

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
June 18, 2009**

CALL TO ORDER: Chair Rudy Cabriales called the meeting to order at 7:35 a.m. on June 18, 2009 in Room 146 at the VVWRA Administrative Offices, located at 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**

VVWRA Staff and Legal Counsel:

**Logan Olds, General Manager
Piero Dallarda, Legal Counsel (BB&K)
Angela Valles, Director of Admin. Services
Gilbert Perez, Director of Operations**

**Patricia Johnson, Secretary to the GM/Board
Robert Coromina, Network Supervisor
Chris Anthony, Project Construction Manager
Wade Specht, Operations Supervisor**

Others Present:

**Amer Jakher, City of Victorville
Andrea Daroca, VVWRA Consultant
Brian Johnson, City of Hesperia
Fred Strauss, Tenaska
Mike Hardy, CBM**

**Bill Pattison, Town of Apple Valley
Joe Flores, City of Victorville
Jose Mendoza, City of Hesperia
Joe Vail, Resident
Ryan Orr, Passantino Andersen Communications**

CALL TO ORDER & PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS – CLOSED SESSION AGENDA

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

CLOSED SESSION

Commissioner Sagona 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

The Regular Meeting was called to order at 9:03 a.m. Piero Dallarda announced that there was nothing to report from Closed Session.

PUBLIC COMMENTS – 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 potential conflicts of interest.

5. Staff Introduction: Wade Specht, Operations Supervisor: Manager Olds said it is his pleasure to introduce Wade Specht. He said that Wade was born in Montana and as an Air Force brat his family moved around every three to four years until he was 12 years old. During that time, he lived in Tripoli, Libya and Colorado Springs, Colorado. When his father retired, he moved back to his home state of Pennsylvania. Wade and his sister now live in California, so his parents visit them several times each year. Manager Olds said Wade entered the wastewater industry in Pennsylvania during his senior year. In 1984, his sister moved to Long Beach, California and when Wade came to visit her he decided after one week that he wanted to live here as well. He applied at a few treatment plants and was hired by the Santa Margarita Water District in 1986 where he worked his way up from a Grade II Operator to Chief Plant Operator. In 2008, the district was hit hard by the economic slowdown because most of its income was generated by developer fees. The district reorganized and Wade's position was eliminated. He remained working at the district in the Engineering department while looking for employment.

Manager Olds announced that Wade is married and has one daughter. His family currently owns a home in Oceanside, where they have lived for the past 17 years. Since starting his employment with VVWRA, Wade has been staying in Victorville during the week and commuting to Oceanside on weekends. Eventually, his family will be relocated to the high desert, but right now he is being out-voted. Some of Wade's hobbies are bicycling, working out at the gym, and having anything to do with computers and electrical gadgetry. Since joining VVWRA, Wade has been excited about being part of the Operations team and bringing his knowledge and expertise to the upcoming plant upgrade projects. Manager Olds thanked Wade for joining VVWRA as the new Operations Supervisor. The Commissioners welcomed Wade to VVWRA.

6. Status of Sludge Management Contract Between VVWRA and City of Victorville: Manager Olds reported that the Strategic Advisory Committee (SAC) and staff from the member entities met last week and came up with terms of the contract, wherein the volume-based annual operating cost would be \$188,891 and the capacity fee would be \$551,889 as a one-time cost. He said at this stage, each of the member entities continue to work towards resolving some of their issues related to the Joint Powers Agreement (JPA). Upon completion of that agreement, the Sludge Management Agreement will move forward. Piero said the JPA is required to be adopted prior to finalizing the Sludge Management contract. Commissioner Sagona asked when the revised JPA is estimated to come before the Board. Piero said a JPA discussion meeting will be held next week on June 25. The City of Victorville has provided some suggestions for changes the Town of Apple Valley and City of Hesperia have also

provided comments. On June 25, some of the provisions that the City of Victorville has suggested will be discussed. Piero said he is not sure how that discussion is going to go. That is really up to the member entities. If we have some agreement, we can bring it to the Board very quickly. The key is in finalizing all of the comments from the member entities. Commissioner Sagona said hopefully the SAC will come in with consensus on a recommendation.

7. Correspondence: City of Adelanto Agenda Report dated April 22, 2009: Manager Olds announced that it was recently reported in the newspaper what the City of Adelanto's sewer fee increases will be. To give the Commissioners a perspective on what they are proposing, he ran some numbers and they are essentially proposing to do what VVWRA is doing. Based on an O & M perspective, their projected cost to treat one million gallons is right in line with VVWRA. The problem is that they have only a few thousand EDUs upon which to spread the cost of financing over. He said a copy of the staff report that was presented to the Adelanto City Council is included in the agenda package. It is interesting to read to compare and contrast. On page 7-3 if you take out their operating expenses and their Capital projects, the two rates are close. Adelanto is looking at rates of \$47.82 per EDU for sewer fees. VVWRA's fee increase will go from \$12 to \$15 per EDU. Manager Olds said this is a good example of the old axiom regarding economy of scale.

8. Correspondence from the California Association of Sanitation Agencies Regarding Appeal of Trial Court Decision in City of Vacaville NPDES Permit Case – Request for Financial Support: Manager Olds reported that a letter was received regarding an important issue in the wastewater industry. He said the City of Vacaville discharges their effluent to an irrigation ditch. This court case goes back to 2001. Piero said this case is pending and has been going back and forth between the Regional Board, trial court, and the appellate court for about nine years. Manager Olds said this is a perfect example of the difficulties that wastewater agencies have when they discharge to a water body where they are the predominant flow. In this particular instance, the most egregious example was that the Regional Board required them to remove nitrogen from their effluent while at the same time the Irrigation District was adding ammonia to the channel and wanted the nitrogen in there because the plants grow better with it.

Manager Olds said at various times in the past, CASA has requested financial support. In this particular case and because of VVWRA's financial position, he is not recommending financial support. He said it is very important that the Commissioners continue to understand the difficulties that VVWRA faces because of the volume of discharge that we send to the Mojave River that is an effluent dominated water body. We have to be very careful how we conduct business and operate our treatment plant so we do not wind up in a long legal battle.

