

As a matter of proper business decorum, the Board of Commissioners respectfully request that all cell phones be turned off or placed on vibrate. To prevent any potential distraction of the proceeding, we request that side conversations be taken outside the meeting room.

**REGULAR BOARD MEETING
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY
VICTORVILLE CITY HALL, CONFERENCE ROOM D
14343 CIVIC DRIVE, VICTORVILLE CA 92392
Thursday, June 18, 2026
Closed Session 8:00 a.m. Open Session 8:30 a.m.**

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

Call to Order

Roll Call

Public Comments- Closed Session Agenda Items

CLOSED SESSION: During the course of conducting the business set forth on this agenda as a regular meeting of the Board, the Chair may convene the Board in closed session to consider matters of pending real estate negotiations, pending or potential litigation, or personnel matters, pursuant to Government Code Sections 54956.8, 54956.9, 54957 or 54957.6, as noted. Reports relating to (a) purchase and sale of real property; (b) matters of pending or potential litigation; or (c) employment actions, or which are exempt from public disclosure under the California Public Records Act, may be reviewed by the Board during a permitted closed session and are not available for public inspection. At such time the Board takes final action on any of these subjects, the minutes will reflect all required disclosures of information. Closed Session is scheduled to commence at 7:30 a.m.. If the matters discussed in closed session require additional time beyond 8:00 a.m., in deference to the public, the Board may continue the Closed Session discussion after Open Session is concluded. In that case, Closed Session will resume after the Commissioners Comments section and any reportable action will be reported after the continued Closed Session has concluded and before adjournment.

Closed Session

1. **(Gov. Code Sec. 54957.6/ 54954.5 (f)) Conference with
Legal Counsel-Labor Negotiation**

Poulsen

- Non-Represented

Call to Order & Pledge of Allegiance

Report from Closed Session

Possible Conflicts of Interest

Public Comment (Government Code Section 54954.3)

Opportunity for members of the public to directly address the Board on items of public interest within its jurisdiction.

The public may also address the Board on items being considered on this agenda. VVWRA requests that all public speakers complete a speaker's card and provide it to the Secretary. Persons desiring to submit paperwork to the Board of Commissioners shall provide a copy of any paperwork to the Board Secretary for the official record. We request that remarks be limited to five minutes or less. Pursuant to Government Code Section 54954.3, if speaker is utilizing a translator, the total allotted time will be doubled.

Consent Calendar

All matters placed on the Consent Calendar are considered as not requiring discussion or further explanation and unless any particular item is requested to be removed from the Consent Calendar by a Commissioner, staff member or member of the public in attendance, there will be no separate discussion of these items. All items on the Consent Calendar will be enacted by one action approving all motions and casting a unanimous ballot for resolutions included on the consent calendar. All items removed from the Consent Calendar shall be considered in the regular order of business.

2. Receive, Approve and File Minutes

Casteel

- Regular Board Meeting May 28, 2026

3. Receive, Approve and File May 2026 Disbursement

Wang

Public Hearing

Gregg

- FY 2026-2027 Budget

Action Items

The Executive Leadership Team will provide brief updates on existing matters under their purview and will be available to respond to any questions thereof.

4. Recommendation to adopt Resolution 2026-12 adoption of the FY 2026-2027 Budget Wang

It is recommended that the Board of Commissioners adopt Resolution 2026-12: Adoption of the Proposed Budget as presented for the year ending June 30, 2027.

5. Recommendation to approve the Non-Represented Employee's Compensation and Benefits Plan FY 2027 Wang

It is recommended that the Board of Commissioners approve the Non-Represented Employee's Compensation and Benefits Plan FY 2027

6. **Recommendation to adopt Resolution 2026-14 to update the positions in the Investment Policy** Wang
It is recommended that the Board of Commissioners adopt Resolution 2026-14, updating positions in the Investment Policy.
7. **Recommendation to the Board of Commissioners to authorize the General Manager to approve a 1-year extension to the current HVAC maintenance agreement with FHA Services Inc. The Regional Plant is \$116,004 and each Subregional is \$12,096 for an amount not to exceed \$140,196 for the next fiscal year upon final legal review and approval of the contract.** Tompkins
Staff recommends that the Board of Commissioners authorize the General Manager to approve a one-year extension of the existing HVAC maintenance services agreement with FHA Services Inc., in an amount not to exceed \$140,196 for the next fiscal year, subject to final legal review and approval of the contract.
8. **Recommendation to authorize the General Manager to award a Contract to Dudek for the Interceptor Risk Analysis and Hydraulic Modeling Project** Laari
It is recommended that the Board of Commissioners authorize the General Manager to award a professional services contract to Dudek for the VVWRA Interceptor Risk Analysis and Hydraulic Modeling Project, in an amount not to exceed \$237,736, and execute the agreement, subject to legal review.
9. **Recommendation to adopt Resolution 2026-13 FY 2026-2027 Holiday Schedule** Casteel
It is recommended that the Board of Commissioners adopt Resolution 2026-13 to establish the paid holidays for VVWRA employees during the fiscal year 2026-2027 which is consistent with the MOU with the Employees Association.
10. **Rotation of Officers** Casteel
It is recommended that the Board of Commissioners approve the rotation of officers for the FY 2026-2027, effective July 1, 2026

Staff Reports

11. **General Managers Report**

Adjournment

The board will adjourn to a regular board meeting on July 16, 2026

American Disabilities Act Compliance Statement

Government Code Section 54954.2(a)



Any request for disability-related modifications or accommodations (including auxiliary aids or services) sought to participate in the above public meeting should be directed to the VVWRA's Secretary at (760) 246-8638 at least 72 hours prior to the scheduled meeting. Requests must specify the nature of the disability and the type of accommodation requested.

Agenda posting

Government Code Section 54954.2

This agenda has been posted in the main lobby of the Authority's Administrative offices not less than 72 hours prior to the meeting date and time above. All written materials relating to each agenda item are available for public inspection in the office of the Board Secretary.

Agenda items received after posting

Government Code Section 54957.5

Materials related to an item on this agenda submitted after distribution of the agenda packet are available for public review at the VVWRA office located at, 20111 Shay Road, Victorville CA 92394. The materials will also be posted on the VVWRA website at www.vvwra.com.

Items Not Posted

Government Code Section 54954.2(b)

In the event any matter not listed on this agenda is proposed to be submitted to the Board for discussion and/or action, it will be done as an emergency item or because there is a need to take immediate action, which came to the attention of the Board subsequent to the posting of the agenda, or as set forth on a supplemental agenda posted in the manner as above, not less than 72 hours prior to the meeting date.

Items Continued

Government Section 54954.2(b)(3)

Items may be continued from this meeting without further notice to a Committee or Board meeting held within five (5) days of this meeting

Meeting Adjournment

This meeting may be adjourned to a later time and items of business from this agenda may be considered at the later meeting by Order of Adjournment and Notice

<i>VVWRA's Board Meeting packets and agendas are available for review on its website at www.vvwra.com. The website is updated on Friday preceding any regularly scheduled board meeting.</i>



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Agenda Item

TO: VWRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM

DATE: 06/18/2026

SUBJECT: (Gov. Code Sec. 54957.6/ 54954.5 (f)) Conference with
Legal Counsel-Labor Negotiation

- Non-Represented



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Agenda Item

TO: VWRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM

DATE: 06/18/2026

Receive, Approve and File Minutes

SUBJECT:

- Regular Board Meeting May 28, 2026

Attachments

Minutes

MINUTES OF MEETING
MEETING OF THE BOARD OF COMMISSIONERS
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY (VWVRA)
May 28, 2026

CALL TO ORDER: Chair Gregg called the meeting to order at 8:00 AM; in Conference Room D at Victorville City Hall, located at 14343 Civic Drive, Victorville California, with the following members present:

CITY OF HESPERIA	Cameron Gregg, Chair
ORO GRANDE (CSA 42) AND	Dakota Higgins, Vice-Chair
SPRING VALLEY LAKE (CSA 64)	
TOWN OF APPLE VALLEY	Scott Nassif, Secretary
CITY OF VICTORVILLE	Corrine Mora, Treasurer

VWVRA Staff and Legal Counsel:

Darron Poulsen, General Manager
Kody Tompkins, Assistant General Manager
Kristi Casteel, Executive Assistant
Piero Dallarda, Legal Counsel (BB&K)
Martin Cedeno, Maintenance Technician
Derek Evans, E&I Technician
David Wylie, Safety & Communications Officer
Latif Laari, Director of Engineering & Environmental Compliance
Jessica Reed, Director of Human Resources
Xiwei Wang, Director of Finance
Kalin Westover, Operations Supervisor
Hillary Chavez, Administrative Aide

Guests

Daniel Best , City of Victorville	Jenele Davidson , City of Victorville
Cassandra Sanchez , City of Hesperia	Fredy Bonilla , City of Victorville
Casey Brooksher , City of Hesperia	Keith Metzler , City of Victorville
Rachel Molina , City of Hesperia	Guy Eisenberg , Town of Apple Valley
Scott Webb , City of Victorville	Gary Sturdivan , Consultant

CLOSED SESSION

Piero stated an item was added to closed session item 1a. It was a late breaking item and followed procedure to include it. But there was no action.

REGULAR SESSION

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Chair Gregg called the meeting to order at 8:30 AM.

VVWRA Meeting Minutes

Thursday, May 28, 2026

Page 2

Piero stated that there is an item that needs to be added to open session. VVWRA had an electrical failure that required emergency purchases. Under VVWRA Procurement Policy we are required to ratify the emergency at the earliest possible Board Meeting. We are asking the Board to add the item to open session as item number 10. There is a memorandum to the Board that has been made available to the public and published to the website.

Moved: Commissioner Higgins

Second: Commissioner Nassif

Approval to add ratification of electrical emergency to the Board agenda as item number 10.

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Eisenberg- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

PUBLIC COMMENTS- REGULAR SESSION AGENDA

POSSIBLE CONFLICT OF INTEREST

NONE

CONSENT CALENDAR:

- 1. Receive, Approve, and File Minutes, April 16, 2026 Regular Meeting**
- 2. Receive, Approve and File April 2026 Disbursement**

Moved: Commissioner Higgins

Second: Commissioner Nassif

Approval of the Consent Calendar Items 2 and 3.

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

Motion passed by a 4-0 roll call vote

PRESENTATION

4. FY 2027 Proposed Budget Presentation

Xiwei gave a presentation on the proposed budget for FY 2026-2027

ACTION ITEMS

5. Recommendation to approve the Non-Represented Employee's Compensation and Benefits Plan FY 2027

It is recommended that the Board of Commissioners approve the Non-Represented Employee's Compensation and Benefits Plan FY 2027

Moved: Commissioner Nassif

Second: Commissioner Higgins

Approval to table this item was tabled for the next meeting

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

6. Recommendation to adopt Resolution 2026-08: Amend and adopt 2026 Local Guidelines for implementing the California Environmental Quality Act (CEQA)

It is recommended that the Board of Commissioners adopt Resolution 2026-08 to amend and adopt 2026 local guidelines for implementing the California Environmental Quality Act

Moved: Commissioner Nassif

Second: Commissioner Higgins

Approval to adopt Resolution 2026-08 to amend and adopt 2026 local guidelines for implementing the California Environmental Quality Act

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

7. Recommendation to adopt Resolution 2026-09 approving the Victor Valley Wastewater Reclamation Authority 2026 Local Hazard Mitigation Plan (LHMP)

It is recommended that the Board of Commissioners to adopt Resolution 2026-09 approving the Victor Valley Wastewater Reclamation Authority 2026 Local Hazard Mitigation Plan (LHMP) (Exhibit 1)

Moved: Commissioner Nassif

Second: Commissioner Higgins

Approval to adopt Resolution 2026-09 approving the Victor Valley Wastewater Reclamation Authority 2026 Local Hazard Mitigation Plan (LHMP) (Exhibit 1) \$65,050.00.

