

**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF COMMISSIONERS  
OF THE  
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY  
June 20, 2008**

**CALL TO ORDER:** Chair Bob Sagona called the meeting to order at 7:35 a.m. in Room 146 at the Victor Valley Wastewater Reclamation Authority Administrative Offices, 15776 Main Street, Hesperia, California, with the following members present:

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

**Bob Sagona  
Thurston Smith  
Rudy Cabriales  
Brad Mitzelfelt/Tom Sutton**

**VVWRA Staff and Legal Counsel:**

**Logan Olds, General Manager  
Piero Dallarda, Legal Counsel (BB&K)  
Chris Anthony, Project Construction Manager  
Gilbert Perez, Director of Operations  
Tacey Barclay, Account Tech III  
Toni Henning, Human Resources Tech  
Anne Wu, Account Tech III**

**Patricia Johnson, Secretary to the GM/Board  
Angela Valles, Director of Human Resources  
Kellie Patterson, Account Tech III  
Robert Coromina, Network Supervisor  
Kristi Scott, Administrative Aide  
Linda Ellsworth, Mgmt Tech to GM  
Marce Delaney, Pretreatment Supervisor**

**Others Present:**

**Brian Johnson, City of Hesperia  
Joe Flores, City of Victorville  
Nord Embroden, Victor Valley College  
Mr. & Mrs. Dick Fortyuene, MWA**

**Amer Jakher, City of Victorville  
Dennis Cron, Town of Apple Valley  
Patti Gorczyca, Kinsell, Newcomb De Dios, Inc.  
Jon Roberts, City of Victorville**

**CALL TO ORDER & PLEDGE OF ALLEGIANCE**

Chair Sagona called the meeting to order at 7:35 a.m.

**PUBLIC COMMENTS – CLOSED SESSION AGENDA**

Chair Sagona asked if there were any comments from the public regarding any item on the Closed Session agenda. Hearing no comments, Chair Sagona called for a motion to enter into Closed Session.

**CLOSED SESSION**

Commissioner Cabriales made a motion to enter into Closed Session at 7:35 a.m., which was seconded by Commissioner Smith and approved by unanimous voice vote.

## **REGULAR SESSION**

Chair Sagona called the Regular Meeting to order at 9:50 a.m. and announced that there were no items to report from Closed Session. Chair Sagona also announced that Closed Session Item 3 was continued until after the adjournment of open session.

Chair Sagona introduced Tom Sutton, the new alternate Commissioner for the County of San Bernardino. Chair Sagona said that Tom Sutton was serving as a representative on the Technical Advisory Committee when he was first appointed to the Board and he is glad to have Tom back at VVWRA to serve on the Board of Commissioners on behalf of Supervisor Mitzelfelt.

## **PUBLIC COMMENTS – REGULAR SESSION AGENDA**

Chair Sagona asked if there were any other comments from the public on the Regular Session agenda. There were no comments from the public.

## **ANNOUNCEMENTS AND CORRESPONDENCE:**

### **4. Possible conflict of interest issues**

Manager Olds reported that he was not aware of any conflicts

### **5. SB966 - Statewide “No Drugs Down the Drain” Initiative**

Manager Olds reported that the No Drugs Down the Drain initiative is both a statewide and nationwide effort that will occur this fall to educate the public about not disposing of their pharmaceutical products into the toilet. VVWRA was approached by Mr. Joe Flores of the City of Victorville about partnering with the City to implement this project and we are approaching the other member entities to see if there is a level of participation that will meet needs.

### **6. AB2986 (Leno) Relating to Wastewater Systems**

Manager Olds reported that AB2986 is related to the facilities. Our concern is that the bill is poorly written and it would assign a letter grade to collection systems but it does not adequately address some of the unique issues of a collection system. The bill is so broad that it causes some particular problems.