CONSENT CALENDAR:

- 9. Approve the May 2009 Cash Disbursements (No. 0509)**
- 10. Approve the Minutes of the Regular Meeting held on May 21, 2009**
- 11. Resolution 2009-10: Approve and Adopt FY 2009-2010 Holiday Calendar**

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

REPORTS OR PRESENTATIONS:

12. Reuse of Reclaimed Water at High Desert Power Plant (Fred Strauss, Tenaska)

Manager Olds reported that this item relates to the High Desert Power Plant's request to use VVWRA reclaimed water for their process. He said he has heard some of the stories about what occurred in the late 1990's and early 2000's with this project and how they were unable to use reclaimed water. Mr. Fred Strauss is here today to give a presentation. Fred Strauss said he works for Tenaska, which is an energy company based in Omaha, Nebraska. He said the HDPP staff has worked with Manager Olds for the past three or four years. Tenaska took over ownership of the power project in 2008. Mr. Strauss said they have been trying to switch from State water project water to reclaimed water and are now getting closer to making this a reality. They want to switch because the State water supply is becoming unreliable and the State water project cannot guarantee them the amount of water they need. They would like to switch to a more reliable water source and VVWRA reclaimed water is the water of choice. The plant is an 830 megawatt natural gas-fired plant at SCLA.

Mr. Strauss reviewed the slides he provided for the agenda package. He said the ownership structure is a bit complicated. The High Desert Power Project (HDPP) is owned by the High Desert and Power Trust and leased to High Desert Power LLC and both are subsidiaries of Tenaska. The High Desert Power Plant estimates using 2,000 acre feet in 2010 and was designed for about 4,000 acre feet of water at full capacity. Fred said the HDPP was designed to run on State Water Project water and was not designed to run on 100 percent reclaimed water and they will have to go through a series of steps. They are planning a bifurcated use that will be a blend of State Project water and reclaimed water. The plant can run up to 1,000 acre feet initially with State project water. Manager Olds reported that the reclaimed water quality must be Title 22 tertiary treated water.

Mr. Strauss said the first step in their target goal is to begin using up to 1,000 acre feet of blended water in the fall of 2009. This will give them the chance to study how the equipment is going to behave, since it was not designed to run on reclaimed water. The second phase is targeted in the fall of 2012 for the full switch to reclaimed water. They are doing a feasibility study and hope to have all permits in place by 2012 and then they can switch to 100 percent reclaimed water.

Commissioner Sagona asked if VVWRA has the ability to supply what the Power Plant needs. Mr. Strauss said the City of Victorville is also building their new treatment plant near the Shay Road facility, so between VVWRA and the City of Victorville's new plant the supply would be available. Commissioner Sagona asked if the reclaimed water has already been allocated to the Power Plant. Piero said there is an agreement between VVWRA and the City of Victorville to provide the excess reclaimed water from the plant. There is an agreement, but there are other obligations such as the Fish & Game MOU. There is an agreement that is subject to other agreements as well as Regulatory requirements and the cost associated with it.

Mr. Strauss said for the conveyance of water to the HDPP, VVWRA will be the producer, the provider will be the City of Victorville through the subsidiary of the Victorville Water District, and the user will be HDPP. The plan with the City of Victorville is to build a 1,700 linear foot pipeline and tap into the existing reclaimed trunk line that services the Westwinds golf course to pipe the water to the cooling tower. He said he met yesterday with the California Energy Commission in Sacramento and he thinks they will have the approvals they need from them in September to construct the pipeline. The schedule is aggressive, but it is September 1. Commissioner Smith asked if Tenaska will pay the cost of the pipeline. Mr. Strauss said yes.

Commissioner Smith asked if there will be a meter installed to ensure HDPP gets the water it needs. After the full switch, the State water project water will be a backup and a contract is in place. Commissioner Sagona asked what other holdings Tenaska has. Mr. Strauss said Tenaska has a power trading group and a Bio-fuels group and the headquarters is in Omaha. They operate power plants in 10 different states including Washington, Texas, Alabama and Virginia. Commissioner Sagona asked if any reclaimed water is being used at those plants. Mr. Strauss said this is the second plant that will use reclaimed water. Fresh water sources are becoming harder to find.

PUBLIC HEARINGS ACTION & DISCUSSION ITEMS:

Chair Cabriales opened the public hearing and asked if any member of the public would like to comment.

13. Adoption of FY 2009-2010 Final Budget-Adoption of Resolution 2009-11: Conduct a public hearing to consider Adoption of FY 2009-2010 Budget and Adopt a Resolution Adopting the FY 2009-2010 Budget (a) Receive Staff Presentation; (b) Open Public Hearing for Public Comment and Input; (c) Close the Public Hearing; (d) Board Discussion; (e) Adoption of FY 2009-2010 Budget and Adopt a Resolution Adopting the FY 2009-2010 Budget.

Chair Cabriales called upon the Secretary to the Board of Commissioners to certify that notice of this Public Hearing was provided. Patricia Johnson stated that notice of this public hearing was posted, mailed and published in The Daily Press in the manner and form as required by law.

Chair Cabriales called upon the General Manager for the staff report. Manager Olds reported that this is the second year in a row where the agency was able to achieve the milestone of preparing the fiscal year budget on time for the Board's review. A great deal of thanks goes to the staff and to the member entity Finance Directors for assisting us in going through this process. An in-depth detail of the FY 2009-2010 budget was provided at a past meeting and today he will review the larger numbers in the broader categories.

Manager Olds said the projection forecasts for fiscal year 2008-2009 are provided on page 13-18 in the agenda package. He said operating revenues, connection fees, interest earnings, etc. are shown, which gives you slightly over the \$12 million number. We then looked at our Operating Expenses, Repairs & Replacements and Capital Expenditures as well as our SRF loans and we have under \$12 million. We will have excess revenues over expenditures of \$669,000. for projected total cash and equivalent at the end of the fiscal year of \$15.4 million. He said regarding the connection fees shown of \$4.3 million it

would appear that we are approximately \$1 million under that number. So we will just have to see where it winds up.

Manager Olds said on page 13-19, the cash balance of \$15,478,694 for FY 2008-2009 carries through to FY 2009-2010. There is an increase in Operating Revenue based on the user fee projection moving forward, which is a change from \$1,614 per million gallons treated to \$2,100 per million gallons treated. The projected Total Connection Fees of \$3 million is a best guess at this point. At the end of the current fiscal year on June 30, 2009, it would appear that we will be close to receiving \$3 million. He said from his conversations with the member agencies he is not aware of any significant industrial or commercial projects so this budget number may be subject to revision as well. Manager Olds reported that the FY 2008-2009 budget had to be revised from \$8 million to \$4 million, which is a \$4 million change. For the first time in five years, we are setting the steps in place so that the day-to-day operations and maintenance and repair and replacement expenses are actually covered by the User fees rather than being subsidized by Capital fees.