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

8. Recommendation to adopt Resolution 2026-10 Economic Development Administration Disaster Readiness Grant

It is recommended that the Board of Commissioners to adopt Resolution 2026-10 Economic Development Administration Disaster Readiness Grant

Moved: Commissioner Higgins

Second: Commissioner Nassif

Approval to adopt Resolution 2026-10 Economic Development Administration Disaster Readiness Grant.

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

10. Recommendation to adopt Resolution 2026-11 State Water Resources Control Board Water Recycling Funding Program Planning Grant

It is recommended that the Board of Commissioners adopt 2026-11 State Water Resources Control Board Water Recycling Funding Program Planning Grant

Moved: Commissioner Higgins

Second: Commissioner Gaudin

Approval to adopt 2026-11 State Water Resources Control Board Water Recycling Funding Program Planning Grant

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

10. Recommendation to Ratify Electrical Emergency

Moved: Commissioner Higgins

Second: Commissioner Nassif

Ratification of Electrical Emergency

Chair Gregg- Yes

Commissioner Higgins - Yes

Commissioner Nassif- Yes

Commissioner Gaudin - Yes

Motion passed by a 4-0 roll call vote

ADJOURNMENT

APPROVAL:

DATE: June 18, 2026 **BY:** _____
Approved by Scott Nassif Secretary
VVWRA Board of Commissioners



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Agenda Item

TO: VWRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM

DATE: 06/18/2026

SUBJECT: **Receive, Approve and File May 2026 Disbursement**

Attachments

May



Victor Valley Wastewater Reclamation Authority

A Joint Powers Authority and Public Agency of the State of California

Administrative Offices

20111 Shay Road, Victorville, CA 92394

Telephone: (760) 246-8638

Fax: (760) 948-9897

e-mail: mail@vwwra.com

DATE: June 18, 2026

TO: Darron Poulsen
General Manager

FROM: Xiwei Wang
Director of Finance

SUBJECT: Cash Disbursements Register

RECOMMENDED ACTION

It is recommended that the Board of Commissioners approve the cash disbursements and payroll register for the Victor Valley Wastewater Reclamation Authority.

BACKGROUND

The Cash Disbursements Register totals represented below are for the month of MAY 2026, check numbers 126714-126755 and ACH's.

<i>Accounts Payable</i>			
<i>Checks</i>	<i>ACH's and EFT's</i>	<i>Payroll</i>	<i>Total</i>
<i>\$291,662.34</i>	<i>\$1,494,382.23</i>	<i>\$904,401.48</i>	<i>\$2,690,446.05</i>

Victor Valley Wastewater Reclamation Authority
Cash Disbursement Register
From 05/1/2026 through 05/31/2026

Vendor Name	Payment #	Date	Total
Aquatic Bioassay / Consult Inc.	126714	05/06/2026	400.00
Atmospheric Analysis And Consulting	126715	05/06/2026	945.00
B&D Construction Co., Inc	126716	05/06/2026	1,404.03
Cem Corporation	126717	05/06/2026	3,288.60
Consibio Inc	126718	05/06/2026	4,624.00
Graham Equipment	126719	05/06/2026	26,935.00
Hesperia Unified School District	126720	05/06/2026	304.29
Hi-Grade Materials	126721	05/06/2026	25,839.02
Hug Engineering, Inc.	126722	05/06/2026	2,935.45
Pete'S Road Service, Inc.	126723	05/06/2026	3,181.48
Rain For Rent	126724	05/06/2026	2,716.40
Safety-Kleen Systems Inc.	126725	05/06/2026	560.78
Southern Counties Lubricants	126726	05/06/2026	7,736.61
United Rentals Northwest, Inc	126727	05/06/2026	9,479.19
Big Sky Electric	126728	05/14/2026	98,330.00
Multi W Systems, Inc	126729	05/14/2026	8,983.75
Napa Victorville	126730	05/14/2026	24.03
Pete'S Road Service, Inc.	126731	05/14/2026	396.00
City Of Victorville / Utility Billing	126732	05/21/2026	18,686.11
Connectwise, Llc	126733	05/21/2026	6,202.25
Core & Main Lp	126734	05/21/2026	4,310.85
Freeus Llc	126735	05/21/2026	734.51
Gannett California Localiq	126736	05/21/2026	536.10
Graham Equipment	126737	05/21/2026	3,765.00
Graham Equipment	126737	05/21/2026	(3,765.00)
Guardian	126738	05/21/2026	632.21
Motion Industries, Inc.	126739	05/21/2026	451.44
Quill Corporation	126740	05/21/2026	521.14
Swains Electric Motor Service	126741	05/21/2026	9,135.15
Wageworks, Inc	126742	05/21/2026	160.25
Wageworks, Inc	126742	05/21/2026	(160.25)
Graham Equipment	126743	05/21/2026	3,765.00
Wageworks, Inc	126744	05/21/2026	160.25
Adscot Pest Control, Inc.	126745	05/28/2026	1,596.00
Dell Inc.	126746	05/28/2026	161.78
Geotab Usa, Inc	126747	05/28/2026	369.00
Hi-Desert Communications	126748	05/28/2026	150.00
Hug Engineering, Inc.	126749	05/28/2026	23,089.88
Napa Victorville	126750	05/28/2026	130.39
Safety-Kleen Systems Inc.	126751	05/28/2026	560.78
Stemar Equipment & Supply Co.	126752	05/28/2026	8,510.72
Uline, Inc.	126753	05/28/2026	479.53
United Rentals Northwest, Inc	126754	05/28/2026	7,661.42
Verizon Wireless	126755	05/28/2026	5,734.20
		Total Checks	\$ 291,662.34
Babcock Laboratories, Inc.	24653	05/01/2026	\$ 20,311.67
Bargain Byte	24654	05/01/2026	\$ 3,654.00
Beck Oil, Inc.	24655	05/01/2026	\$ 5,920.56
Best, Best & Krieger, L.L.P.	24656	05/01/2026	\$ 56,039.71
Biogas Power Systems- Mojave, Llc	24657	05/01/2026	\$ 64,119.27
Biogas Power Systems- Mojave, Llc	24657	05/01/2026	\$ (64,119.27)
Blue Ally Technology Sol. (Prev. Virtual Graffiti)	24658	05/01/2026	\$ 14,413.60
Brenntag Pacific, Inc	24659	05/01/2026	\$ 1,409.40
Brightview Landscape Services Inc	24660	05/01/2026	\$ 14,322.13
Bsk Associates	24661	05/01/2026	\$ 1,419.00
Cintas Corporation	24662	05/01/2026	\$ 3,776.36

Victor Valley Wastewater Reclamation Authority
Cash Disbursement Register
From 05/1/2026 through 05/31/2026

Vendor Name	Payment #	Date	Total
Collicutt Energy Services Inc	24663	05/01/2026	\$ 22,635.07
Coonce, Shawn	24664	05/01/2026	\$ 274.00
D.K.F. Solutions Group, Llc	24665	05/01/2026	\$ 500.00
Fluid Components Intl. C/O Ponton Industries	24666	05/01/2026	\$ 32,564.23
Haaker Equipment Company	24667	05/01/2026	\$ 5,023.12
Mcmaster-Carr Supply Co.	24668	05/01/2026	\$ 1,482.64
Msdsonline DbA Velocityehs	24669	05/01/2026	\$ 4,073.61
Ndk Chem, Inc.	24670	05/01/2026	\$ 16,764.17
Netgain Networks, Inc	24671	05/01/2026	\$ 2,100.00
Polydyne Inc.	24672	05/01/2026	\$ 8,304.15
Prudential Overall Supply	24673	05/01/2026	\$ 915.86
Rotary Club Of Victorville	24674	05/01/2026	\$ 400.00
Royal Industrial Solutions	24675	05/01/2026	\$ 8,221.48
Socal Pacific Construction Corp	24676	05/01/2026	\$ 43,258.25
T-Mobile	24677	05/01/2026	\$ 116.76
Underground Service Alert Of Southern California	24678	05/01/2026	\$ 65.90
Walters Wholesale Electric	24679	05/01/2026	\$ 1,854.50
Westair Gases & Equipment	24680	05/01/2026	\$ 3,103.21
Xylem Water Solutions	24681	05/01/2026	\$ 136,723.18
Brenntag Pacific, Inc	24682	05/07/2026	\$ 4,317.85
Broyhill Equipment Llc	24683	05/07/2026	\$ 64.00
Castro, Moises	24684	05/07/2026	\$ 40.40
Ceden0,Martin	24685	05/07/2026	\$ 1,500.00
Cintas Corporation	24686	05/07/2026	\$ 88.70
Desert Pumps & Parts, Inc.	24687	05/07/2026	\$ 6,179.72
Fluid Components Intl. C/O Ponton Industries	24688	05/07/2026	\$ 68,300.43
G.A. Osborne Pipe & Supply	24689	05/07/2026	\$ 49.46
Grainger	24690	05/07/2026	\$ 1,132.98
Hach Company	24691	05/07/2026	\$ 346.97
Hawthorne Power Systems	24692	05/07/2026	\$ 1,200.72
Infinite-Data Llc	24693	05/07/2026	\$ 9,600.00
Mcmaster-Carr Supply Co.	24694	05/07/2026	\$ 1,152.90
Michael'S Auto Detail	24695	05/07/2026	\$ 1,080.00
Ndk Chem, Inc.	24696	05/07/2026	\$ 22,570.89
Prudential Overall Supply	24697	05/07/2026	\$ 925.63
Quinn Company	24698	05/07/2026	\$ 1,832.00
Royal Industrial Solutions	24699	05/07/2026	\$ 309.39
Saddleback Environmental Equipment, Inc.	24700	05/07/2026	\$ 1,500.00
Smith, Tristan	24701	05/07/2026	\$ 1,500.00
Westair Gases & Equipment	24702	05/07/2026	\$ 21.93
Wylie, David	24703	05/07/2026	\$ 301.00
Citizens Business Bank	24704	05/08/2026	\$ 3,700.00
A.D.S. Corp.	24705	05/15/2026	\$ 8,580.00
American Express	24706	05/15/2026	\$ 37,935.01
Beck Oil, Inc.	24707	05/15/2026	\$ 59.38
Best, Best & Krieger, L.L.P.	24708	05/15/2026	\$ 3,786.40
Brightview Landscape Services Inc	24709	05/15/2026	\$ 1,103.73
Cdw Government, Inc	24710	05/15/2026	\$ 3,635.48
Consumers Pipe & Supply, Co.	24711	05/15/2026	\$ 1,294.92
Culligan Water Conditioning	24712	05/15/2026	\$ 996.60
Davis Electric, Inc	24713	05/15/2026	\$ 11,520.00
Fha Services, Inc.	24714	05/15/2026	\$ 3,994.55
G.A. Osborne Pipe & Supply	24715	05/15/2026	\$ 172.63
Grainger	24716	05/15/2026	\$ 133.43
Haaker Equipment Company	24717	05/15/2026	\$ 19.12
Inductive Automation Llc	24718	05/15/2026	\$ 6,202.80
Inland Empire Windustrial	24719	05/15/2026	\$ 26,768.70

Victor Valley Wastewater Reclamation Authority
Cash Disbursement Register
From 05/1/2026 through 05/31/2026

