

**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