Manager Olds reported that the SRF loans/bonds in the amount of \$23.5 million are shown, but we are not quite certain if that will be achieved or not. That represents the approximate loan capacity of the fees and schedules that are being put in place. He said to remind the Commissioners and members of the audience, the dominant reason for these loans and bonds is due to the imposed requirement from the Lahontan Regional Water Quality Control Board to remove nitrogen and disinfection byproducts from our facility. The discussions began after the expiration of our last NPDES Permit and we completed the negotiations and discussions in February 2008. Because of the levels that were directed by the Regional Board, we could not meet the new requirements that were imposed. Had they imposed them, VVWRA would have incurred fines and penalties at the rate of \$3,000 per incident. Because the Regional Board could not impose something upon us that we could meet, we received a Cease & Desist Order from Lahontan that provided interim limits that we must meet. So far, we have been able to meet the interim limits that were imposed. The issue now facing VVWRA as it relates to this Regulatory requirement is the timing. By May of 2010 we can no longer discharge disinfection byproducts. Our entire chlorine disinfection system has to go away. Considering it is now June 2009, that is a very unrealistic date. The Executive Director of Lahontan spoke to us about the timeline at our last Board meeting. It is necessary for VVWRA to show due diligence before the Lahontan Regional Board will consider reopening VVWRA's NPDES Permit to renegotiate that timeline so we do not incur those fines and penalties. The finance structure that has been created with your member agencies has been a long and involved two-year process. The Capital Improvement Plan that was agreed upon represents a significant reduction from what was originally being considered by the member agencies.

Manager Olds reported that VVWRA's SRF loan application documents were received in Sacramento on June 10. The application is their hands and now it is just a waiting game. The projects to be covered under the SRF loan are the ultraviolet disinfection system, the necessary filter upgrades, and the upgrades to the primary clarifiers and gas scrubbing system that will allow VVWRA to meet the new NPDES Permit requirements. We have Capital projects estimated at \$14.5 million in this next calendar year, which are detailed on page 29. The Repair & Replacement budget is at \$2.5 million. That represents some one-time expenses related to the primary clarifiers and issues related to grease. Manager Olds said he has gone through the budget in detail at a previous meeting and if there are any questions from the Commissioners or a member of the audience, as this is a Public Hearing he would be

happy to address them. Commissioner Sagona asked what the total amount of the budget was. Manager Olds said the total budget is \$25.3 million that includes loan proceeds.

Brian Johnson of the City of Hesperia said the City's budget was adopted on Tuesday night. He said the good news is we have a budget with significant tightening down. We have reduced the number of positions and eliminated vacancies. He said he will not speak for or against this budget. The one negative thing is that for the last year we have been asking for the three funds to be split and tied in. That has not been done and it makes it difficult to track. If you look at pages 13-18 and 13-19, basically they tie all wages and benefits into operating detail. On page 13-20 on the second line – personnel detail – you cannot tell if it is maintenance, operations or administration. This needs to be tied throughout the budget document because it appears that \$4.5 million of the \$9 million is for wages and benefits.

Brian said his next point is on the organization chart. Under Administrative Support it appears there are four and one-half positions and you are trying to hire a Supervisor. There are three Accounting Technician positions at this organization under Finance and this agency uses ADP for payroll. Hesperia has fewer positions and the City manages a significantly larger organization. The good news is that there will be a salary study conducted fairly soon. There is room to make adjustments on the administrative side. Brian said very soon the approval of a rate increase will be on the agenda. The resolution also has a recommendation for a 30 percent increase in 2010 that will first have to come before the Board for review. We hope that increase will be used for projects and not for administration. This agency has extremely high pay levels overall.

Chair Sagona said he would like the General Manager or staff to address some of Mr. Johnson's concerns. Manager Olds said he would like to start at the end of Mr. Johnson's comments and work toward the beginning. The Commissioners are aware that since he started working for VVWRA we have been evaluating every single aspect of this organization on its performance efficiency. The first area we needed to focus on was obviously the operations because we had experienced \$800,000 in fines and penalties due to poor operational practices. It was also known at that time that due to the Interfund loans and the way the finances were being structured there was a severe deficit on the operations and maintenance side. We had discussions in 2006 which culminated in two rate increases in 2007 and 2008 and those discussions were very productive. During that entire time, Mr. Johnson has been a very vocal advocate of change and a supporter of change and has recommended ideas. The difficulties that we have faced as staff is that there are limited resources and there are limited knowledge and skill sets that are available within VVWRA to draw upon to make those changes. Moving forward though, there is a rough breakdown on page 13-38 of the agenda. That is the first step in building toward the determination of overhead. There were three similar agencies used for the overhead cost comparison, one of which was the Orange County Sanitation District. To develop overhead numbers, it is generally considered that you need a minimum of five years worth of good data for comparison. In 2006 or 2007 our tertiary filters needed to be rebuilt at a cost of \$370,000. That was a one-time Repair & Replacement expense, but it skewed our numbers. The reason we chose to use those three agencies for comparison was due to the 10 years of data they had.

Manager Olds said he is not particularly pleased with the presentation format used in our budget and think we can do it better. Andrea Daroca, who has been retained to provide us with advice, is working on changing the format so it is more in line with the member agencies. We had a number of issues to

tackle before that item and are now looking into that. As it relates to the overall efficiency, there are specific areas within this organization that can use improvement, but he takes issue with Mr. Johnson's comment that overall there may be a situation where in the entire agency's salary scheme may be too high. There may be a few specific areas where we can take a look and potentially make improvements, but he would not make that broad categorization. Commissioner Sagona asked Logan if he is satisfied with the operational efficiency. Manager Olds said he is a firm believer that if this organization is ever so perfect that everything functions exactly as it should, then we can walk on water. That is an impossibility to reach. He takes the perspective that there is always room for improvement, but you first have to identify what the most critical needs are and tackle those items. It is like an upside down pyramid. We are dealing with operations and maintenance first and then as we branch out and we educate staff we start dealing with the wider variety and host of issues and address them.