Vendor Name	Payment #	Date	Total
Larry Walker Associates	24720	05/15/2026	\$ 4,166.25
Mcmaster-Carr Supply Co.	24721	05/15/2026	\$ 97.00
Michael'S Auto Detail	24722	05/15/2026	\$ 350.00
Ndk Chem, Inc.	24723	05/15/2026	\$ 9,635.63
Pape Material Handling, Inc. (Prev. Yale)	24724	05/15/2026	\$ 19,596.75
Prudential Overall Supply	24725	05/15/2026	\$ 927.89
Royal Industrial Solutions	24726	05/15/2026	\$ 3,054.70
Siemens Industry Inc.	24727	05/15/2026	\$ 11,565.57
Tomorrow'S Talent	24728	05/15/2026	\$ 3,500.00
Tompkins, Kody	24729	05/15/2026	\$ 250.00
U.S. Bank	24730	05/15/2026	\$ 20,158.91
West Yost & Associates, Inc	24731	05/15/2026	\$ 26,268.93
Adt Commercial	24732	05/22/2026	\$ 613.11
Anthony, Donna	24733	05/22/2026	\$ 264.31
Bargain Byte	24734	05/22/2026	\$ 3,654.00
Billings, Richard	24735	05/22/2026	\$ 409.00
Brenntag Pacific, Inc	24736	05/22/2026	\$ 568.52
Cdw Government, Inc	24737	05/22/2026	\$ 2,527.86
Cintas Corporation	24738	05/22/2026	\$ 992.37
Collicutt Energy Services Inc	24739	05/22/2026	\$ 6,049.72
Coromina, Robert	24740	05/22/2026	\$ 409.00
Correia, Linda	24741	05/22/2026	\$ 409.00
Dagnino, Roy	24742	05/22/2026	\$ 409.00
Davis, Tim	24743	05/22/2026	\$ 409.00
F B Roofing Company	24744	05/22/2026	\$ 4,300.00
Flint, Terrie Gossard	24745	05/22/2026	\$ 409.00
Fluid Components Intl. C/O Ponton Industries	24746	05/22/2026	\$ 68,244.62
Grainger	24747	05/22/2026	\$ 209.05
Gyurcsik, Darline	24748	05/22/2026	\$ 409.00
Hinojosa, Thomas	24749	05/22/2026	\$ 409.00
Hoch Consulting	24750	05/22/2026	\$ 7,271.75
Keniston, Olin	24751	05/22/2026	\$ 409.00
Main, Randy	24752	05/22/2026	\$ 409.00
Mcgee, Mark	24753	05/22/2026	\$ 409.00
Mcgrath Rentcorp	24754	05/22/2026	\$ 8,137.77
Mcmaster-Carr Supply Co.	24755	05/22/2026	\$ 473.87
Montgomery, Lillie	24756	05/22/2026	\$ 319.29
Nalian, L. Christina	24757	05/22/2026	\$ 319.29
Nave, Patrick	24758	05/22/2026	\$ 409.00
Ndk Chem, Inc.	24759	05/22/2026	\$ 21,792.18
Netgain Networks, Inc	24760	05/22/2026	\$ 72,238.79
Parada Painting, Inc.	24761	05/22/2026	\$ 24,878.00
Prudential Overall Supply	24762	05/22/2026	\$ 929.17
Quinn Company	24763	05/22/2026	\$ 387.75
Royal Industrial Solutions	24764	05/22/2026	\$ 1,100.51
Socal Pacific Construction Corp	24765	05/22/2026	\$ 129,774.75
Tecsolutions Consultants Llc	24766	05/22/2026	\$ 11,810.00
Tomorrow'S Talent	24767	05/22/2026	\$ 3,500.00
Water Resources Economics	24768	05/22/2026	\$ 3,691.25
Xylem Water Solutions	24769	05/22/2026	\$ 13,039.13
Applied Maintenance Supplies & Solution	24770	05/29/2026	\$ 2,670.78
Babcock Laboratories, Inc.	24771	05/29/2026	\$ 18,210.00
Beck Oil, Inc.	24772	05/29/2026	\$ 4,076.34
Brenntag Pacific, Inc	24773	05/29/2026	\$ 4,463.44
Brightview Landscape Services Inc	24774	05/29/2026	\$ 11,333.33
California School Veba	24775	05/29/2026	\$ 680.05
Cintas Corporation	24776	05/29/2026	\$ 406.57

Victor Valley Wastewater Reclamation Authority
Cash Disbursement Register
From 05/1/2026 through 05/31/2026

Vendor Name	Payment #	Date	Total
Collicutt Energy Services Inc	24777	05/29/2026	\$ 468.61
D.K.F. Solutions Group, Llc	24778	05/29/2026	\$ 500.00
Fha Services, Inc.	24779	05/29/2026	\$ 9,495.00
Grainger	24780	05/29/2026	\$ 7,181.54
Haaker Equipment Company	24781	05/29/2026	\$ 233.81
Inland Empire Windustrial	24782	05/29/2026	\$ 4,551.58
Luiten, Jack	24783	05/29/2026	\$ 170.00
Mcmaster-Carr Supply Co.	24784	05/29/2026	\$ 322.73
Ndk Chem, Inc.	24785	05/29/2026	\$ 2,000.00
Netgain Networks, Inc	24786	05/29/2026	\$ 2,100.00
Prudential Overall Supply	24787	05/29/2026	\$ 929.17
Regis, Kyle	24788	05/29/2026	\$ 264.25
Underground Service Alert Of Southern California	24789	05/29/2026	\$ 74.50
Walters Wholesale Electric	24790	05/29/2026	\$ 50.44
Nationwide Retirement Solutions	DFT05322	05/01/2026	\$ 900.00
Konica Minolta Business Solutions	DFT05326	05/07/2026	\$ 779.96
Liberty Utilities	DFT05327	05/07/2026	\$ 149.84
Liberty Utilities	DFT05328	05/07/2026	\$ 642.42
Liberty Utilities	DFT05329	05/07/2026	\$ 4,195.63
Southern California Edison	DFT05330	05/07/2026	\$ 88,993.95
Southern California Edison	DFT05331	05/07/2026	\$ 866.42
State Water Resource Control Board	DFT05332	05/07/2026	\$ 75.00
Town Of Apple Valley	DFT05333	05/07/2026	\$ 420.00
Nationwide Retirement Solutions	DFT05335	05/15/2026	\$ 900.00
At&T Mobility	DFT05338	05/22/2026	\$ 218.70
Flyers Energy, Llc	DFT05339	05/22/2026	\$ 2,606.17
Flyers Energy, Llc	DFT05340	05/22/2026	\$ 3,862.70
Enterprise Fm Trust	DFT05341	05/20/2026	\$ 14,686.78
Hesperia Water District	DFT05342	05/22/2026	\$ 647.52
Hesperia Water District	DFT05343	05/22/2026	\$ 704.10
Southern California Edison	DFT05344	05/22/2026	\$ 24,220.00
Southern California Edison	DFT05345	05/22/2026	\$ 22,655.81
Southern California Edison	DFT05346	05/22/2026	\$ 1,899.65
Southwest Gas Company	DFT05347	05/22/2026	\$ 25.00
Southwest Gas Company	DFT05348	05/22/2026	\$ 25.00
Southwest Gas Company	DFT05349	05/22/2026	\$ 30.66
State Water Resource Control Board	DFT05350	05/22/2026	\$ 11,678.00
Lincoln Financial Group	DFT05351	05/29/2026	\$ 7,057.48
Lincoln Financial Group	DFT05352	05/29/2026	\$ 78.83
Principal Life Ins. Co.	DFT05353	05/29/2026	\$ 3,829.39
Southwest Gas Company	DFT05354	05/29/2026	\$ 64,278.42
Southwest Gas Company	DFT05355	05/29/2026	\$ 26,107.22
Spectrum (Prev. Charter Communications)	DFT05356	05/29/2026	\$ 5,562.16
Ups	DFT05357	05/29/2026	\$ 72.31
Nationwide Retirement Solutions	DFT05358	05/29/2026	\$ 900.00
Total EFT's and ACH			\$ 1,494,382.23

Approved



Total Checks
Total EFT's and ACH
Total Payroll - May 2026

Total

\$ 291,662.34
\$ 1,494,382.23
\$ 904,401.48
\$ 2,690,446.05



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Agenda Item

TO: VWVRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM

DATE: 06/18/2026

SUBJECT: **Public Hearing**
- FY 2026-2027 Budget



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Staff Report

TO: VWVRA Board of Commissioners
FROM: Darron Poulsen, General Manager
SUBMITTED BY: Xiwei Wang, Director of Finance
DATE: 06/18/2026
SUBJECT: **Recommendation to adopt Resolution 2026-12 adoption of the FY 2026-2027 Budget**

Fiscal Impact N/A

Account Code:

Funds Budgeted/ Approved:

STAFF RECOMMENDATION

It is recommended that the Board of Commissioners adopt Resolution 2026-12: Adoption of the Proposed Budget as presented for the year ending June 30, 2027.

PREVIOUS ACTION(S)

None

BACKGROUND INFORMATION

Staff prepared the budget for the year ending June 30, 2027, based on input from each department. The staff presented the budget draft and discussed at the Internal Finance Committee meeting held on May 6, 2026, External Finance Committee meeting held on May 7, 2026, and at the Board meeting on May 28, 2026.

Attachments

RESOLUTION 2026-12- Adopt FY 2026-2027 Budget Full

RESOLUTION 2026-12

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY TO APPROVE AND ADOPT THE FISCAL YEAR 2026-2027 BUDGET

WHEREAS, The General Manager submitted to the Board of Commissioners (“Commission”) of the Victor Valley Wastewater Reclamation Authority (“VWWRA”) a proposed budget for the period July 1, 2026, through June 30, 2027, otherwise known as Fiscal Year 2026-2027, and said proposed budget provides details of the proposed revenues, expenditures, and appropriations for VWWRA during Fiscal Year 2026-2027 (“Budget”);

WHEREAS, the Commission has duly reviewed and considered the proposed Fiscal Year 2026-2027 Budget with respect to the projected revenues and the proposed expenditures, projects, programs, annual surcharge rate adjustments, and related items accordingly;

WHEREAS, the Commission provided public notice of and held a public hearing on June 18, 2026, on the proposed Fiscal Year 2026-2027 Budget (“Public Hearing”);

WHEREAS, at the Public Hearing, all public input on the Budget was received and considered by the Commission;

WHEREAS, the Commission believes that it is both appropriate and desirable to address CPI increases for employees at the same time that it considers adoption of the Authority’s Budget; and that is consistent with the MOU adopted by the Board with the Employees Association on July 21, 2022;

WHEREAS, the Commission also adopted Resolution 2000-17, which established policies and procedures to determine appropriate employee salaries and to ensure that salaries remain competitive while retaining fiscal flexibility for the Authority;

WHEREAS, the Commission has determined that it is economically feasible and in the best interest of the Authority to adjust employees’ salaries by the Consumer Price Index (CPI) as the Authority desires to select, train, and develop well-qualified employees to work for and represent the Authority, and that competitive wages and stability in the workforce are both rewarding to the employees and in the best interest of the Authority;

WHEREAS, the Commission for the Authority (“Commission”) has carefully considered the steps necessary to establish appropriate salaries and insure the long-term success of the Authority.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The Budget for Fiscal Year 2026-2027 for the Victor Valley Wastewater Reclamation Authority, a copy of which is attached hereto as Exhibit “A”, is hereby approved and adopted, and the amounts of the proposed expenditures are appropriated for the projects, programs, and expenditures specified therein and as currently proposed in the accompanying Capital Improvement Plan spreadsheets, which are subject to future revision by the Board, and;

Section 2. The Commission has determined that it is economically feasible and in the best interest of the Authority to adjust employee salary ranges by the annual Consumer Price Index (CPI). The CPI utilized for this purpose is the annual average for All Urban Consumers for the Riverside-San Bernardino- Ontario area, as published by the Bureau of Labor Statistics, for the 12-month period ending March 31, 2026. The CPI percent change for the year ending March 31, 2026 is 3.5 percent, per the MOU. The adjusted steps and ranges shall be as shown in the attached Exhibit “B”.

Section 3. Adoption of Annual Increases. The effective date of salary range adjustments described herein shall be July 1, 2026

Section 4. Execution of Resolution. The Chair of the Commission shall sign this Resolution, and the Secretary of the Commission shall certify that this Resolution was duly and properly adopted by the Commission.

Section 5. Within fifteen (15) days after the adoption of this resolution, the General Manager shall cause a copy of this resolution and the attached budget to be delivered to every member entity of VVWRA.

ADOPTED AND APPROVED this 18th day of June 2026

Cameron Gregg, Chair
VVWRA Board of Commissioners

ATTEST:

APPROVED AS TO FORM:

Scott Nassif, Secretary
VVWRA Board of Commissioners

Piero Dallarda of
Best Best & Krieger LLP, Counsel VVWRA

CERTIFICATION:

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Commissioners held on June 18, 2026.

