



SPECIAL EDITION

Purple Pipe

Volume XX Summer 2020



VWRA Adopts Balanced Budget

Budget calls for lower operating costs and funding for pay-as-you-go capital projects

The VVWRA Board of Commissioners unanimously approved a \$17.8 million dollar balanced budget for fiscal year 2020/2021 that includes a \$300,000 surplus. The new budget lowers operating costs by 3% while fully funding 12 capital projects. The budget provides for a surplus in revenues that will be used to fund a new strategy of pay-as-you-go capital projects.

Capital projects that are fully funded for the 20/21 fiscal year include modifications to the Digester 4



& 5 feed line, Phase 2 of the PLC replacement, protective coating for the UV channels and the septage EQ basin, improvements and expansions of the ADM/FOG receiving area, improvements to the Subregionals in Hesperia and Apple Valley and a new golf cart barn at the main plant. The new budget is moving VVWRA closer to our desired debt ratio coverage of 1.2.

Last year's budget was a deficit budget with a debt ratio of .76. The new budget has a 1.16 debt ratio.

GM Poulsen: New Budget the Result of Teamwork

I want to congratulate all the staff who contributed to developing the 2020/21 Annual Budget. On June 18, 2020, the budget was presented to our Board of Commissioners for their consideration and approval. Following a detailed presentation, the Board members gave significant praise to our staff for a well-developed and responsible budget. The budget was passed unanimously without questions or concerns.



GM Darron Poulsen

Preparation for the Budget calculations and supporting documents began on December 2, 2019, my first day as the new General Manager for VVWRA. One of my first goals was to challenge the management team to develop a balanced, more focused, and comprehensive budget. The team worked diligently together to evaluate the budget structure to identify shortcomings and ambiguity. We collaboratively identified areas for improvement to provide greater clarity with fewer line items, elimination of line item duplications and more a definitive separation of Department fiscal responsibility.

Past budgets reported operational expenses as one department when in fact there are three key VVWRA staff members who are fiscally responsible for developing their own independent budgets. The Plant Superintendent, Brad Adams, manages 19 staff mem-

bers, including Operators and Mechanics, who are responsible for the operations of the regional and sub-regional facilities. He is responsible for developing the budget to operate the facilities. The Director of Administration, Robert Coromina, manages 9 employees who perform the environmental compliance, IT and electrical work, human



Brad Adams



Robert Coromina

resources, and safety. He works with the Controller, Chieko Keagy, to develop the Administrative budget. In addition to developing two clear internal Departments who are held accountable for effective planning and budgeting, the number of line items was shortened to eliminate a level of granularity that created budgeting difficulties. The management team now has a much clearer understanding of where they have budgeted funds for their regular operations instead of having to dive into multiple layers of line items and codes. The elimination of this complexity allowed the management team to sharpen their pencils on the more general line items this budget year. Each manager was asked to eliminate worst case scenarios from the individual line items and to budget



Chieko Keagy



VWRA Balanced Budget a Team Effort cont.

as close to normal expected operating costs for every element of their budget. They were each given a new line item for contingency that they could draw upon should any out of the ordinary situations arise. This new process eliminated additional funds from many line items that in the past had inflated budget numbers for the unknown situations that sometimes occur.

During these first six months as the new General Manager, the management team and I have worked diligently in collaboration with each other, the Board of Commissioners, and the Member Agencies to build trust and a positive working relationship. We have developed a new Mission Statement and Core Values, which provide a road map for future operations. The management team has also developed a Model for Efficient Wastewater Utility Management that we will present to the Board in the new fiscal year for their review and comments. VWRA staff and the management team have participated in making a culture shift to value every employee equally at a higher level and to put our customers, the Member Agencies, first in all of our decision and planning efforts.

VWRA Mission Statement

VWRA is committed to protecting public health and the environment in the Victor Valley by providing effective and fiscally responsible wastewater collection, treatment and recycling.