Chair Cabriales announced that the Board is prepared to hear testimony from Mr. Joe Vail. Joe Vail, area resident, asked to address the Board. Chair Cabriales asked Mr. Vail to state his name and his address for the record. Mr. Vail stated his name and provided the following address: 16993 Abby Lane, Victorville. Mr. Vail thanked Brian Johnson for his astuteness. He said he does tax work in the high desert and when you have people who are working for us, the taxpayers, making \$90,000 per year as a maintenance person that is pretty good. Mr. Vail said, "I dare say that better than half the wages here are a little on the high side. Commissioner Sagona asked Joe if he has experience in personnel management. Joe said he worked in that area for Phizer Incorporated for 23 years before he retired. He said he understands that you have to pay people a decent wage, but your base for figuring the cost of wages includes Orange County you are obviously skewing the process because Orange County is the highest area in southern California. Manager Olds said he would like to correct himself. He said it was never his intention to use Orange County as a comparison for wages. His reference was to overhead costs associated with treatment process control. That includes what it costs for chemicals and electricity and those types of particular overhead costs associated with those three facilities. Manager Olds said that in no way, shape or form has VVWRA ever used an organization for comparison that was not similar in size and scope upon which to develop the salary and fee schedules. It has always been done based on similar sized organizations with similar sized flows.

Chair Cabriales asked if anyone else wished to address the Board. Hearing no comments, Chair Cabriales announced that the Public Hearing was closed at 10:46 a.m.

Commissioner Sagona said based on the presentation and the ongoing efforts, the first way we should look at a budget is that it is a snapshot of the here and now. This is an ongoing budget that is subject to revision. The Classification study could have a significant impact to some of the numbers. Manpower is 55 percent. Joe gave us valuable insight into comparisons, but the General Manager made it clear that we do not compare to Orange County. With the input from the Strategic Advisory Committee and Finance Directors this is as good a budget as we can come up with. Commissioner Sagona said, with that, he is prepared to move to adopt the budget. Manager Olds said Item 13 is a presentation and the budget adoption would occur under Item 16.

Chair Cabriales said we had some testimony that the budget is a roadmap for the organization to move forward, but it can be changed. We will have that study to look at those items that were raised. Manager Olds said the Commissioners are aware that VVWRA is a very open organization and we look

forward to constructive criticism to make it more efficient and improve our level of service to the member agencies. When it was suggested to perform the evaluation we jumped at the opportunity and appreciated the Commissioners for giving the resources in that area. It is hoped that in the next few months we will have that information. Actually, it must come back before the Commissioners again for approval in July.

Piero said Item 13, Adoption of the FY 2009-2010 Budget, is repeated again on Item 16. If the Board wishes to adopt a Resolution to adopt the budget, then the Board can do so at this time under Item 16. This would be a more efficient way to conduct the meeting so that you do not have to repeat the discussions. Or, the Board may move to Item 14 if they so choose.

It was the consensus of the Commissioners to move to Item 14.

14. First Reading of Ordinance 001D: An Ordinance of the Victor Valley Wastewater Reclamation Authority for the Establishment of Rates and Charges for Operation and Maintenance of the Regional Wastewater System: Conduct a Public Hearing to Consider Adoption of Ordinance 001D (a) Receive Staff and Consultant Presentation; (b) Open Public Hearing for Public Comment and Input; (c) Close the Public Hearing; (d) Board Discussion; (e) Motion to Read Ordinance by Title Only, Waive Further Reading of the Ordinance and Introduce Ordinance 001D.

Chair Cabriales announced that this is the time and place to conduct a Public Hearing to consider adoption of Ordinance 001D and that the Public Hearing is now open.

Chair Cabriales called upon the Secretary to the Board of Commissioners to certify that notice of this Public Hearing was provided. Patricia Johnson stated that notice of this public hearing was posted, mailed and published in The Daily Press in the manner and form as required by law.

Chair Cabriales called for the staff report. Manager Olds reported that at the last meeting a presentation was given by Mr. Alex Handlers of Bartle Wells Associates. He said in the desire to keep our costs as low as possible he did not request Mr. Handlers to be present at this meeting to review his entire presentation again. However, he would like to review the high points of the presentation given by Mr. Handlers at the last meeting pertaining to Item 14, a copy of which was provided in the last agenda package.

Manager Olds said based on the revised financial projections, VVWRA user charges are projected as follows: The user charge per million gallons is currently \$1,614. In 2009-2010, the fee would go to \$2,100. In 2010-2011 pending review by the member agencies, it would go to \$2,600. We have received information from Victorville that their approximate flow per Equivalent Dwelling Unit (EDU) is 235 gallons per day. The Town of Apple Valley has indicated that their flow per EDU is 183 gallons per day. Those fees approximate at \$12.03 currently for 245 gallons per day and would go to \$15.65 and \$19.38. For 180 gallons per day, the fee would go from \$8.84 to \$11.50 to \$14.24. We do this as an exercise to assist the member agencies. How the member agencies choose to pass on those fees to the ratepayers is subject to each member agency.

Manager Olds announced that he would like to read a few bullets from the presentation given by Mr. Alex Handlers of Bartle Wells Associates pertaining to the user fee increase as a matter of official record and then close his statements and move on to the Public Hearing. Manager Olds stated, "Rate increases are needed to restore financial stability. Current rates are below the cost of service and do not enable VVWRA to secure financing for the revised \$28.3 million of near-term critical path Capital Improvement Plan (CIP) projects that are primarily needed to address Regulatory requirements. The rate increases are phased in over two years to help mitigate the annual impact. VVWRA would need to adopt both years of rate increases, since the adoption of the FY 2010-2011 rate is needed to secure financing for the \$28.3 million CIP projects. The first year rate increase is more of an interim step and is still below the cost of service in response to a strong desire by some member agencies for minimal rate increases during these difficult times. In fact, a substantial deficit is predicted for FY 2009-2010. This deficit could be worse if actual growth is less than projected in the Financial Plan. VVWRA always has the option of reviewing its finances next year in order to determine an appropriate rate increase for FY 2010-2011. At this stage, we are only considering rate increases needed over the next fiscal year. The proposed VVWRA user charge translates into an increase from \$2.70 to \$3.60 per month for a typical home or EDU based on an average flow ranging from 180 gallons per day to 245 gallons per day. The actual increase per EDU is dependent upon each entity's average flow per EDU. The total two year increase would range from roughly \$5.40 to \$7.35 per month per typical home. However, member agencies should evaluate their own sewer enterprise finances to determine an appropriate sewer rate increase for the next two years because each agency is responsible for maintaining its own collection system. In order to provide adequate repayment security to enable VVWRA to issue debt, both VVWRA and the member agencies should adopt rates adequate to support debt repayment prior to issuing debt. With this in mind, it is recommended that rates be adopted such that revenues from rates and other reoccurring revenue streams are adequate to fund operations and annual debt service without reliance on Capital facility fees over the next two years. The final point is that legal covenants for bonds or SRF loans will require VVWRA to increase rates and fees as needed to ensure gross annual revenues including Capital facility fees are adequate to fund operations and at least 120 percent of annual debt service. Capital facility fees will need to be collected from a minimum of approximately 200 new EDUs in order to meet the debt service coverage test. Any funds remaining after paying for operations, maintenance and debt service can be used to fund repairs and replacements or any other purpose".