Kristi Casteel – Clerk of the Board

EXHIBIT A



Victor Valley Wastewater Reclamation Authority

Proposed Annual Budget FY 26/27





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Victor Valley Wastewater Reclamation Authority

A Joint Powers Authority and Public Agency of the State of California

20111 Shay Road, Victorville, CA 92394

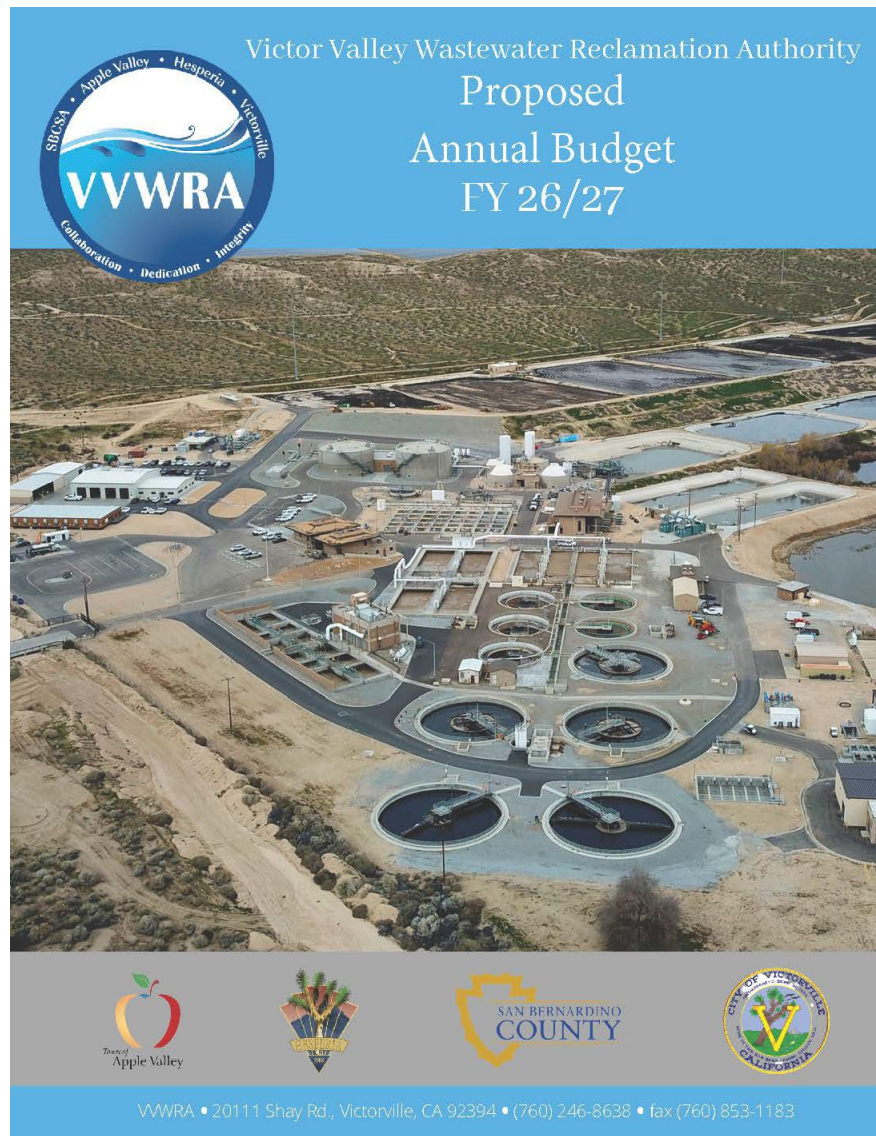
Telephone: (760) 246-8638

Fax: (760) 853-1183

e-mail: mail@vwwraca.gov

1 Budget Executive Summary

1.1 General Manager Budget Message





**TO THE BOARD OF COMMISSIONERS AND MEMBER AGENCIES OF
THE VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY:
THE TOWN OF APPLE VALLEY, THE CITY OF HESPERIA, THE SAN
BERNARDINO COUNTY SPECIAL DISTRICTS, THE CITY OF
VICTORVILLE, AND REGIONAL STAKEHOLDERS.**

On behalf of the Victor Valley Wastewater Reclamation Authority (VWRA or Authority), I am pleased to present for your consideration our Fiscal Years 2026-2027 Operating and Capital Budget. Preparation of the budget and supporting documentation began on January 20, 2026. As I enter my seventh budget cycle as General Manager, staff and I revisited the changes implemented during the prior fiscal year and identified additional opportunities to further strengthen our budgeting process and financial reporting practices. We reaffirmed our core objective of producing a balanced, clearly structured, and comprehensive budget that aligns with the Authority’s mission, strategic priorities, and operational needs.

VWRA Mission Statement

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

Throughout this process, the team worked collaboratively to evaluate the existing budget framework, identify areas of ambiguity, and streamline how financial responsibilities are organized across departments. This effort resulted in greater clarity, a reduction in duplicative or unnecessary line items, and a more transparent alignment between departmental activities and their associated budgetary accountability. These improvements reflect our ongoing commitment to refining our financial planning processes and ensuring

that VWRA’s budget remains an effective, accurate, and reliable tool for both operational management and Board oversight.

During the 2026 fiscal year, the organization underwent significant leadership changes following the retirement of Administrative Director Robert Coromina. During the mid-year budget review, his position was restructured and replaced with a newly approved Human Resources Director role. Additional supervisory and management adjustments were made at that time as well. Mr. Xiwei Wang was promoted to Director of Finance and Procurement, and Mr. Latif Laari was promoted to Director of Engineering and Environmental Services. Kody Tompkins, previously Director of Operations and Maintenance, was promoted to Assistant General Manager as part of this organizational update.

The VVWRA Budget Team



Darron Poulsen
General Manager



Kody Tompkins
Assistant General Manager



Kalin Westover
Director of Operations
and Maintenance



Latif Laari
Director of Engineering
and Environmental Compliance



Jessica Reed
Director of Human Resources
and Risk Management



Xiwei Wang
Director of Finance
and Procurement

These three VVWRA leaders were the primary contributors to the development of the agency's overall budget. Assistant General Manager Kody Tompkins now oversees both operations and administrative functions of the organization. He led the development of the Operations budget in coordination with Operations Supervisor Kalin Westover and Maintenance Supervisor Ray Lopez. He also provided input and guidance on developing the budget for the administrative team in Human Resources and Safety. Directors Wang and Laari were chiefly responsible for preparing the administrative portion of the budget. Collectively, these staff members served as the principal authors of this budget document.

Over the last year, we continued strengthening our Capital Improvement Program (CIP) planning, reporting, and overall long-range forecasting. Through this effort, we identified several major capital needs that will significantly influence future budgets and operational priorities. While the existing regional plant is expected to approach its permitted treatment capacity within the next five to seven years, the Authority is no longer planning for the construction of a second regional treatment plant. Instead, capacity concerns will be evaluated through a comprehensive long-term Strategic Vision that will assess the operational, financial, and regulatory needs of VVWRA over the next fifty years. In lieu of developing a costly new regional facility, the Strategic Vision will explore more cost-effective near-term options, such as upsizing existing subregional facilities and

optimizing current treatment processes at the existing regional plant, to ensure reliable capacity and operational resilience.

This Strategic Vision effort will be completed in fiscal year 2027 and will be closely coordinated with the development of a new Joint Powers Authority (JPA) agreement. The new JPA agreement is a critical component for enabling future capital investments, establishing funding mechanisms, assuring Member Agency beneficial parity, and aligning Member Agency responsibilities. Last fiscal year, a new Memorandum of Understanding (MOU) was developed to capture the Member Agencies' priorities, governance expectations, and desired updates to the future JPA agreement. This MOU will serve as a foundational guide for preparing the new JPA agreement and, together with the Strategic Vision, will establish a long-term roadmap for capital planning, facility needs, and organizational development. Additional key projects, such as improvements to the potable water supply system, headworks renovation, rehabilitation of the former administrative building, and implementation of an ammonia sidestream process, remain central to ensuring the Authority's continued operational reliability and regulatory compliance.

The Victor Valley Wastewater Reclamation Authority remains firmly committed to advancing its Mission Statement and upholding the Core Values that guide every aspect of our work. These principles continue to anchor our decision-making, shape our organizational culture, and direct our efforts toward achieving the goals established for the upcoming fiscal year. As a public agency, VVWRA places the highest priority on transparency, responsiveness, and responsible stewardship in all interactions with our Board of Commissioners, Member Agencies, stakeholders, and employees. These values are essential to maintaining public trust and ensuring that our operations reflect the long-term interests of the communities we serve.



I would like to extend my sincere appreciation to the External Finance Committee, composed of financial professionals from our Member Agencies, for their thoughtful review, collaboration, and valuable input during the development of the proposed budget. Their engagement strengthens our financial planning process and ensures alignment with regional priorities.

Additionally, I wish to recognize the dedication and professionalism of VVWRA's Finance Department staff, whose diligence and expertise were instrumental in preparing this budget document. This includes Director of Finance and Procurement Xiwei Wang; Lead Accountant Kyle Parker; Accountants Anne Mazzarella and Charlene Villalvazo; Management Analyst Cyle Palazzo; and Purchaser Bradley Doneff. Their collective efforts reflect a deep commitment to accuracy, fiscal responsibility, and the continuous improvement of our financial processes.

Respectfully Submitted

A handwritten signature in black ink that reads "Darron Poulsen". The signature is written in a cursive, flowing style.

Darron Poulsen
VVWRA General Manager

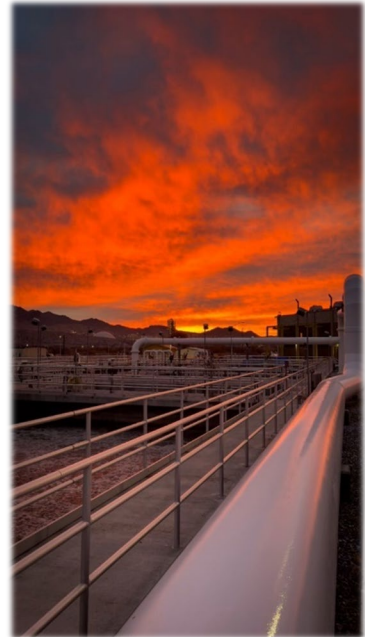


1.2 Overview of Revenue Changes and Analysis

This document includes the budget information for the fiscal year ending June 30, 2027 (hereafter referred to as FY 2027) for Victor Valley Wastewater Reclamation Authority (VWRA or Authority). This financial plan serves as a policy document, an operational guide, and a means of transparent communication. The FY 2027 budget remains a comprehensive and balanced financial plan that demonstrates the fiscal responsibility expected of a public utility enterprise. This document also includes an overview of departmental operations and key performance indicators used to evaluate progress toward organizational goals. To enhance clarity and accessibility, VWRA has maintained a detailed table of contents organized into six major sections, accompanied by a glossary to assist readers in locating information quickly.

For FY 2027, the Authority continues to utilize a supplemental capital purchase line item for significant non-critical capital assets within all departments. These capital items are acquired only on an as-needed basis and only when funding is available. All major capital projects, including associated services and asset purchases, are incorporated into the Authority's Capital Improvement Plan (CIP). Within the CIP, VWRA identifies appropriate funding sources, either the user charge fund or the connection fee fund, within its enterprise fund structure and enterprise resource planning (ERP) accounting software. VWRA operates as an enterprise fund, applying the accrual method of accounting, which records revenues and expenses when earned or incurred instead of when cash is received or paid. The enterprise fund is further separated internally into two components: the user charge fund, which supports day-to-day operations and CIP projects related to existing capacity; and the connection fee fund, which supports CIP projects directly connected to system capacity expansion.

During FY 2026, VWRA completed a comprehensive rate study that evaluated long-term operational, financial, and capital needs. Based on this analysis, the Board approved a phased, multi-year rate adjustment designed to ensure the agency's financial stability. The rate plan includes a 7% increase to user charge in the first year, followed by 5% increases in each of the following two years. In addition to the rate adjustment, the rate study also allows VWRA to acquire external financing to offset the cost of the capital projects funded by its enterprise fund. VWRA projects to acquire an estimated \$15-\$17 million loan from its bank with a payback period of ten years during FY 2027. These adjustments are essential to ensure that revenues keep



pace with rising operating costs, inflation, economic conditions, and the major capital investments identified in the agency's long-term planning efforts.