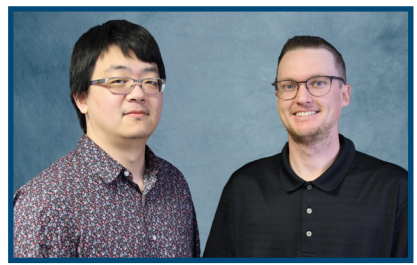
The approved budget provides for a surplus in revenues that will be used to fund a new strategy of pay-as-you-go Capital projects. This new budget is

moving us closer to our desired debt ratio coverage of 1.2. Last year's budget was a deficit budget with a debt ratio of .76. The approved budget has a 1.16 debt ratio and a surplus budget over \$300,000. Overall operating expenses were lowered almost 3% from last year and we have fully budgeted 12 Capital projects. The team is excited to move forward with our desired plans to better the Authority for the mutual benefit of our staff and Member agencies.

VWRA Core Values

- Dedication
- Collaboration
- Integrity

Victor Valley Wastewater Reclamation Authority is committed to satisfying the new Mission Statement utilizing our new Core Values and Model for Efficient Wastewater Utility Management as the road map to achieving those goals in the coming fiscal year. The Authority strives to maintain transparency, responsiveness and stewardship toward our Board of Commissioners, our Member Agencies, our stakeholders, and our employees. I would like to take this opportunity to thank the external Finance Committee, made up of financial staff from the Member Agencies and the internal Finance Committee of Commissioners Bird and Lovingood, for input on the proposed budget. Special thanks to the Finance staff including Controller, Chieko Keagy, Senior Accountant, Xiwei Wang, and Accountant, Kyle Parker.



Xiwei Wang and Kyle Parker


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VWRA and Employees Agree on New MOU

The VWRA Board of Commissioners and the VWRA Employees Association have agreed on a new three year Memorandum of Understanding (MOU) extending to June 30, 2022. The agreement includes an increase of the monthly health/dental/vision contribution to \$1100.00, an increase in the annual boot allowance to \$250.00, a \$450 allowance for prescription safety glasses and an increase in weekly stand by pay to \$350.00. Annual cost of living adjustments will be based on the annual Consumer Price Index or 3.5%, whichever is lower.





Around the Plant

Improvement Projects Underway

Grading for FOG/ADM receiving road and staging area.



A number of improvement projects are underway at VVWRA's main plant. Grading has begun (left) on a new FOG/ADM receiving road and staging area. The project will divert large trucks from driving directly through the plant and add capacity to the number of vehicles we are able to accommodate. This will improve safety, efficiency and capacity to receive the materials.

A new cart barn is under construction behind our O & M Building. Our fleet of golf carts has been stored in the maintenance work shop for years. The new cart barn will free up space for our maintenance department to better do their work while giving our staff reliable access to the electric vehicles we use to travel our 420 acre site. In addition, a storage area for our electrical and instrumentation supplies is also in the works adjacent to the old "chlorine building".

Planning is underway, in conjunction with Southwest Gas, (SWG) to re-configure our biogas system. SWG is interested in injecting our excess biogas into a main gas line that runs through VVWRA property. Currently, VVWRA flares any excess biogas that is not used for power generation. The project calls for sending that excess gas to the SWG pipeline. VVWRA is also working with Anaergia Inc. to re-start our facilities three original digesters built in the late 1970's. The digesters would be used primarily for FOG and anaerobically digestible materials (ADM) to produce even more biogas for SWG. The project will produce an increased source of green energy in the form of biogas, while creating a new revenue stream for VVWRA that will help keep costs down for our customers. Speaking of green energy, a massive 500 acre solar farm is being built northwest of VVWRA. Large transmission line power poles will run through VVWRA property when the project is completed.



Site of future cart barn.

VVWRA welcomes new staff members!