Commissioner Sagona asked Manager Olds to re-read the statement with the 120 percent figure. Manager Olds said legal covenants for bonds or SRF loans will require VVWRA to increase rates and fees as needed to ensure gross annual revenues including Capital facility fees is adequate to fund operations and at least 120 percent of annual debt service. Manager Olds said in going through the Financial Plan, there is a page in the rear of the document which basically indicates our coverage ratios and the 120 percent is an idealized goal. We are looking at coverage with only capacity fees of approximately one percent in 2010-2011. It depends on what occurs over the next six months. We are still working those numbers and it is dependent upon what we receive from the SRF folks. Piero said it appears that some members of the public are trying to find this study in their agendas. He suggested that copies be made that can be made available to the public. At this time, a staff member left the room to obtain copies of the financial documents. Commissioner Sagona said, "We have not addressed these rate changes in the past".

Chair Cabriales said he will now entertain public testimony for or against the connection fee Ordinance. He announced that he has a speaker request card from Mr. Joe Vail. Joe Vail thanked Manager Olds for his kindness when he visited the treatment plant. He said Logan is a very decent guy both personally and professionally and he likes him more than Dan Gallagher. Mr. Vail said the sewer user fee is \$19.95 per month times 100,000 customers which comes to \$19.95 million per year. If you add \$3.75 to that number, then you come to \$23.94 million. If you add the last amount to that, then you come to \$32.918 million for a year. Mr. Vail said he is not against the VVWRA. He was one of the guys who fought to get it built.

Mr. Vail said he is firmly in favor of financial responsibility. He said he does tax work for people and from his own experience in dealing with taxes a lot of these people cannot afford this little bit of increase. There are thousands of people losing their homes. There are people having to go on Medicare or Medi-Cal because they do not have enough money coming in to take care of their own families. They are still working, but their wages are reduced. While they are trying to pay for a home and raise their kids, we are proposing to raise their fees. There are people who cannot afford that and who are struggling to buy the things necessary to provide for their families. They are having to go to welfare or are asking Mom and Dad for help to try to survive. Mr. Vail said some of them are his own kids.

Mr. Vail said when he sees these things happening, he sees that some VVWRA employees are making substantially more than what many of his tax clients earn. He said this is a tax and if we were only taxing people who were making \$85,000 to \$90,000 per year, the proposed increase is not a big deal per month. He is talking about people whose gross income is less than \$30,000 per year. When you are trying to raise a family of four or five that is a lot of money. He said he knows people who smoke. They would rather smoke cigarettes than provide for their family and then go to the food bank to try to get help. That is their choice, but it is stupidity. He said he has a very good base clientele of good solid people who are working hard and trying to provide for their families. Whether they are construction workers or even school teachers, or if they are losing their jobs, they cannot afford the \$3.75 per month additional cost. We need to look at this fee increase and decide if we want to cause additional hurt.

Chair Cabriales asked if anyone else would like to address the Board. Commissioner Smith said if the rate increase does go forward, each city will raise rates if this is approved. Hesperia will not raise rates until 2010. Commissioner Sagona asked Bill Pattison if he knew how much the Town of Apple Valley would subsidize. Bill said the Town will subsidize two months of the fee increase. Manager Olds said it is important to recall that for 14 years this organization went without a rate increase other than one rate increase of three percent. It is very difficult for any organization to function that long without a significant fee increase. It is particularly unfortunate that this organization must address those issues with that timing in mind.

Manager Olds said he can assure the Commissioners, the public and the member agencies that there have been very engaged and lively conversations with the member agencies to determine how best to have minimal impact. It is also important to remember that this is a situation that the member agencies have not necessarily fully created. We are facing a situation where a Regulatory agency who oversees our operations has determined that we will do this. While they are willing to be somewhat flexible on time, overall the message is "You will do this". Fortunately through very good operations, by making small changes you can have a big impact. As the Commissioners are aware, we have been able to do

that with our nitrogen by reducing the levels to meet our NPDES Permit without an additional \$15 million CIP project. If we can eliminate that, it would be great. Today, we at least know that we can delay that for many years. He said we are by no means simply relying on our customers to fund inefficient operations. We are taking a look at every aspect we can and we are all facing these issues together.

Chair Cabriales announced that the Public Hearing was now closed.

Commissioner Sagona said he extends an invitation to Manager Olds and the SAC to give a presentation on this budget on the 23rd of June. Manager Olds said he had an opportunity to speak to the Town Council on a date when Commissioner Sagona was unable to attend the meeting. He said the discussion with the Town Council was brief, but covered the proposed fee increase and the Regulatory issues. He also mentioned the nitrogen reduction efforts that will allow that \$15 million project expense to be delayed. The second element of the discussion related to reclaimed water and the proposed subregional facility at Brewster Park. Manager Olds said the budget has been reviewed in any number of ways and we actually need to accomplish some work on the areas of concern and get those results before reporting back to the Council. Manager Olds said this is, of course, dependent on the desire of the Town Council members. However once we complete the personnel study and take a look at a few other aspects, we will have a clearer picture of how the SRF loan is going to carry itself forward. He recommended that a presentation in August or September may be a more appropriate time to address the Town Council. Commissioner Smith asked Manager Olds to also mention the Regulatory agency requirement deadlines. Manager Olds said May 2010 is the timeline for disinfection byproducts and May of 2012 is the timeline for nitrogen removal. Piero said there are two issues. The first issue is that VVWRA will be facing an incredible amount of penalties if you do not comply with the requirements and timelines imposed upon you. The second issue is that you could be shut down and you could be facing a moratorium.