In addition to adjustments to user rates, the Board approved a revised connection fee rate structure that establishes annual escalation based on the California Construction Cost Index (CCCI) up to a maximum of 5%. VVWRA's connection fee rate will increase by 5.0% in FY 2027 based on the actual CCCI released in FY 2026. This escalation mechanism ensures that connection fees maintain their purchasing power as construction costs rise, strengthening long-term funding for capacity-related capital improvements and aligning development-driven demand with appropriate cost recovery.



For FY 2027, the Authority anticipates treating and billing wastewater flows based on Member Agency allocation percentages of 60.3% from the City of Victorville, 17.6% from the City of Hesperia, 16.3% from the Town of Apple Valley, and 5.8% from the San Bernardino County Special Districts. The Authority will bill these flows at a rate of \$7,288 per million gallons (effective July 1, 2026). Other operating revenues include septage processing fees; tipping fees for anaerobically digestible materials and fats, oils, and grease; sludge flow charges; industrial pretreatment fee; reclaimed water sales; and high-strength surcharge fees.

For the user charge fund, total operating revenue and external financing for FY 2027 is projected to be \$52.3 million, while total operating expenses, including both existing and additional debt service, are projected at \$33.7 million, resulting in a net surplus of \$18.5 million. After accounting for restricted reserves of \$6.5 million, the Authority projects an unrestricted operating reserve balance of \$26.4 million for FY 2027.

For the connection fee fund, the Authority also anticipates collecting \$2.1 million in connection fee revenues. These projections were developed in collaboration with finance staff from the Member Agencies to improve forecasting accuracy and align anticipated revenues with regional growth trends.

The updated connection fee rate of \$4,913 per equivalent dwelling unit (EDU), subject to annual CCCI-based adjustment, remains restricted for capacity expansion capital projects and may not be used for day-to-day operating costs. Connection fee funds play a critical role in the Authority's long-term capital program by ensuring that development contributes fairly to future system capacity improvements. Additional information on the use of these funds can be found in the Capital Projects sections of this document.



1.3 Overview of Operational Expenses

For Fiscal Year 2027, VWRA has proposed an operating plus external financing budget of \$52.3 million, which includes \$4.9 million in debt service and \$28.8 million in operations and maintenance expenses (including lease payments). Non-cash items, such as depreciation, are excluded from these figures.

The operating revenues and expenses are based on the assumption that the Authority will continue to operate both subregional facilities in Apple Valley and the City of Hesperia throughout FY 2027. While these facilities add to the overall cost, they also generate additional revenue through the sale of recycled water.

In addition to the financial benefit, recycled water provides significant environmental and regional advantages. It supports groundwater recharge, reduces dependency on imported water, and ensures a more sustainable water supply for the High Desert region. Recycled water is also used for landscape irrigation, industrial uses, and other non-potable applications—helping to conserve potable water supplies for residential and commercial use.

	User Charge Fund	Connection Fee Fund	Total
FY 2027 Reserve Beginning Balance	\$ 14,395,099	\$ 8,258,457	\$ 22,653,556
Total Revenues	37,258,576	2,084,922	\$ 39,343,498
Total External Financing	15,000,000	-	\$ 15,000,000
Total SRF Loan	(2,749,736)	(1,295,053)	\$ (4,044,789)
Total Lease Payments	(129,862)	-	\$ (129,862)
Total Other Debt Payments	(2,179,247)	-	\$ (2,179,247)
Total Operating Expense	(28,689,585)	-	\$ (28,689,585)
FY 2027 Budget Surplus	18,510,146	789,869	\$ 19,300,015
Total Reserve	32,905,245	9,048,326	\$ 41,953,571
Total Restricted Reserve	(6,477,342)	(1,295,053)	\$ (7,772,395)
Total Unrestricted Reserve	26,427,904	7,753,273	\$ 34,181,177
Total Capital Projects ①	(16,960,924)	(584,000)	\$ (17,544,924)
Total Supplemental Capital Purchase	(1,547,176)	-	\$ (1,547,176)
Available Unrestricted Reserve	\$ 7,919,804	\$ 7,169,273	\$ 15,089,077
 Fiscal Year Ending Reserve	 \$ 14,397,146	 \$ 8,464,326	 \$ 22,861,472

① Please refer to Section 6.2 for more details on Capital Projects

For FY 2027, the unrestricted operating reserve is projected to be \$18.5 million, which is fully allocated toward supplemental capital purchases and capital projects. The increase in unrestricted operating reserve is due to additional external financing planned in FY 2027. The CIP section of this booklet provides additional details on these projects.

Historically, operational expenses were reported under a single departmental category. However, each department head submits an individual departmental budget for improved transparency and accountability.

During FY 2026, VVWRA restructured its management and director positions. This restructure created the Assistant General Manager position, the Director of Engineering and Environmental Compliance, and the Director of Finance and Procurement. The Director of Administration has been renamed to the Director of Human Resources and Risk Management. The Director of Operations and Maintenance remained unchanged. A breakdown of titles and responsibilities is provided below:

- **Kody Tompkins**, Assistant General Manager, currently oversees all four of the new Director positions as well as assisting with day-to-day operations.
- **Kalin Westover**, the Director of Operations and Maintenance, currently oversees 29 additional employees that are responsible for operations, maintenance, and utility work.
- **Latif Laari**, Director of Engineering and Environmental Compliance, oversees 9 additional employees that are responsible for environmental compliance, IT, and electrical engineering.
- **Jessica Reed**, Director of Human Resources and Risk Management, oversees 3 additional employees that are responsible for human resources and safety.
- **Xiwei Wang**, Director of Finance and Procurement, oversees 5 additional employees that are responsible for finance and procurement.

This departmental approach streamlines the budgeting process and enhances clarity. Additionally, each department's budget has included a contingency line item to provide flexibility for unexpected needs.

All four departments are engaged in ongoing continuous improvement efforts to enhance operational performance, increase efficiency, and ensure regulatory compliance. The Operations and Maintenance Department is implementing new preventative maintenance protocols, optimizing equipment performance, and leveraging data-driven tools to monitor plant operations in real time. The Engineering and Environmental Compliance Department is actively streamlining internal processes, expanding digital services, and ensuring regulatory compliance. The Human Resources and Risk Management Department helps support employees, ensures safety compliance, and promotes community outreach. The Finance and Procurement Department oversees budgets and forecast, monitors revenues and expenses, and ensures the procurement of goods and services are in compliance with local laws and regulations. These efforts contribute directly to reducing long-term costs, improving service delivery, and advancing VVWRA's mission of environmental stewardship and community service.

1.4 Capital Projects Strategy Update

Capital planning remains a critical component of the Authority's long-term success. Ensuring that sufficient treatment capacity and essential services are available to our Member Agencies without becoming a constraint on regional growth is both a core responsibility and an operational priority. With the completion of the FY 2026 rate study and the adoption of a new multi-year rate plan, the Authority is better positioned to support these needs through a fiscally sustainable capital strategy that aligns revenues with increasing operational and infrastructure demands.

A significant step toward strengthening future capital decision-making will occur in FY 2027 with the development of the Authority's long-term Strategic Vision. This effort will define a comprehensive pathway for future capital investments, evaluate system-wide capacity requirements, and provide a consistent and equitable framework for Member Agency participation in long-range planning. The Strategic Vision will also guide the formation of the new Joint Powers Authority (JPA) agreement, ensuring that future debt strategies, capital cost allocation, and recycled water access are aligned with regional priorities and shared benefits.

Several near-term critical projects are included within the FY 2027 budget to maintain operational reliability and address emerging system needs. These projects include:

- The installation of a new potable water line from the City of Victorville to replace VWRA's onsite water wells
- The repair and replacement of essential headworks assets
- The evaluation of dewatering improvements and an ammonia sidestream treatment process
- The installation of protective materials for the interceptor pipeline in the Ossum Wash to mitigate storm-related washout risks
- The rehabilitation of the former Administrative Building to replace existing temporary office trailers
- The development of the Mojave Basin One Water project, which will relocate VWRA's and the City of Victorville's recycled water discharge to a more strategic and beneficial location within the Mojave Basin



As the Authority enters the new fiscal year, the budget includes \$300,000 to update the interceptor capacity study and the regional flow model. This effort will reassess both dry-weather and wet-weather flow projections following the conclusions of the prior study and will further evaluate the Authority's short- and long-term wastewater treatment capacity requirements. The updated analysis will serve as a foundational component of the Authority's long-range planning and will directly inform future capital and operational strategies.

The Strategic Vision initiative remains integral to the development of a new Joint Powers Authority (JPA) agreement. This work is essential to ensuring Member Agency parity, supporting coordinated master planning, and reducing duplication of effort by leveraging shared priorities and economies of scale. Through this collaborative process, the Authority and its Member Agencies will be positioned to align future capital investments with regional growth needs and system reliability objectives.

Completion of the new JPA agreement is anticipated during FY 2027. Once adopted, it will allow the feasibility study and related planning efforts to advance, ensuring that the long-term wastewater treatment capacity needs of all Member Agencies are addressed comprehensively, equitably, and in a financially responsible manner.



1.5 Debts – SRF Loans

The agency has conducted its financial planning for a three year period, FY 2027 through FY 2029. Following the financial plan, the FY 2027 budget will result in a debt coverage ratio of 2.63, which is above the desired value of a 1.20 as specified in the loan agreements with the State Water Resources Control Board.

Although there are no applicable legal debt limits for VVWRA to adhere to, the agency has a contractual obligation of maintaining the annual debt service reserve to cover the following year SRF loan principal and interest payments. The agency conducted a rate study to keep the pay-as-you-go strategy for capital projects within these constraints.

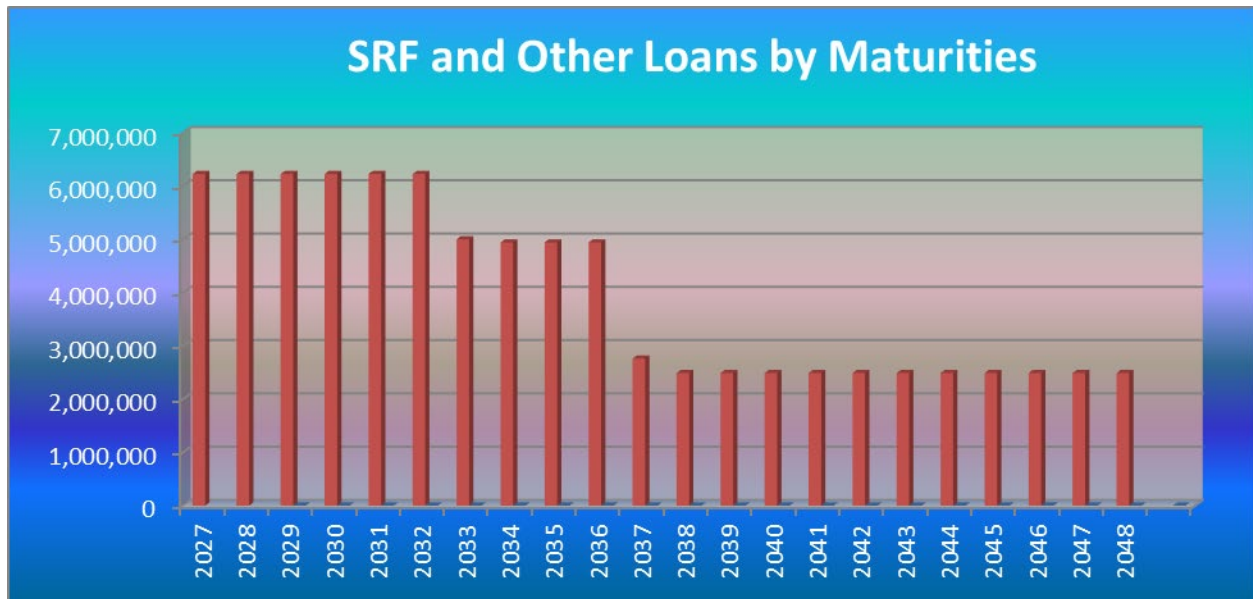
VVWRA's total debt service for FY 2027 is \$6,224,036, which consists of existing Clean Water State Revolving Fund (SRF) Loans of \$4,044,789 and new external financing of \$2,179,247. Out of this amount, \$4,928,983 comes from the user charge revenues, and \$1,295,053 derives from the connection fee revenues. VVWRA's debt service amount has increased for FY 2027 by \$2,179,247, as the agency plans on issuing an estimated \$15-\$17 million in debt. Please see the following pages for future loan payments.



