

**MINUTES OF A REGULAR MEETING**  
**REGULAR MEETING OF THE BOARD OF COMMISSIONERS**  
**VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (VWRA)**  
**May 17, 2018**

**CALL TO ORDER:** Chair Larry Bird called the meeting to order at 8:02 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**

**Larry Bird, Alternate**  
**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)**  
**Chieko Keagy, Contoller**  
**Eugene Davis, O&M Manager**

**David Wylie, Safety & Communications Officer**  
**Xiwei Wang, Senior Accountant**  
**Marcos Avila, Lead Mechanic**  
**Alton Anderson, Construction Manager**  
**Robert Coromina, Director of Administration**

**Others Present:**

**Nils Bentsen, City of Hesperia**  
**Keith Metzler, City of Victorville**  
**Greg Snyder, Town of Apple Valley**  
**Jim Cox, City of Victorville**

**Brian Gengler, City of Victorville**  
**George Harris, City of Victorville**

**CLOSED SESSION**

**PUBLIC COMMENTS- CLOSED SESSION AGENDA**

Chair Bird 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. Seconded by Commissioner Rigney.

**REGULAR SESSION**

**CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Chair Bird called the meeting to order at 9:07 am.

**REPORT FROM CLOSED SESSION**

Piero Dallarda stated that the Board met in closed session under potential litigation claim against the City of Hesperia under government code section 54956.9 (d) and the discussion was to approve a tolling agreement with the City of Hesperia. It was unanimously approved. The tolling agreement is attached to the open session agenda. This tolling agreement is for both parties to forestall litigation until the mediation is completed on the issues involving the JPA.

The Board also met in closed session under government section code 54956.9 (d) to discuss a government tort claim by Angelita Valles against VVWRA and the Board unanimously voted to reject the claim and to direct legal counsel to provide notice to Ms. Valles's attorney.

**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: DNA From Ancient Latrines Reveal What People Ate Centuries Ago**

**7. Understanding Wastewater Treatment Performance on Advanced Water Treatment Processes and Finished Water Quality**

VVWRA received a request from an organization to allow them to utilize the subregional facilities to possibly test the performance of different advanced water treatment systems. This relates to the industry moving in a direction to evaluating indirect and direct potable reuse and the regulations from the State of California – State Water Resources Control Board. Whether the study is approved will be determined at some point and VVWRA would only be providing water samples or allowing them to connect to our facility to test their treatment.

**8. Letter- VVWRA National Pollutant Discharge Elimination System (NPDES) Permit Renewal**

**CONSENT CALENDAR:**

**9. Approve March & April 2018 Disbursement Registers**

Commissioner Nassif abstained from any disbursements to Napa Auto Parts.

**10. Approve Minutes from the March 15, 2018 Regular Meeting**

**11. Recommendation to Ratify Low Voltage Power Emergency Purchases**

SCE is not accepting responsibility for the electrical issues VVWRA has had however, they have decided to install a voltage regulator on the lines that feed VVWRA. Hopefully it will be installed by the end of the calendar year and will provide some stability to VVWRA's power systems.

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

Chair Bird: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

**REPORTS & PRESENTATIONS:**

**12. Presentation: FY 2018-2019 Budget**

Chieko Keagy presented the FY 2018-2019 budget

Commissioner Kennedy asked what happens if the \$3.8 million does not come in, what is not going to get paid.

Manager Olds stated that the debt service would not get paid. This fiscal year, as shown in the presentation, we budgeted to receive that \$3.8 million. VVWRA has made a number of cuts each year to maintain positive cash flow to ensure that VVWRA covers its debt. However, with the increase principal payments for the SRF Loans that is no longer possible.

Commissioner Kennedy asked if anyone has been notified.

Manager Olds stated that there is a memo to the Board when VVWRA notifies the State. VVWRA has yet to dip into the SRF loan reserve which would require VVWRA to notify the State. The other issue is that the Desert Knolls Wash Project still needs to be completed. Manager Olds stated that the Board needs to be aware that his recommendation is regardless what occurs; VVWRA must build Desert Knolls Wash. If that pipeline breaks with an estimated 1.2 million gallons running through it, VVWRA is subject to a \$120 million dollar fine per day. The cost of repairing that pipeline now is about \$1.8 million and is a small price to pay. The Board needs to be aware, that project takes precedence over meeting debt service.

There were questions with the projections and actuals in the budget presentation. Staff is going to update the actuals and provide more detail categorically between the Operations, Maintenance, and Administrative departments.

**ACTION & DISCUSSION ITEMS:**

**13. Recommendation to Request Additional Funding For the Professional Services of Dr. Almgren to Perform an Analysis of the Financial Impact of Flow Diversion**

Commissioner Rigney asked that before getting the invoice were we notified about the increase.

Manager Olds recommended that the Board table this item and have legal speak with Justice King regarding more detail.

It was the consensus of the Board to table this item.

**14. Initiation of Litigation against City of Hesperia—Tolling Agreement**

Commissioner Kennedy made a motion to approve the recommendation, seconded by Commissioner Rigney and approved by roll call.

Chair Bird: Yes

Commissioner Rigney: Yes

Commissioner Nassif: Yes

Commissioner Kennedy: Yes

**STAFF/PROFESSIONAL SERVICES REPORTS:**

**15. Financial and Investment Report – April 2018**

**16. Operations & Maintenance Report – April 2018**

17. Environmental Compliance Department Reports – April 2018
18. Septage Receiving Facility Reports – April 2018
19. Safety & Communications Report – April 2018

**NEXT VVWRA BOARD MEETING:**

**Thursday, June 21, 2018 – Regular Meeting of the Board of Commissioners**

**FUTURE AGENDA ITEMS**

**Leave Policy**

**COMMISSIONER COMMENTS**

**ADJOURNMENT**

**APPROVAL:**

**DATE:** June 21, 2018

**BY:**



Approved by VVWRA Board Scott Nassif,  
Secretary VVWRA Board of Commissioners