15. First Reading of Ordinance 002E: An Ordinance of the Victor Valley Wastewater Reclamation Authority Amending Its Rules and Regulations for Connection to the Sewerage System Conduct a Public Hearing to Consider Adoption of Ordinance 002E (a) Receive Staff and Consultant Presentation; (b) Open Public Hearing for Public Comment and Input; (c) Close the Public Hearing; (d) Board Discussion; (e) Motion to Read Ordinance by Title Only, Waive Further Reading of the Ordinance and Introduce Ordinance 002E.

Chair Cabriales opened the Public Hearing for Ordinance 002E at 10:20 a.m. and called upon the Secretary to the Board of Commissioners to certify that notice of this Public Hearing was provided. Patricia Johnson stated that notice of this public hearing was posted, mailed and published in The Daily Press in the manner and form as required by law.

Chair Cabriales called for the staff report. Manager Olds reported that he planned to read a portion of the Financial Plan, but Andrea has taken the report to run copies. Manager Olds said he has been in discussions with the Building Industry Association (BIA) for several years. He said he met with BIA officials several weeks ago to discuss the Financial Plan with them and emailed the Financial Plan to them to review. It was the BIA's request to meet again prior to the Second Reading of Ordinance 002E and he will meet with them again next week. Manager Olds said when he explained to them about the

situation that had occurred in the past, what the Board's direction was, and the actions that we are taking in the future they seemed to have a high comfort level with it. However, it is his understanding that he will be meeting with some of the BIA representatives next week to go over some particular details. We are trying to keep the BIA informed and current on VVWRA activities. Commissioner Sagona said that is excellent because the construction industry contributes to the connection fees. He commended Manager Olds for bringing the building community into the picture. Manager Olds said there was some level of concern by the BIA when he mentioned the originally proposed connection fee increase that was several thousand dollars higher. That was at a time when we still planned to include the subregional facilities and all of that. However when they learned that the subregionals had been removed to lower the proposed fee increase, they were happier.

At this time, copies of the Financial Plan report were made available to the public. Manager Olds read aloud from a memo from Alex Handlers as follows: "Capacity charges are one-time fees levied to recover the cost of infrastructure and assets benefitting new development. Capacity fees are governed by Government Code Section 66013 which states that the fee shall not exceed the estimated reasonable cost of providing the service for which the fee or charge is imposed unless approved by a two-thirds vote. The code also states that a capacity charge can recover costs for facilities in existence at the time of charges imposed or charges for new facilities to be constructed in the future that will provide benefit to the property being charged. The Code does not specify any method for determining an appropriate fee. The capacity fee update calculates a new charge of approximately \$3,750 per EDU, an increase of \$535.00 from the current fee of \$3,215 per EDU. The updated fee is calculated based on an average cost methodology, the total value of existing infrastructure and anticipated improvements divided by total capacity with the improvements. This new fee calculation is substantially lower than the prior graphed calculations primarily due to the exclusions of the cost and capacity of future subregional water reclamation plants. Considering that these subregional plants are an integral component of VVWRA's adopted Capital Improvement Plan, it is recommended that some reasonable cost estimate for these facilities be included in the fee calculation with the expectation that the capacity fee will be significantly higher accounting for both the additional cost and capacity provided by the subregional treatment plants. VVWRA can adopt the updated fee as a temporary measure until cost estimates for the subregional treatment facilities are available".

Manager Olds said he would like to remind the Commissioners that the last sentences in the comments by Mr. Handlers refer to the fact that we have still not completed the ten percent preliminary design review for each of the subregional facilities and we are a long way from completing the design for those. There are a number of factors that can significantly increase or decrease the project costs, so it was the consensus of the Strategic Advisory Committee not to include those fees at this time. However, there may be consideration given next fiscal year once additional information is received and once we have a clearer picture of what the individual member agencies choose to do in the future.

Chair Cabriaes called for public testimony. There were no comments from the public.

Chair Cabriaes closed the Public Hearing at 10:26 AM

Piero said to make the record clear, the report from which the General Manager has been reading was the Financial Plan prepared by Bartle & Wells on May 15, 2009, has been made available to the public

and was accepted by this Board at the last Board meeting. He said there will be a second opportunity for the public to comment at the Second Reading of the Ordinance. On the agenda today, is a proposal from staff to schedule another regular meeting in June for the second reading and adoption of the two Ordinances, which go into effect on July 1, 2009. This would be a regular meeting because you are required by law to adopt an Ordinance during a regular meeting. So, instead of one regular meeting this month you would have two.

Piero also advised that public notice must be given for five days between the First and Second Readings. Today is the First Reading and it is the discretion of the Board when to have the Second Reading. Your staff is suggesting that a regular meeting be held on June 29 or June 30 for the Second Reading and Adoption of Ordinance 001D and 002E. Manager Olds said either of these dates would allow sufficient time for the five day noticing requirement. He said we had originally envisioned June 25, but due to the incident at the plant on Sunday and our resulting lack of computer access, that timeline is no longer possible.

ACTION & DISCUSSION ITEMS:

16. Resolution 2009-11: Adopt FY 2009-2010 Budget: Chair Cabriales called for a motion.

Commissioner Smith made a motion to adopt the FY 2009-2010 budget, anticipating that it will be reviewed, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

17. First Reading of Ordinance 001D: An Ordinance of the Victor Valley Wastewater Reclamation Authority to Increase Sewer User Charges: Piero advised Chair Cabriales that the motions would be to read Ordinance 001D by title only, to waive further reading of the Ordinance to avoid having to read the entire Ordinance into the record, and to introduce Ordinance 001D because this is the First Reading of the Ordinance.

Chair Cabriales called for a motion to read Ordinance 001D by title only, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

Chair Cabriales called for the reading of Ordinance 001D by title only. Piero Dallarda said the title of the Ordinance is, "An Ordinance of the Victor Valley Wastewater Reclamation Authority to Increase Sewer User Charges".

Chair Cabriales called for a motion to waive further reading of the Ordinance.