The table below and a bar graph at the following page present our debt service payments for the SRF loans and the new Flagstar loan. As of July 1, 2026, the agency has five outstanding SRF loans. The law does not require the agency to maintain a legal debt limit as the agency is a special district but requires the agency to adhere to the debt coverage clauses specified in the loan agreements.

VWRA Annual Debt Service							
Fiscal Year	Phase IIIA Regulatory Upgrades	Upper Narrows Replacement	Nanticoke Bypass	Apple Valley Sub-Regional	Hesperia Sub-Regional	Flagstar	Total
2027	1,027,610	257,745	271,633	1,024,951	1,462,850	2,179,247	6,224,036
2028	1,027,610	257,745	271,633	1,024,951	1,462,850	2,179,247	6,224,036
2029	1,027,610	257,745	271,633	1,024,951	1,462,850	2,179,247	6,224,036
2030	1,027,610	257,745	271,633	1,024,951	1,462,850	2,179,247	6,224,036
2031	1,027,610	257,745	271,633	1,024,951	1,462,850	2,179,247	6,224,036
2032	1,027,610	257,745	271,633	1,024,951	1,462,850	2,179,247	6,224,036
2033	-	60,393	271,633	1,024,951	1,462,850	2,179,247	4,999,074
2034	-	-	271,633	1,024,951	1,462,850	2,179,247	4,938,681
2035	-	-	271,633	1,024,951	1,462,850	2,179,247	4,938,681
2036	-	-	271,633	1,024,951	1,462,850	2,179,247	4,938,681
2037	-	-	271,633	1,024,951	1,462,850	-	2,759,434
2038	-	-	-	1,024,951	1,462,850	-	2,487,801
2039	-	-	-	1,024,951	1,462,850	-	2,487,801
2040	-	-	-	1,024,951	1,462,850	-	2,487,801
2041	-	-	-	1,024,951	1,462,850	-	2,487,801
2042	-	-	-	1,024,951	1,462,850	-	2,487,801
2043	-	-	-	1,024,951	1,462,850	-	2,487,801
2044	-	-	-	1,024,951	1,462,850	-	2,487,801
2045	-	-	-	1,024,951	1,462,850	-	2,487,801
2046	-	-	-	1,024,951	1,462,850	-	2,487,801
2047	-	-	-	1,024,951	1,462,850	-	2,487,801
2048	-	-	-	1,024,951	1,462,850	-	2,487,801
Total	6,165,660	1,606,863	2,987,963	22,548,922	32,182,700	21,792,470	87,284,578

For FY 2027 the repayment amount is about \$6.2 million and then after FY 2033, the payment amount will be about \$5.0 million. The high repayment amounts will negatively impact both operations and capital projects throughout the years.



VWRA has utilized the SRF loans through California State Water Resources Control Board to fund most capital projects. The construction of the projects below was completed during the years before June 30, 2018. The new Flagstar loan will finance part of the capital project program starting FY 2027. The following list shows two years of principal and interest repayments per user charge and connection fee funds.





2027	Phase IIIA Regulatory Upgrades	Upper Narrows Replacement Project	Nanticoke Bypass Project	Apple Valley Sub- Regional Project	Hesperia Sub-Regional Project	Flagstar	2027 Total
SRF Loan Amount	\$ 15,717,668	\$ 4,286,380	\$ 4,459,190	\$ 26,455,229	\$ 37,758,385	\$ 15,000,000	\$ 103,676,852
Annual Payment	\$ 1,027,610	\$ 257,745	\$ 271,633	\$ 1,024,951	\$ 1,462,850	\$ 2,179,247	\$ 6,224,036
Maturity Date	6/30/2032	12/31/2032	6/30/2037	2/28/2048	2/28/2048	6/30/2036	
Payment Date	June 30	December 31	June 30	February 28	February 28	June 30	
1. User Charge Fund	75.00%	100.00%	75.00%	61.00%	61.00%	100.00%	
Original Loan	\$ 11,788,251	\$ 4,286,380	\$ 3,344,393	\$ 16,137,690	\$ 23,032,615	\$ 15,000,000	
Principal	\$ 656,851	\$ 229,215	\$ 165,626	\$ 502,300	\$ 716,901	\$ 1,107,818	\$ 3,378,711
Interest	\$ 113,857	\$ 28,530	\$ 38,099	\$ 122,920	\$ 175,437	\$ 1,071,429	\$ 1,550,272
Annual Payment	\$ 770,708	\$ 257,745	\$ 203,725	\$ 625,220	\$ 892,338	\$ 2,179,247	\$ 4,928,983
2. Connection Fee Fund	25.00%	0.00%	25.00%	39.00%	39.00%	0.00%	
Original Loan	\$ 3,929,417	\$ -	\$ 1,114,798	\$ 10,317,539	\$ 14,725,770	\$ -	
Principal	\$ 218,950	\$ -	\$ 55,209	\$ 321,142	\$ 458,347	\$ -	\$ 1,053,648
Interest	\$ 37,952	\$ -	\$ 12,700	\$ 78,589	\$ 112,164	\$ -	\$ 241,405
Annual Payment	\$ 256,902	\$ -	\$ 67,909	\$ 399,731	\$ 570,511	\$ -	\$ 1,295,053
Total Principal	\$ 875,801	\$ 229,215	\$ 220,834	\$ 823,442	\$ 1,175,248	\$ 1,107,818	\$ 4,432,359
Total Interest	\$ 151,809	\$ 28,530	\$ 50,799	\$ 201,509	\$ 287,602	\$ 1,071,429	\$ 1,791,677
Annual Payment	\$ 1,027,610	\$ 257,745	\$ 271,633	\$ 1,024,951	\$ 1,462,850	\$ 2,179,247	\$ 6,224,036
2028	Phase IIIA Regulatory Upgrades	Upper Narrows Replacement Project	Nanticoke Bypass Project	Apple Valley Sub- Regional Project	Hesperia Sub-Regional Project	Flagstar	2028 Total
SRF Loan Amount	\$ 15,717,668	\$ 4,286,380	\$ 4,459,190	\$ 26,455,229	\$ 37,758,385	\$ 15,000,000	\$ 103,676,852
Annual Payment	\$ 1,027,610	\$ 257,745	\$ 271,633	\$ 1,024,951	\$ 1,462,850	\$ 2,179,247	\$ 6,224,036
Maturity Date	6/30/2032	12/31/2032	6/30/2037	2/28/2048	2/28/2048	6/30/2036	
Payment Date	June 30	December 31	June 30	February 28	February 28	June 30	
1. User Charge Fund	75.00%	100.00%	75.00%	61.00%	61.00%	100.00%	
Original Loan	\$ 11,788,251	\$ 4,286,380	\$ 3,344,393	\$ 16,137,690	\$ 23,032,615	\$ 15,000,000	
Principal	\$ 674,586	\$ 233,571	\$ 168,773	\$ 507,322	\$ 724,071	\$ 1,185,366	\$ 3,493,689
Interest	\$ 96,122	\$ 24,175	\$ 34,952	\$ 117,898	\$ 168,268	\$ 993,881	\$ 1,435,296
Annual Payment	\$ 770,708	\$ 257,746	\$ 203,725	\$ 625,220	\$ 892,339	\$ 2,179,247	\$ 4,928,985
2. Connection Fee Fund	25.00%	0.00%	25.00%	39.00%	39.00%	0.00%	
Original Loan	\$ 3,929,417	\$ -	\$ 1,114,798	\$ 10,317,539	\$ 14,725,770	\$ -	
Principal	\$ 224,862	\$ -	\$ 56,258	\$ 324,354	\$ 462,930	\$ -	\$ 1,068,404
Interest	\$ 32,041	\$ -	\$ 11,651	\$ 75,377	\$ 107,580	\$ -	\$ 226,649
Annual Payment	\$ 256,903	\$ -	\$ 67,909	\$ 399,731	\$ 570,510	\$ -	\$ 1,295,053
Total Principal	\$ 899,448	\$ 233,571	\$ 225,030	\$ 831,676	\$ 1,187,001	\$ 1,185,366	\$ 4,562,093
Total Interest	\$ 128,162	\$ 24,175	\$ 46,603	\$ 193,275	\$ 275,849	\$ 993,881	\$ 1,661,945
Annual Payment	\$ 1,027,610	\$ 257,746	\$ 271,633	\$ 1,024,951	\$ 1,462,850	\$ 2,179,247	\$ 6,224,038

1.6 Environmental and Regulatory Changes

Current and emerging regulatory requirements continue to play a significant role in VVWRA's financial and operational planning. The Authority operates one regional wastewater treatment plant in the City of Victorville and two water reclamation plants (WRPs) located in the City of Hesperia and the Town of Apple Valley. Collectively, these facilities support regional wastewater treatment, water recycling, and environmental compliance efforts across the Victor Valley.

VVWRA faces increasing capital needs driven by aging infrastructure, system expansion, and the need to meet stricter state and federal regulatory requirements. Investments in renewal, replacement, and new facilities are essential to maintaining reliability, supporting population growth, and ensuring continued compliance with evolving environmental standards.

The regional plant operates under a National Pollutant Discharge Elimination System (NPDES) permit issued under the Federal Clean Water Act, along with a State Waste Discharge Requirement (WDR). The WDR program also governs the two WRPs. All three facilities produce disinfected tertiary recycled water that is available for use by Member Agencies and supports long-term regional water supply goals.

VVWRA is currently working with the Lahontan Regional Water Quality Control Board on the routine five-year renewal of its NPDES permit. These updates are progressing as expected, and no significant operational impacts are anticipated. Approval and implementation of the updated permit are expected in the upcoming fiscal year.

In accordance with NPDES and WDR obligations, VVWRA administers several environmental programs. The Pretreatment Program regulates non-domestic wastewater discharges to protect treatment facilities and ensure compliance with the Clean Water Act. VVWRA is currently updating its local limits in coordination with industrial users and the Lahontan RWQCB, with final adoption anticipated in Fiscal Year 2025–26. Because treatment plants are not designed to remove toxic or non-conventional pollutants, pretreatment requirements play a critical role in preventing interference with plant operations, protecting water quality in the Mojave River, and supporting opportunities for water recycling and sludge management.

VVWRA also administers a robust recycled water program. To expand local reuse options and reduce systemwide pumping and distribution costs, the Authority has constructed satellite treatment facilities to produce disinfected tertiary recycled water closer to end users. Additionally, due to the proximity of the former George Air Force Base Superfund site, VVWRA continues to coordinate closely with the U.S. Air Force to monitor and track groundwater contamination plumes.

As federal and state grant funding becomes increasingly limited, VVWRA continues to place greater emphasis on long-term capital planning, funding strategies, and identifying alternative financing opportunities. Sustained investment will be essential to maintaining regulatory compliance, supporting system reliability, and meeting the region's long-term wastewater and recycled water needs.