## **CONSENT CALENDAR:**

### **7. Approve the May 2008 Cash Disbursements (No. 0508)**

### **8. Approve the minutes of the regular meeting held on May 23, 2008**

**9. Recommendation for Sole Source Procurement of Goods and Services for the Purchase and Startup of Two Emission Catalyst Units for the Waukesha H24 Blower Engines**

**10. Recommendation to Award Janitorial Bid – VVWRA Bid No. 7-2008**

Commissioner Cabriales made a motion to approve the consent calendar, which was seconded by Commissioner Smith and approved by unanimous voice vote.

**PUBLIC HEARING:**

**11. Executive Summary: FY 2008-2009 Budget**

Chair Sagona opened the Public Hearing at 9:54 a.m. Manager Olds reported that an Executive Summary was provided for the Commissioners to review. He reported that the Capital projects that are proposed are significant and there are a number of tasks associated to accomplish those projects for the member agencies. Key among them is addressing the fiscal issues of this organization. Manager Olds said the budget before you does have an operating deficit associated with it even with the proposed rate increase. We will be working with each entity Finance Director and it is our hope to come before you with a presentation at the July Board meeting.

Commissioner Smith thanked Manager Olds for submitting the budget prior to its implementation date of July 1 and said he understands that this has not occurred for the last seven years. He said he would possibly like to see a Budget Workshop scheduled before the next Board Meeting. Manager Olds said workshops have been held for the External Finance Committee that is attended by two Board Commissioners and all member entity Finance Directors. His understanding of what the Commissioners are now requesting is that the full Board be given a debriefing of the existing deficit situation as it relates to the proposed budget and of all of the work associated with the various alternative models to correct the deficit. Manager Olds said he was planning to present this information to the Commissioners at the July 18 Regular Board Meeting. He said if the Commissioners would like to wait until July 18 it would provide enough time for staff and the financing team to prepare all of the items and present some of our ideas to the City Managers prior to their presentation to the Board. Commissioner Smith said he would like to receive the information at least one week prior to July 18. Manager Olds asked if a Special Meeting on July 11 would work for all Commissioners. It was agreed by consensus that a Special Meeting should be tentatively scheduled on this topic for Friday, July 11 and that Pat Johnson will send out a notice to the Commissioners to confirm the meeting.

Manager Olds announced that a Strategic Advisory Committee meeting is scheduled on July 7 to be attended by all City Managers and Finance Directors. An External Finance Committee meeting has been scheduled to be held on July 10 and this Special Meeting will be scheduled on July 11. Manager Olds said he appreciates Commissioner Smith's comment acknowledging the fact that the FY 2008-09 Budget was presented on time for the first time in seven years. He said this has taken a lot of effort and was accomplished through teamwork and the concurrence of the member agencies.

Chair Sagona closed the Public Hearing at 10:00 a.m. Piero Dallarda advised the Commissioners that there is a Resolution under Item 14 to adopt the FY 2008-2009 budget as proposed by staff. He said the Board may deal with that Resolution now if they wish to or later as part of Item 14.

It was the consensus of the Board to move to Item 14 at this time. Chair Sagona called for a motion. Commissioner Cabriales made a motion to adopt the FY 2008-09 Budget as proposed, which was seconded by Commissioner Smith and approved by unanimous voice vote.

## **REPORTS OR PRESENTATIONS:**

**12. School Education Presentation (Linda Ellsworth):** Linda Ellsworth reported that for the past two years she has been providing presentations to local elementary schools for the fifth and sixth grades. Historically, VVWRA had a very good program where school children visited the treatment plant for a tour of the facility. In 2005, VVWRA received a Public Relations Award from the California Water Environment Association (CWEA). In 2006, VVWRA received a Public Relations Award from the California Association of Sewerage Agency (CASA). When tours of the plant were no longer possible due to safety reasons because of the construction projects for the plant expansions the program was taken to the classrooms.