Chair Cabriales made a motion to waive further reading of Ordinance 001D, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

18. Schedule Second Reading and Adoption of Ordinance 001D: Piero advised that we are required by law to have the Second Reading no less than five (5) days after the First Reading. Piero said the motion should be to amend the regular meeting schedule to add a second regular meeting in the month of June on the date of June 29, 2009 at 9:00 a.m.

Commissioner Smith made a motion to amend the schedule of meetings to include a regular meeting on June 29 at 9 a.m., which was seconded by Commissioner Sagona approved by unanimous voice vote.

First Reading of Ordinance 002E: An Ordinance of the Victor Valley Wastewater Reclamation Authority Amending Its Rules and Regulations for Connection to the Sewerage System: Piero said you have held a Public Hearing on the matter and what is now before the Board is an action and discussion item. That item is to read the Ordinance by title only, waive further reading of the Ordinance and introduce Ordinance 002E.

Piero said what is now before the Board is a motion to read Ordinance 002E by title only.

Chair Cabriales made a motion to read Ordinance 002E by title only, which was seconded by Commissioner Smith and approved by unanimous voice vote.

Chair Cabriales called for the reading of Ordinance 002E by title only. Piero read the title of Ordinance 002E as follows: "Ordinance 002E: An Ordinance of the Victor Valley Wastewater Reclamation Authority Amending its Rules and Regulations for Connection to the Sewer System".

Piero said the next action would be to waive further reading of Ordinance 002E.

Commissioner Smith made a motion to waive further reading of Ordinance 002E, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

20. Schedule Second Reading and Adoption of Ordinance 002E: Piero said the next action would be to schedule the Second Reading and Adoption of Ordinance 002E, which has just been introduced to the public. Chair Cabriales said this should be done at the same time as the Second Reading and Adoption of Ordinance 001D.

Chair Cabriales called for a motion to schedule the Second Reading and Adoption of Ordinance 002E.

Commissioner Smith made a motion to schedule the Second Reading and Adoption of Ordinance 002E on June 29, 2009 at 9:00 a.m., which was seconded by Commissioner Sagona and approved by unanimous voice vote.

21. Recommendation to Reschedule the August 20 Regular Board Meeting to August 13 due to the 2009 San Bernardino County Water Conference: Manager Olds reported that the San Bernardino County Water Conference will be held on August 20, which is the date of our scheduled Board meeting. He recommended that the date of the Board meeting be changed to August 13. Chair Cabriales called for a motion.

Commissioner Smith made a motion to change the date of the August 20 Board meeting to August 13, 2009, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

22. Adoption of Resolution 2009-13 To Revise Source of Revenues Dedicated to Repayment of a State Revolving Fund Loan from the California State Water Resources Control Board: Manager

Olds reported that the Resolutions under items 22 and 23 are both related to our attempt to receive a State Revolving Fund (SRF) loan for the construction of the Regulatory upgrade projects. Resolution 2009-13 states that as a condition of loan the Authority is required to dedicate its net revenues for repayment. The Authority has done this several times in the past for our existing SRF loans. Piero said this is something that is required when you apply for an SRF loan. Namely, that the Board passes a Resolution agreeing to dedicate funds that are collected to the repayment of the SRF loan if an SRF loan is awarded. It is just a requirement for application purposes that the State Water Resources Control Board has in order to deem VVWRA's application complete. Both Resolutions address the same issue and may be approved at the same time or separately. Chair Cabriales called for a motion for Resolution 2009-13.

Commissioner Smith made a motion to adopt Resolution 2009-13, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

23. Adoption of Resolution 2009-19 To Declare Intent to Reimburse Capital Expenditures and Preliminary Expenditures Relating to the Construction and Acquisition of Public Facilities from the Proceeds of the Sale of Tax-Exempt Debt for Purposes of Section 1.150-2 of the Treasury Regulations and Retaining Professionals: Chair Cabriales called for a motion.

Commissioner Smith made a motion to adopt Resolution 2009-19, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

24. Request to Begin Prequalification Process for Construction of the Phase IIIA Expansion Project: Manager Olds reported that what is now before the Board is a request from staff to begin moving forward with the prequalification process for the Phase IIA Expansion project to ensure that we have a contractor that is qualified and capable to make the necessary facility improvements. Upon review, it has been determined that a pre-qualification process would assist us in screening out potential contractors that may have financial issues or that may not have the experience to work on the project. Piero said the Board should be aware that you will incur more legal fees because this is a new process that you will be engaging in that was not part of the scope of our agreement. The General Manager has asked Best Best & Krieger to estimate those fees. The fees have been estimated at \$20,000.00 and we will do our best to stay below that estimate.

Commissioner Smith asked Manager Olds to list the projects in Phase IIIA. Manager Olds said Phase IIIA is the Regulator Upgrades project includes ultraviolet light disinfection to eliminate the disinfection byproducts from our effluent, the tertiary filtration upgrade so that all of our water meets Title 22 standards that is necessary for us to discharge to our north and south percolation ponds which is a Waste Discharge Requirement of our NPDES Permit from Lahontan, the upgrades to the original four primary clarifiers, and grease removal system so we can reduce nitrates in our aeration bays, and it includes a gas scrubbing system so that 100 percent of the gas that we pipe can be used for our gas-driven blowers or for power production. The estimated cost of these projects is \$24 million. Commissioner Smith said there may not be that many qualified companies. Piero said there are four or five relatively well-known companies that have expressed interest, but that does mean that they will decide to move forward. Commissioner Sagona asked if the present financial conditions will have an impact. Manager Olds said the concern is because of the impact to the construction industry. From a

number of reports that he has read, companies that have the bonding capability but not necessarily the experience are able to be the low bidder on these jobs. As the Commissioners are aware, construction projects always have problems and we want to try to minimize them as much as possible. We believe that the pre-qualification process is a good way to reduce those issues.