Daniel Kessell
Operations intern



Michelle Quintana
Operations intern

Solids on the *MOVE*

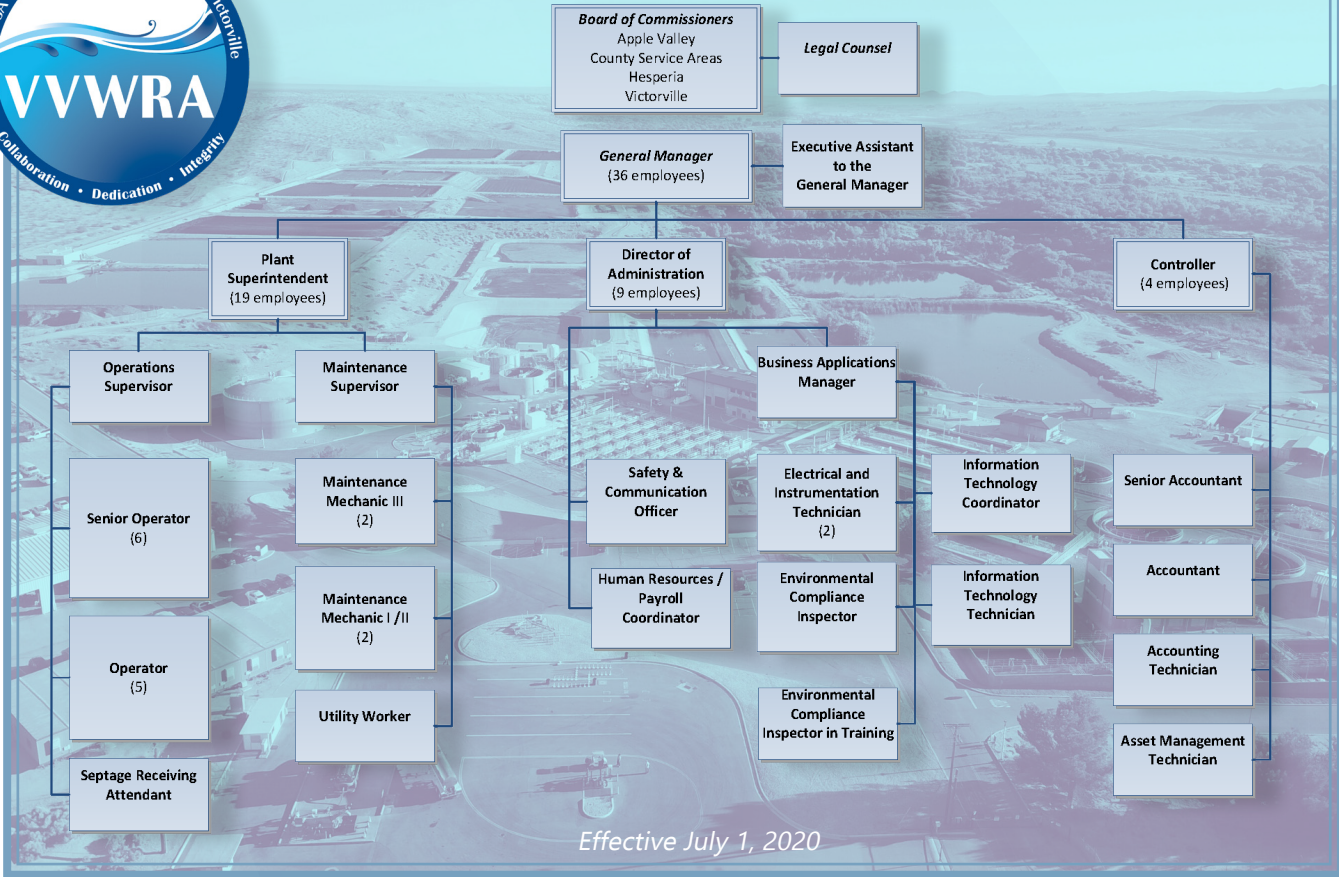


VVWRA's treated and dried solid waste is called biosolids. Biosolids are loaded on large trucks and taken to regional farms to be used as fertilizer for animal feed crops. This truck was headed to a farm in Bakersfield.



New Org Chart Unveiled

As part of the 20/21 FY budget, VVWRA has released a newly revised organizational chart.



Keeping Our Pipes Clean



Don Aylesworth of Tunnelvision, Inc. maneuvers a camera through a sewer line. The white material at the bottom of the pipe is fat and grease.

VVWRA is responsible for maintaining 45 miles of sewer interceptors or pipelines. To prevent clogs and overflows, it's important that VVWRA inspects and cleans those pipes on a regular basis. The pipes range from 8" to 42" wide. The process begins with a video inspection of the pipes, which can reveal debris like grease, wood, dirt and rocks. Larger items are retrieved and removed with a vector truck while powerful hoses wash out the rest.



Workers use a powerful vector truck to vacuum up the debris.



Large rocks removed from pipeline.