Linda reported that VVWRA is a sponsor of the Mojave Environmental Education Consortium (MEEC) Program and receives publicity from that Program. When facility tours were no longer possible, MEEC hosted a teacher workshop for a brain-storming session to help us determine what we could do inside the classrooms. The teachers had a lot of great ideas. One of the best ideas they came up with was microbe trading cards. The talented staff at TRG and Associates developed trading cards for VVWRA. Children love trading cards and were very excited about them. The cards became so popular they have actually been copyrighted because we have a large financial investment in the cards. Linda said the classroom program consists of an interactive discussion on the impact their daily living has on the environment. A video is shown that was also developed and copyrighted by TRG, which talks about the benefit of wastewater treatment. After showing the video, we talk about what makes the water in their homes dirty. Then we talk about reclaimed water and how it can be used and how fortunate we are to have laws to maintain the quality of our water. Many students in Apple Valley and Hesperia do not have sewer, so we also discuss septic tanks. Over the past two years, this outreach program has touched 18 schools and 3,800 students.

Linda said the final highlight of each classroom visit is to handout a goody bag to each student that is filled with activities and other items. After showing a portion of the video that is shown during each school presentation, Linda distributed a bag to each Commissioner filled with items that are routinely issued to the elementary school children.

Linda said taking our message to the classrooms is not without cost. The initial expense of developing the microbe trading cards and the video was a one-time expense. The distribution of the goody bags is now the largest expense of the program at about \$9,500 per year plus staff time to fill the bags. It has been a good Program, but we now are in a shortfall of funding. If we are able to continue, the cost of bags per school per visit is \$900. If our visits are limited to 10 schools during the next fiscal year, it

would cost about \$9,500. This Program helps students realize that their city is doing something for them and gives them an awareness of how what they put into the sewer affects the water. For our long-range goals, it also promotes the awareness of recycled water.

Commissioner Cabriales said this is money well spent. Commissioner Sutton said the future professionals in the field of water lie in that group of youngsters. This also creates a community-mindedness that will benefit a lot of people because they will be much better and more aware citizens. On the more mercenary side, they are also our future rate payers. He said this is time well spent and there is no better place to start this than in the schools. It is critical and it is a wonderful program.

Chair Sagona said conscientious parents know what their children are learning, so children can be good transmitters of information. Speaking for the Apple Valley schools, continue the good work and we will find the money for this Program. Commissioner Smith suggested developing a program for higher grade level grades.

**13. Benchmarking Analysis:** Manager Olds reported that a number of questions have been raised at the Finance Committee meetings and SAC meetings indicating that the member agencies were concerned about how VVWRA performs against other comparable agencies. He provided a review of the analyses he performed comparing VVWRA against comparably sized agencies. For this comparison, he used the FY 2008-09 numbers contained in the budget that was just adopted by the Commissioners and used benchmark comparison data from the American Water Works Association (AWWA) dated 2006. He said the Sewer Overflow rate shown on Page 2 is one of the first benchmarking analyses that he performed. It showed that VVWRA is performing below the median and the predominant reason for that is the issue we are experiencing along the Hesperia Interceptor. He said for the Operations and Maintenance costs per million gallons processed we are operating very efficiently at average or above average in our performance. The direct cost of treatment per million gallons processed is \$606 and the top quartile shown by AWWA is \$634. Again, we are very efficient. For the comparison for million gallons per day of wastewater processed per employee that includes all employees in all departments, the value was 0.28 as compared to the top quartile of 0.35. This shows that member agencies are receiving value.

Manager Olds said there was a desire to understand how VVWRA compares to other agencies. When compared to the comparison agencies listed, our cost per employee is among the lowest. As a result of going through this exercise, it is hoped that this addresses any concerns about our efficiency and our operation. This does compare our organization to other organizations of similar size. Considering that he used the FY2008-09 budget numbers for this analysis in comparison to 2006 numbers used by AWWA, our efficiencies would actually be even greater.

Chair Sagona said it is very refreshing to see a report like this. Manager Olds said he appreciates that the Commissioners approved the budget early and he wanted to show that VVWRA is functioning and utilizing your member agency dollars to provide a benefit to your communities. Commissioner Sutton said, "This is very good and positive information. The comparison agencies used are very representative and are a good cross-section of what we are doing. Good job."