Commissioner Smith said spending the \$20,000 should be spent at the end if we feel it is needed. Piero said there are two different issues that come up. One is to determine if a bidder is responsive and responsible. That is an issue of qualification that comes up at the end of a bid. Your staff is suggesting as change in procedure that you do engage in a pre-qualification process to be able to weed out those contractors that may bid but are not really qualified to do the job. This forces the contractor to put their best foot forward and not come back later and sue you for awarding the contract to someone who may have been the low bidder but was not qualified to do the job. It would be more of a precautionary measure to weed out the field. It is a decision of the Board to determine if that is something that is appropriate for this particular project. All of this would have to be developed in the bid documents and you would have to write the specifications to state what qualifications you are looking for. HDR Engineering would have to be involved as well because it is a legal engineering process. Manager Olds said the engineering firm is already developing a bid specification, so it is simply an additional security. Piero said unfortunately this agency does not have the ability to do design-build projects. In a way, this process would be a substitute for design-build. Chair Cabriales said he defers to Commissioner Smith who is more knowledgeable. Commissioner Smith said we should just go out to bid because \$20,000 is \$20,000. Commissioner Sagona said we have to look at the justification and importance of prequalification. Chair Cabriales called for a motion.

Commissioner Sagona made a motion to approve the recommendation to begin the pre-qualification process for the Phase IIIA Expansion Project. The motion failed due to the lack of a second motion.

25. Adoption of Resolution 2009-18 to Amend Flow Billing Percentages and Approve Flow Billing Adjustments to Member Entities: Manager Olds reported that VVWRA was informed by the City of Victorville that the flows being assumed for SCLA No. 2 appeared to be erroneous. Upon further investigation we discovered that gallons per minute were used instead of gallons per day. We have gone through and made the correction and redistributed the percentages. You will see on the staff recommendation that this does not amount to a significant increase for any one particular member agency other than perhaps the City of Victorville. Chair Cabriales said, "We asked for an adjustment and we got it".

Commissioner Smith made a motion to adopt Resolution 2009-18, which was seconded by Commissioner Cabriales and approved by unanimous voice vote.

26. Recommendation to Approve Billing and Collection Policy for VVWRA: Manager Olds reported that VVWRA did not have a hammer to go after the collection of past due accounts so staff has been investigating how we create that hammer and then enact it. Angela said Best Best & Krieger has approved the proposed policy. The agency has \$46,000 in debt that we could not collect and the approval of this policy would allow us to implement a procedure and collect the funds. VVWRA would collect for septage receiving and permit fees for certain businesses. Piero said the problem was with those who used VVWRA services, but did not pay for them. There was no contractual way for the

agency to do so. Ms. Valles and Mr. Olds contacted Best Best & Krieger to ask us to put together some sort of contract that could be used to enforce these things and go after people and that is what is before the Board today. Commissioner Sagona said, "Which up to now you have not had". Piero said you have an Ordinance, but it does not have the contract provisions that this policy has. Angela said if someone goes out of business or sells to another party, no one wants to assume the past due amount that are owed to VVWRA. They say, "We don't owe you". Manager Olds said companies come to us to discharge to our facility and we have three categories. Sometimes businesses change hands and so we have the wrong billing addresses and this is part of the difficulty we have. Because of how many there are, there is a lot of tracking involved trying to figure out who those people are. Chair Cabriales asked if an example of an industrial discharger would be Leading Edge. Manager Olds said yes, Leading Edge is one of our industrial dischargers. Commissioner Sagona said \$46,000 is a sizable amount. Commissioner Smith asked about the recovery of interest fees. Piero said there is an ability to recover any litigation or legal proceeding costs including legal interest.

Commissioner Smith made a motion to approve a Billing and Collection Policy for VVWRA, which was seconded by Commissioner Sagona and approved by unanimous voice vote.

27. Recommendation to Approve Layoff Policy for VVWRA: Angela Valles reported that VVWRA does not have a layoff policy in place in the Rules & Regulations. She said we want to ensure that we are prepared in the event of a restructure after the salary survey. Piero advised the Commissioners that pursuant to this policy, staff would have to take whatever steps are necessary to implement the policy. Today the Commissioners will just be approving the policy.

Commissioner Sagona made a motion to approve a Layoff Policy for VVWRA, which was seconded by Commissioner Smith and approved by unanimous voice vote.

STAFF/PROFESSIONAL SERVICES REPORTS:

28. Public Relations Update: Accepted as submitted.

29. Financial and Investment Report – April 2009: Accepted as submitted.

30. Customer Account Past Due Report – May 2009: Accepted as submitted.

31. Operations and Maintenance Report/Performance Efficiencies – May 2009: Accepted as submitted.

32. Pretreatment and Interceptor Cleaning and Inspection Reports – May 2009: Accepted as submitted.

33. Septage Receiving Facility Reports – May 2009: Accepted as submitted.

AGENDA ITEMS FOR FUTURE MEETINGS:

Quarterly CIP Implementation Update (June/September/December/March)

Second Reading of Ordinance 001D: Establish Rates and Charges for Operation and Maintenance of the Regional Wastewater System (July)

Second Reading of Ordinance 002E: Amend Rules and Regulations for Connection to the Sewerage System (July)

Resolution 2009-8: Adopt April 2009 Flow Projection Study by RBF Consulting (July)

Election of Officers (July)

Review of Ad Hoc Committee Structure (July)

Resolution 2009-12: Adopt a Procurement Policy and Rescind a Purchasing Policy (July)

Resolution 2009-14: Authorize Repayment of Interfund Loan (July)

Resolution 2009-15: Resolution Regarding Policy for Receipt and Distribution of Tickets/Passes in the Furtherance of the Authority's Reasonably Defined Public Purposes (July)

Resolution 2009-16: Adopt Fixed Asset Policy (Over \$5,000) (July)

Resolution 2009-17: Adopt Fixed Asset Policy (Under \$5,000) (July)

Public Relations Update by Ryan Orr (July)

Resolution to Amend and Adopt 2009 CEQA Guidelines (September)

Interceptor Connection Requirements and Enforcement and Industrial Pretreatment Program

Upper and Lower Narrows Sonar Investigation of Sewer Interceptor

NEXT BOARD MEETING:

Monday, June 29 – Regular Meeting of the Board of Commissioners

Thursday, July 16, 2009 – Regular Meeting of the Board of Commissioners

COMMISSIONER COMMENTS

Commissioner Smith said he thinks Joe Vail understands what we need to do. No one wants to see a rate increase, but it has to be done to keep this agency afloat.

Commissioner Sagona said sometimes decisions are very, very tough.

ADJOURNMENT

Commissioner Sagona made a motion to adjourn the meeting at 10:50 a.m., which was seconded by Commissioner Smith and approved by unanimous voice vote.

APPROVAL:

DATE: 7/16/09
Approved by VVWRA Board

BY: 
Thurston Smith, Secretary
VVWRA Board of Commissioners