not ready for that.

Commissioner Bird said that he felt that if the discussion was going to happen that all mitigating factors should be included in that conversation including the flow diversion.

ADJOURNMENT

APPROVAL:

DATE: 2/15/18
Approved by VVWRA Board

BY: 

Scott Nassif, Secretary
VVWRA Board of Commissioners