**ACTION & DISCUSSION ITEMS:**

**14. Resolution 2008-11: Adopt FY2008-2009 Budget:**

Commissioner Cabriales made a motion to adopt the FY 2008-2009 budget as proposed, which was seconded by Commissioner Smith and approved by unanimous voice vote.

**15. Employee Benefits Review by Keenan Associates (Renee Wingert):** Manager Olds reported that Renee Wingert became ill with food poisoning and was unable to be here today to provide a presentation. He asked Angela Valles if she had any comments on this item. Angela said that while trying to reduce our personnel costs it was found that we were being charged quite a bit of money for our current benefits. We met with Renee of Keenan & Associates, who issues a request for quotations. Angela reported that many companies were not interested in providing a quote to VVWRA due to our small size. Principal Life provided a quotation to VVWRA.

Angela said that Option 2 is recommended, which shows VVWRA could save 41.2 percent (\$35,681) by switching to Principal Life. Employees would have better benefits at a lower cost to the agency. Manager Olds said VVWRA does not currently have Accidental Death and Dismemberment insurance coverage. In this type of industry, it is an important element and this coverage would be provided by Principal Life.

Commissioner Cabriales made a motion to approve Option 2 of the staff recommendation as presented, which was seconded by Commissioner Sutton and approved by unanimous voice vote.

**16. Resolution 2008-9: Approve CPI Adjustment to Step and Range Salary Chart:** Manager Olds reported that this recommendation is typically presented following the adoption of the budget.

Chair Sagona said the Consumer Price Index (CPI) is the standard index used in the past that includes San Bernardino County. The Town of Apple Valley, the County and Hesperia have addressed CPI increases in their budget, but the City of Victorville has held back.

Commissioner Sutton made a motion to approve Resolution 2008-9, which was seconded by Commissioner Cabriales and approved by unanimous voice vote.

**17. Resolution 2008-12: Revise Source of Revenues Dedicated to Repayment of the State**

**Revolving Fund Loan:** Manager Olds reported that Resolution 2008-12 relates to the item that was discussed on June 13. A copy of a letter that was received yesterday afternoon was included in the Commissioners' handout folder. He said we need to free up the reserve of \$12.5 million for the State Revolving Fund loan repayment. We have received notice from the State Water Quality Control Board that they are agreeable to doing so. Manager Olds read the letter aloud and announced that the State is requesting a copy of an adopted Resolution from VVWRA to revise the source of revenues for the loan repayments. The reserve dollars may then be reallocated to create a Rate Stabilization Fund for the agency. This is our first time before the market in a very poor economy.

Patti Gorczyca said this is quite an accomplishment in view of the bond issuance. Manager Olds said he cannot thank Patti and Piero enough for their hardworking efforts to achieve this. Commissioner Smith asked Manager Olds to explain the rate stabilization fund. Manager Olds said the rate stabilization fund is a concept that was developed by our financial advisors. Because this economy has volatility, a bond investor wants a level of assurance that he will be repaid for his investment. The concept is that the rate stabilization fund will set aside one year's worth of debt service so if the worst were to happen and we received zero connection fee revenues we would still have enough sitting in the bank to make one year of debt service payments. This would allow time from a bureaucratic standpoint to occur to address that deficit. Manager Olds said he will be working with Patti and the financial advisors to allocate those resources. This is one of the components that will be discussed with the Strategic Advisory Committee and the External Finance Committee during the week of July 7.

Piero advised that the Resolution before the Commissioners does not establish a rate stabilization fund. The Resolution is just something we need to do for the State Water Resources Control Board so that we can show that the way the funds were dedicated will now be dedicated as a pledge of net revenue. That is all it does and does not establish a rate stabilization fund or anything of the sort. Chair Sagona said the rate stabilization fund has been addressed and asked if there were any other comments from the Commissioners. Hearing no comments, Chair Sagona called for a motion.

Commissioner Smith made a motion to approve Resolution 2008-12, which was seconded by Commissioner Cabriaes and approved by unanimous voice vote.