1.7 Overview Conclusion

VVWRA continues to refine its financial planning and budgeting practices to ensure that operations, regulatory compliance, and long-term capital needs are sustainably funded. A key advancement in this effort is the completion and Board adoption of the comprehensive 2026 Wastewater Rate Study, prepared by Water Resources Economics, LLC. The study establishes a forward-looking financial plan that aligns revenues with projected operating costs, rising inflationary pressures, and the Authority's significant capital improvement needs for the FY 2027-



2031 planning horizon. The Rate Study identifies \$50.3 million in required capital investment over this period and recommends a structured revenue strategy, including a 7% increase for FY 2027, followed by 5% increases in FY 2028 and FY 2029, to ensure sufficient funding for operations, debt obligations, and reserve targets. The plan also incorporates approximately \$15-\$17 million in external financing to minimize rate impacts while supporting major infrastructure projects necessary for system reliability and regulatory compliance. The Board's decision to adopt this study reflects a commitment to financial stability and long-term regional service sustainability.

The budgeting process for FY 2027 is further strengthened by enhanced forecasting tools, improved financial transparency, and ongoing evaluation of cost drivers such as chemicals, utilities, equipment, and potential import tariffs affecting material availability and pricing. While recent rate adjustments have helped maintain essential operations, the Rate Study confirms the need for sustained revenue growth to support both day-to-day operational costs and upcoming capital projects. The Authority is continuing to explore opportunities for operational efficiencies, technology integration, and process optimization to offset cost escalation wherever possible. In FY 2026-27, VVWRA will also advance the development of its Long-Term Strategic Vision Plan, which will define regional infrastructure, capacity, service-equity, and recycled-water objectives for the next 30 to 50 years. This plan will serve as a critical foundation for future capital programming and financial planning,

ensuring that VVWRA can meet the demands of full regional buildout and provide equitable, reliable wastewater services across all Member Agencies.

With the adoption of the 2026 Rate Study and the initiation of the long-range Strategic Vision Plan, the FY 2027 budget positions the Authority to address immediate operational needs while proactively preparing for future regional growth and regulatory requirements. The Budget Team looks forward to working with the Board to finalize and implement the FY 2027 budget.



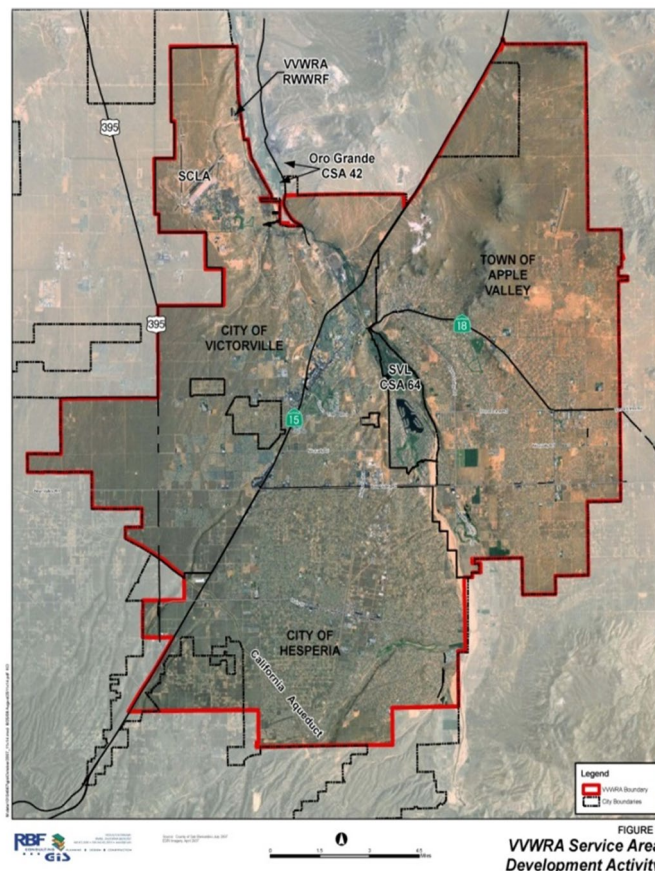
2 History and Governance

2.1 History of VWRA

The Victor Valley Wastewater Reclamation Authority (VWRA) was established in 1978 to provide regional wastewater treatment in compliance with the Clean Water Act and to protect the water quality of the Mojave River Basin. Since beginning operations in 1981 with a 4.5-MGD tertiary treatment facility, VWRA has steadily expanded its infrastructure and capabilities to meet the needs of a growing population. Today, the regional treatment plant has a design flow of 18 MGD, with a permitted capacity to process approximately 14 MGD through a combination of tertiary and secondary treatment. Highly treated effluent continues to support aquifer recharge in the Mojave River Basin, while reclaimed water is used to support local industries and beneficial reuse programs.

To further enhance regional resiliency, VWRA brought two subregional water reclamation facilities online in Apple Valley and Hesperia. Operational since FY 2022, these facilities treat between 0.5 and 0.75 MGD and return high-quality recycled water to their respective Member Agencies. By distributing treatment capacity, these facilities reduce load on the regional plant, improve local water supply reliability, and strengthen regional wastewater management.

VWRA has also advanced significant resource recovery efforts, most notably through its state-of-the-art Renewable Natural Gas (RNG) facility. This project repurposes existing digesters to convert slurried food waste into pipeline-quality renewable gas, reducing greenhouse gas emissions and generating new revenue for the Authority. Recognized with the 2023 Global Water Award for Wastewater Project of the Year, the RNG facility highlights VWRA's commitment to innovation, sustainability, and efficient service to its Member Agencies.



Looking ahead, VWRA is developing a new long-term strategic vision to guide planning and investment for the coming decades. This effort focuses on strengthening collaboration across all Member Agencies, setting shared regional goals, and ensuring each community receives an equitable and consistent level of service. The vision will outline priorities for future infrastructure needs, recycled water expansion, system resilience, and resource recovery opportunities. By coordinating regional planning and aligning long-term objectives, VWRA aims to build a wastewater system that is sustainable, efficient, and prepared to meet future regulatory, environmental, and growth challenges.

VWRA remains committed to environmental stewardship, fiscal responsibility, and reliable service to the Victor Valley. Through continued investment, innovation, and collaboration, the Authority is well-positioned to support the region's long-term water and wastewater needs.





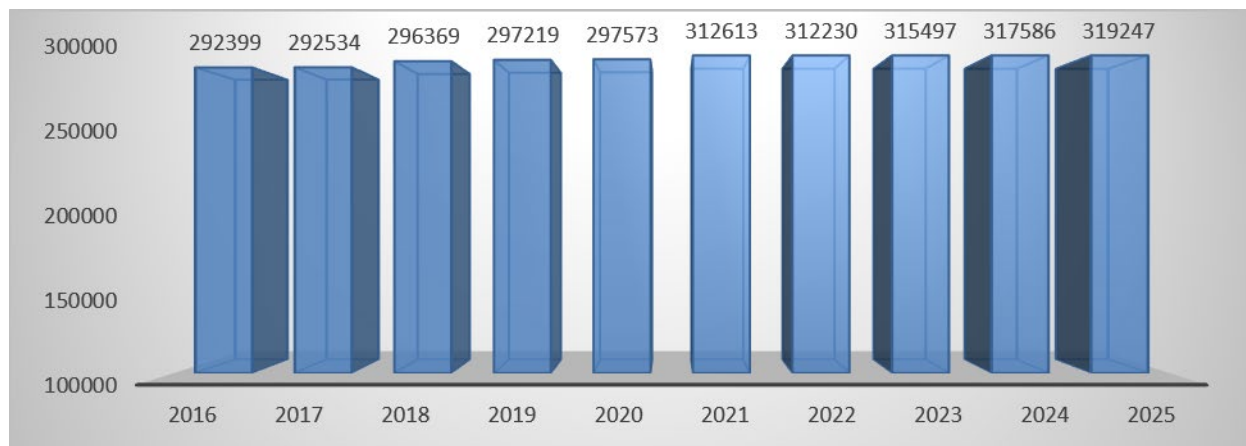
2.2 Local Demographics

The VVWRA service area encompasses several growing High Desert communities, including the City of Victorville with a population of 141,395, the City of Hesperia with 102,605 residents, and the Town of Apple Valley with 75,247 residents. In addition, VVWRA provides service to the communities of Spring Valley Lake and the unincorporated community of Oro Grande. Both Spring Valley Lake's and Oro Grande's population numbers are incorporated into the City of Victorville's population. Altogether, these jurisdictions represent a combined service-area population of roughly 319,247 residents. This diverse and steadily expanding regional population forms the foundation of VVWRA's service demands and long-term infrastructure planning, and it continues to guide the Authority's focus on ensuring reliable, equitable, and sustainable wastewater services across all Member Agencies

Unemployment in the San Bernardino County is 5.0% as of 2025, which is a slight increase from 2024's 4.8% unemployment rate, but overall, still a significant decrease compared to 9.4% in 2020 and 7.4% in 2021.

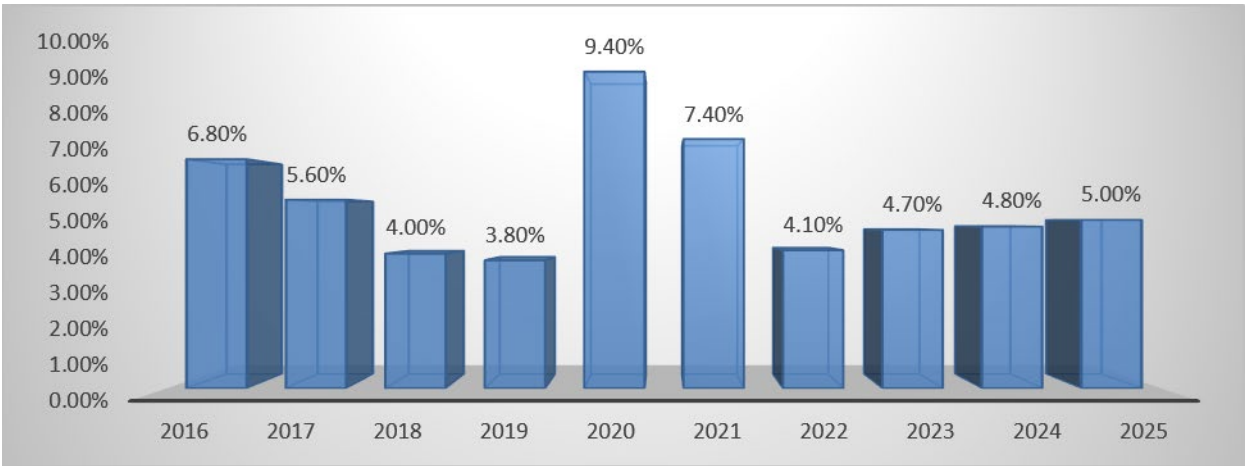
The figures below represent data for the County of San Bernardino based on information from State of California Employment Development Department.

Figure 2-1: Population Growth



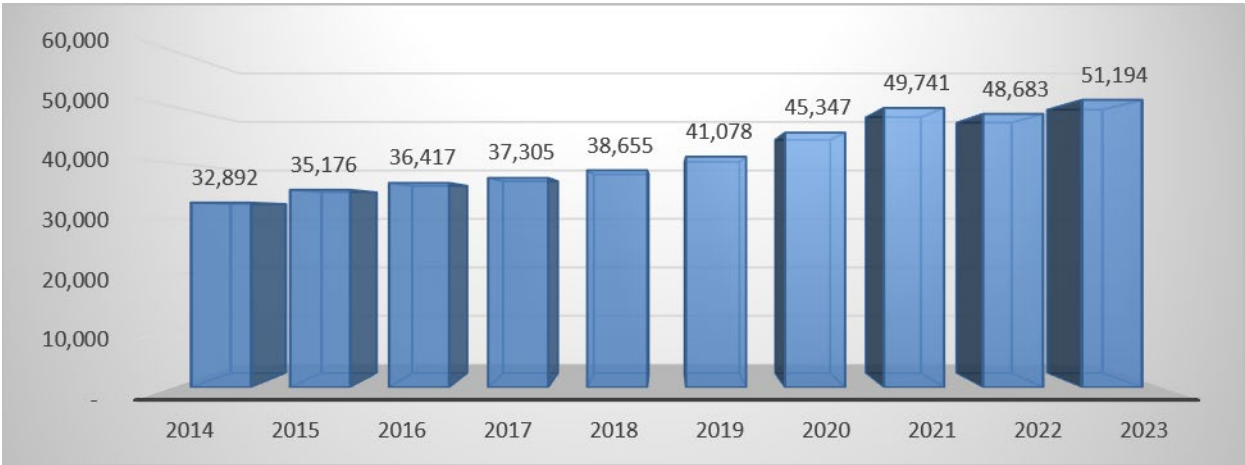
Source: www.census.gov

Figure 2-2: Unemployment Rate



Source: labormarketinfo.edd.ca.gov

Figure 2-3: Personal Income Per Capita



Source: labormarketinfo.edd.ca.gov

2.3 Description of Governance

The Victor Valley Wastewater Reclamation Authority (VWRA) is a public agency formed under a Joint Powers Agreement among its Member Agencies. Although not regulated by the California Public Utilities Commission, VWRA functions as a public agency governed by a Board of Commissioners. Each Commissioner is appointed by their respective member agency and serves a four-year term.