**18. Recommendation to Implement Twenty Percent User Rate Increase Effective July 1, 2008 (As Approved June 22, 2007 Under Ordinance 001C, Subject to Review and/or Adjustment Under Resolution 2007-13):** Piero Dallarda said this should not really be an action item, since the increase that you contemplated under Ordinance 001C is automatic under the adoption of Ordinance 001C last year. This is now being presented so the Board is aware that the fee increase is taking place. Manager Olds reported that it was requested by Commissioner Cabriaes one year ago that each fee increase under Ordinance 001C be placed before this body, so the presentation of this material is a result of a Commissioner Cabriaes' request although no action by the Board is required. Commissioner Cabriaes said each fee increase approved under Ordinance 001C is subject to Board review. Piero said it is subject to review, but it is basically automatic unless the Board decides to review it and decide something else. Obviously that did not happen on March 20 as the Ordinance contemplated. We still thought it would be appropriate to bring this to the Board's attention.

**19. Approval of Bond Counsel Contract – Best Best & Krieger LLP:** Manager Olds said this is the contract with Best Best & Krieger (BB&K) that was not included by our oversight at the June 13 Board meeting. This is part of the issuance of the bonds. Piero said Commissioner Smith correctly pointed out that the retainer agreement had been attached instead of the bond counsel agreement. The retainer agreement had already been approved by the Board, so the Board could not approve the bond counsel contract with the other finance team contracts on June 13.

Commissioner Smith said he wanted to know if anyone has any problem with BB&K being our legal counsel and being our bond counsel. Manager Olds said there is also Underwriters counsel. Piero said the underwriters get their own counsel, so a lot of the disclosures are done by both the bond counsel

and the Underwriters counsel. Patti Gorczyca said in many cases you will see separate counsels, but in this case you are discussing checks and balances. Commissioner Smith asked if this means BB&K would be under retainer for any future bonds too. Piero said yes, their original agreement with VVWRA provided that we would provide you with bond counsel, subject to further agreement between VVWRA and BB&K. He said there are different agreements you can have. One is this proposed agreement that contemplates that BB&K does not get paid unless the bond issue happens. It was the agency's preference in the past to do it this way. Commissioner Smith asked what if we do a bond in October and then we need another one in May. Piero said the Board can decide what type of contract they want and can decide not to use BB&K if that is what you choose to do. This contract is not for future bonds it is for the first bond issue. If the bond is issued, reimbursement would be paid to BB&K at an hourly rate.

Commissioner Smith made a motion to approve the contract for bond counsel services with Best Best & Krieger LLP, which was seconded by Commissioner Cabriales and approved by unanimous voice vote.

Chair Sagona said "Let the record show the departure of Commissioner Sutton at 10:45 a.m."

**20. Notice of Completion – 14.5 MGD Expansion Project:** Manager Olds announced that the 14.5 MGD expansion project has been completed. There are still a few outstanding items that Chris Anthony is working on with the contractor, but for all intents and purposes we are there. Manager Olds asked Chris if he would like to comment. Chris said, "Hooray". Commissioner Smith asked the agency will be able to pay off the bill for the 18 MGD expansion with the funds no longer retained in the State Revolving Fund account. Manager Olds said we will evaluate our cash position and certain funds held in retention. Manager Olds asked Chris when we can expect to receive a Notice of Completion for the 18 MGD Expansion. Chris said it is expected next month.

**21. Request from Chair Sagona for Commission Tour of Westside Treatment Plant Upgrades:** Chair Sagona said it has been some time since the Board visited the treatment plant and he is recommending that the Board tour the plant to view how different and exciting it must be. The entity Managers and Finance Directors should also be invited. Manager Olds said because the 18 MGD Expansion has not been completed yet he would like to know if the Commissioners would be agreeable to touring the plant during the first or second week in August. Piero said as a word of caution from counsel this would be a Special Meeting that would have to be properly noticed. Manager Olds said due to the time of the year, he would recommend that the tour begin early and that everyone plans to meet at the plant at 8 a.m. so it is as cool as possible. Following a discussion on whether the tour should begin as early as 6 a.m., Manager Olds said a notice will be issued to propose a date and time and staff will make the necessary arrangements for the tour.

It was the consensus of the Commissioners that a Special Meeting be held during the first or second week in August to tour the treatment plant upgrades.

**22. Release of Liability with Victor Valley College Students:** Manager Olds reported that this is a professional as well as a somewhat personal interest. For over a decade, he has been concerned about the industry of wastewater and water treatment. There was a great deal of recruitment that occurred in

the early 1980's. About two years ago, a conglomerate of water and wastewater agencies in the State of California created a memo about a pending operations train wreck. We are facing a situation in our industry where 80 percent of our workforce will be eligible for retirement in four years. There are innumerable opportunities for people in these industries to find employment. There has been a huge disparity in our industry about how to educate the public about what we do. Linda's presentation talked about how we educate the children, but how do we reach the audience that is planning what to do for their future careers.

Manager Olds said Victor Valley College (VVC) has a number of different opportunities and programs that he became aware of through the Mojave Water Agency's involvement through geographic information systems. One of the problems with our industry is perception, so we have to get the people out to the treatment plant to realize that there are some very fascinating elements to it such as the large engines, the laboratory, all the administrative aspects, and everything that is involved to do what we do.

Manager Olds said what he has envisioned is a curriculum wherein he will teach an evening course from 5:00 to 6:15 p.m. on Thursdays and on Wednesdays between 8 and 10 a.m. we break up the class into groups of students who would go to get hands on training in different areas of the treatment plant. For a few weeks they would work with maintenance to learn how to rebuild a pump. For a few weeks they would work with operations to actually learn how to operate the facility using the computer system. Then for a few weeks they would work with information technology to find out what it takes to make all the pieces and parts operate. They could also work out in the field, in Administration, and in Finance. The idea is to have this course occur once per semester. This is outreach to the community to hopefully find resources within the community to fill vacancies that occur.

Chair Sagona asked if it was coincidental that our Human Resources Director is on the governing board at the college. Manager Olds he has been working on this since he first started working for VVWRA, which was before Ms. Valles became a member of the Board. He has had meetings with various VVC representatives in an attempt to build interest in this type of program. As the Commissioners are aware, we have had any number of difficulties over the last two years that we are trying to overcome. This course will help to enthuse VVC students and VVWRA staff as well and make them understand that this is a valued profession. Manager Olds said it would be unfair to say that he has not twisted Angela's arm a bit to help in any way she could.

Chair Sagona told Manager Olds that he should be commended for his vision and for going right to the source, but should not put too much on his plate. Commissioner Cabriales asked how certifications are obtained. Manager Olds said he developed a training manual that tells how to obtain the required certifications. He said that he holds five certifications that cross four separate types of certification. Manager Olds said you get the certifications through on the job training. In the water industry, the potable water you drink is more regulated than the bottled water that is purchased. To become a Grade I certified water treatment plant operator, you could have no experience at all whatsoever. You can just go in and take the test and then get a certificate and get a job. It is more difficult in the wastewater industry. Most people who try to switch from the water industry to the wastewater industry fail. In many ways, the physical process for water is much simpler than wastewater and does not have the complex biological interplay.

Manager Olds said in order to get a Grade I wastewater license you have to have one year of experience or 2,080 hours. You can get an Operator-in-Training certificate that is pending that job experience, but there are very few agencies in the State of California that provide that. He said VVWRA hired two operator-in-training positions 18 months ago because we wanted to train from within and bring them up the ranks. The difficulties getting into this industry are significant. The goal of this course is to teach the basic concepts that if you get a certificate you can get a job in the industry and to show the pathways they can choose from. Commissioner Cabriales said it is a great idea to teach outside the classroom.

Manager Olds announced that VVWRA's Maintenance Supervisor has left for greener pastures. Director of Operations, Gilbert Perez, has been filling the vacant position of Operations Supervisor for five months and is looking at having to do the same for the Maintenance Supervisor position. Manager Olds said as much as he would like to move VVC program forward, his concern is not to overburden the existing staffing resources. If it is the consensus of the Commissioners, he would like to move forward with the VVC program. However as part of his contract to serve VVWRA, he is not allowed to accept employment outside the agency. In order to teach a class at VVC, he would have to be employed and paid by Victor Valley College. Commissioner Cabriales said this program is needed by our industry. Managers for the City of Victorville have taught classes at VVC and he does not think this would be any different. Commissioner Smith said he gives his blessing wholeheartedly.

Manager Olds introduced Nord Embroden of the Construction Management and Technology Department at Victor Valley College. He asked if Nord would like to make any comments. Nord said he appreciates the opportunity to work with Manager Olds on this effort. This is exciting because he understands the value of mixing hands on training with classroom activities. It will be wonderful for students to be able to go to the actual facility and work alongside the staff. Nord said he had a wonderful opportunity to tour the VVWRA facility last week. Most people would have no idea what goes on there and do not know what it takes to reclaim water. Commissioner Cabriales asked if there is any chance of getting the Water District involved in this to obtain their certifications. Nord said there are a lot of common classes involved such as the technical math course and we are moving toward an Environmental Degree that encompasses water, wastewater, etc. We need to get the younger students involved and interested in what their future career will be.

Manager Olds made a recommendation to the Commissioners to reconvene in Closed Session at this time because there is one item remaining to be addressed. Chair Sagona thanked everyone for coming to the meeting. Piero advised that a motion will be needed to enter into Closed Session. He also advised that the Board will go back into Regular Session to report from Closed Session if any member of the public desires to stay for that report.

At 11:10 a.m., Commissioner Smith made a motion to enter into Closed Session, which was seconded by Commissioner Cabriales and approved by voice vote.

**STAFF/PROFESSIONAL SERVICES REPORTS:**

- 23. Construction Management Update: 14.5 and 18 MGD Expansion Projects – May 2008:** Accepted as submitted.
- 24. Financial and Investment Reports – April and May 2008:** Accepted as submitted.
- 25. Customer Account Past Due Report:** Accepted as submitted.
- 26. Operations and Maintenance Report for May 2008:** Accepted as submitted.
- 27. Pretreatment and Interceptor Cleaning and Inspection Reports – May 2008:** Accepted as submitted.
- 28. Septage Receiving Facility Reports – May 2008:** Accepted as submitted.

**AGENDA ITEMS FOR FUTURE MEETINGS:**

**Report from Ad Hoc Strategic Advisory Committee (Blake Anderson)**

**Report from External Finance Committee (Patti Gorczyca)**

**Revision of Capital Improvement Program (July 2008)**

**VVWRA Capital Improvement Program Community Advisory (Patti Gorczyca – July 2008)**

**Odor Issues with South Apple Valley Interceptor (July 2008)**

**Semi-annual Revisions to Interceptor Flow Projection Study by RBF Consulting (August 2008)**

**Resolution to Authorize Interfund Loan (August 2008)**

**Recommendation to Issue Request for Proposals (RFP) for Apple Valley Water Reclamation Plant (September 2008)**

**Award Bid for Phase III Primary Clarifier Skimmers and Diffusers for Airbay No. 3 Project (September 2008)**

**Proposal to Perform Cumulative Impact Assessment for VVWRA Discharges (Sep-Oct 2008)**

**Interceptor Connection Requirements and Enforcement and Industrial Pretreatment Program**

**NEXT BOARD MEETING:**

**July 18, 2008 - Regular Meeting of the Board of Commissioners**

**COMMISSIONER COMMENTS**

None

**ADJOURNMENT**

Upon returning from Closed Session at 11:55 a.m., Chair Sagona announced there were no reportable items.

Commissioner Cabriales made a motion to adjourn the Regular meeting, which was seconded by Commissioner Smith and approved by unanimous voice vote.

**APPROVAL:**

**DATE:** 7/18/08  
Approved by VVWRA Board

**BY:** Thomas L Sutton  
Tom Sutton, Secretary  
VVWRA Board of Commissioners