The Board of Commissioners is responsible for establishing the policies and ordinances that guide the Authority's operations. These actions are undertaken in accordance with the powers granted under the Joint Powers Agreement. Once adopted, the policies and ordinances form the governing framework that directs the Authority's strategic and operational activities.

The General Manager serves as the chief executive officer of VWRA and is responsible for carrying out the directives and policies adopted by the Board. In addition to providing organizational leadership, the General Manager works closely with each member agency to support their wastewater treatment and recycled water needs in a fair, transparent, and equitable manner. Working collaboratively with the Board and Member Agencies, the General Manager establishes strategic priorities and operational goals that advance VWRA's mission to protect public health and the environment through effective and sustainable wastewater management.



2.4 Board Member Pictures and Agency Names

The Board of Commissioners governs VWRA representing each of the four Member Agencies.

Board of Commissioners

As of July 1, 2026



Paul Cook

Chair

County of
San Bernardino



Scott Nassif

Vice-Chair

Town of
Apple Valley



Tiffany Gaudin

Secretary

City of
Victorville



Cameron Gregg

Treasurer

City of
Hesperia

3 Organizational Mission and Structure

3.1 Community Involvement and Member Agency Collaboration

As a Joint Powers Authority (JPA), the Victor Valley Water Reclamation Authority (VWRA) is entrusted with delivering essential wastewater collection, treatment, and water recycling services that support its Member Agencies and the communities they serve. Central to this mission is a strong culture of collaboration. Through its JPA framework, the Board of Commissioners, General Manager, and staff work closely with Member Agencies on strategic planning, infrastructure investment, and long-term resource management to ensure coordinated, regionally beneficial outcomes.

VWRA serves an arid region with a long history of groundwater depletion, making water resource stewardship a critical priority. In partnership with its Member Agencies, VWRA advances integrated planning efforts that include inflow and infiltration (I&I) studies, capital improvement planning, and recycled water strategic development. These coordinated efforts ensure system reliability, regulatory compliance, and the responsible expansion of infrastructure to meet future demand. Treated wastewater is a vital regional asset, supporting groundwater recharge, sustaining riparian ecosystems along the Mojave River, and supplying recycled water for industrial applications such as power plant cooling.

VWRA is equally committed to responsible fiscal planning and transparency. Through collaborative budgeting, long-range financial forecasting, and cost-sharing strategies, VWRA and its Member Agencies work together to balance affordability with necessary investment in critical infrastructure. This disciplined approach enables VWRA to deliver cost-effective services while maintaining resilience against regulatory, environmental, and economic pressures.



VWRA continues to demonstrate leadership in resource recovery and innovation. Since 2023, a public-private partnership with SoCal Biomethane has enabled VWRA to accept post-consumer food waste for anaerobic digestion, producing renewable natural gas that is injected into the utility grid for residential and commercial use. This initiative reflects VWRA's commitment to sustainability, operational efficiency, and regional collaboration.

Beyond its operational and planning excellence, VVWRA has emerged as a regional hub for workforce development and education. Recognizing that long-term system sustainability depends on a skilled workforce, VVWRA has built a comprehensive ecosystem that bridges academic instruction with real-world utility operations.

A New Pillar: Workforce and Education

VVWRA's long-term strategy is shaped by three converging priorities: accommodating continued community growth, meeting increasingly complex environmental and regulatory requirements, and establishing a resilient workforce pipeline. In response, VVWRA has implemented several high-impact initiatives:

- **Strategic Internship Programs:** In partnership with Tomorrow's Talent, VVWRA has developed five structured, paid internship tracks in operations, maintenance, SCADA, electrical/instrumentation, and accounting, providing hands-on experience and clear career pathways.
- **Academic Collaboration:** VVWRA partnered with Victor Valley College to help develop eight state-approved certification courses, directly addressing regional workforce gaps and preparing students for industry certification.
- **Regional Leadership and Engagement:** Through leadership in the CWEA Desert and Mountain Section (DAMS), VVWRA staff support regional training, vendor engagement, and immersive events such as "Pathfinder Day," strengthening industry collaboration and professional development.

VVWRA remains a cornerstone of regional infrastructure—protecting public health, producing high-quality recycled water, and preserving the ecological balance of the Mojave River corridor. Its mission now extends beyond service delivery to include regional leadership, community empowerment, and collaborative planning. Through continued partnership with its Member Agencies, proactive infrastructure and financial planning, and a commitment to education and outreach, VVWRA is positioning the High Desert as a model for sustainable water management and workforce innovation.

3.2 VVWRA Mission Statement

In April 2020, the Board approved the Mission Statement developed by VVWRA staff. The Mission Statement is meant to provide purpose and guidance to the Authority's essential services of collecting, treating, and recycling wastewater for the benefit of the Member Agencies and the communities they serve. During this last fiscal year, the VVWRA leadership team continued their efforts to make an internal cultural change focusing on improving employee morale and committing to a renewed commitment to better serve the Member Agencies' needs.

VVWRA Mission Statement

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

3.3 VVWRA Core Values

As a public agency, VVWRA holds a fundamental responsibility to its Member Agencies and the communities they serve to advance the vision articulated in its mission statement. The mission statement establishes the organization's purpose and strategic direction; however, achieving that vision requires a strong foundation of shared principles that guide decision-making and daily operations.

To ensure alignment across all levels of the organization, VVWRA has embedded a set of Core Values that unify staff around a common purpose and reinforce a culture of accountability, service, and excellence. These values serve as a framework for organizational behavior, supporting consistent actions that advance strategic objectives and deliver meaningful outcomes.

VVWRA operates with three Core Values:



Collaboration

VVWRA is committed to fostering a culture of true collaboration—one that goes beyond coordination of tasks and emphasizes shared purpose. While cooperation involves individuals or teams working in parallel toward separate objectives, collaboration unites staff and partners around a common goal. By promoting this distinction, VVWRA strengthens organizational alignment, enhances problem-solving, and supports collective success. This approach enables staff and Member Agencies to effectively contribute to shared outcomes that advance regional wastewater management and environmental stewardship.

Dedication

Dedication is a cornerstone of VVWRA's organizational culture and a defining attribute of its workforce. The Authority is steadfast in its commitment to building strong, mutually beneficial relationships with its Member Agencies. This dedication is reflected in a work environment that encourages professionalism, accountability, and a shared vision for long-term success. By cultivating passion and loyalty among staff, VVWRA ensures continued excellence in service delivery and reinforces its commitment to protecting public health and the environment for the communities it serves.

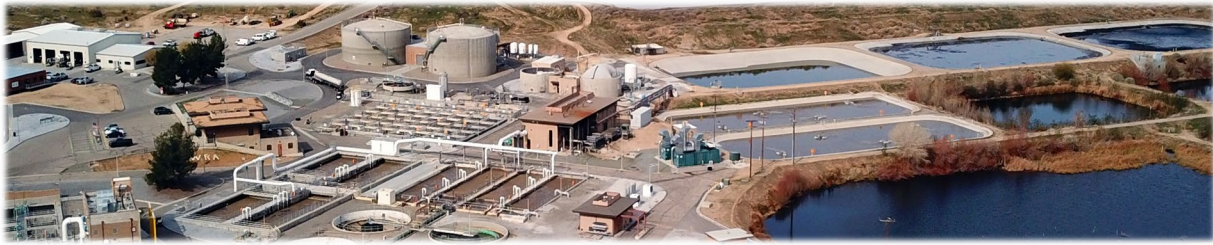


Integrity

Integrity is fundamental to VVWRA's mission and operations. It encompasses adherence to the highest ethical standards, transparency in decision-making, and accountability to Member Agencies and the public. Acting with honesty, fairness, and consistency builds trust and credibility across all levels of the organization. VVWRA recognizes that upholding integrity internally is essential to maintaining expectations externally, and remains committed to leading by example in all professional and regulatory responsibilities.

In June 2026, as part of the annual service awards ceremony, VVWRA leadership formally recognized employees who exemplified these Core Values in their daily work and contributions. This recognition underscores the Authority's commitment to reinforcing a values-driven culture and celebrating excellence in public service.

3.4 VWRA Model for Efficient Wastewater Utility Management



In the application of the core values, VWRA has adopted ten operational attributes to operate and manage the Authority in an effective and efficient manner. These attributes describe desired outcomes that are applicable to the mission and goals of VWRA. They comprise a comprehensive framework related to operations, infrastructure, customer satisfaction, effective leadership, employee valuation, financial responsibility, sustainability, and natural resource stewardship. VWRA's attributes of an effectively managed utility include:

1. Regulatory Compliance

VWRA's core mission is to protect public health and the environment for our communities by providing high-quality wastewater-treatment services in an effective, efficient, and responsive manner. We fulfill this mission by producing tertiary treated effluent and biosolids that meet or exceed regulatory requirements.

2. Member Agency Support and Satisfaction

VWRA seeks to provide reliable, responsive, and affordable services in line with the service levels as set by our Member Agencies. VWRA will strive to be a resource and positive partner with the Member Agencies in how we communicate and perform outreach, how we operate and sustain facilities for our Member Agencies' needs and how we collaboratively plan our capital projects with our Member Agencies to meet the growing needs of our region.

Outreach and Communications - Working in collaboration with the Member Agencies, VWRA will utilize a mix of evolving communication technologies to convey common messaging in support of our mutual goals. The messaging and outreach from VWRA will seek to focus on regional matters that impact VWRA and its Member Agencies. All messaging will emphasize VWRA's role and services to the Member Agencies and the



communities we serve. VVWRA and the Member Agencies will actively promote and appreciate the value of wastewater services and water's role in the social, economic, public, and environmental health of the community.



Operational Support – VVWRA will support operational needs by sustaining and operating vital waste disposal facilities for sewer and stormwater operations performed by the operational units of the Member Agencies. Other Member Agencies desired services that VVWRA will operate include receiving local septage fats, oils, and grease (FOG) hauler materials. As demand for these services grows, VVWRA will be mindful to plan accordingly to assure the long-term sustainability and growth of the facilities

necessary to process these materials that are in line with the desires of the Member Agencies. Another significant and important service is the delivery of recycled water. VVWRA will work diligently to ensure a reliable delivery of recycled water for the benefit of the Member Agencies and to ensure regulatory requirements are met. The Authority will strive to sustain a collaborative approach to the Member Agency needs and regularly seek feedback for the benefit of VVWRA and the Member Agencies.

Capital Project Planning – VVWRA will actively engage and seek input from the Member Agencies in all capital and development projects that will affect VVWRA facilities and Member Agency collection systems. Regular communication and positive working relationships will be sustained to improve working relationships where VVWRA and Member Agencies openly share and collaborate on projects for their mutual benefit and the benefit of the communities we serve.

3. Financial Responsibility and Transparency

VVWRA understands and plans for the full life-cycle cost of utility operations through an open and transparent budgeting process and the development of a comprehensive Capital Improvement Program. All staff members will value and follow the necessary purchasing policies as dictated by the VVWRA Board to assure the highest levels of operational and financial integrity. VVWRA staff will make every effort to establish and maintain an effective balance between long-term debt, asset values, operations and maintenance expenditures, and operating revenues. The development of rates will seek to be consistent with Member Agency expectations and acceptability, but adequate to recover operational costs, provide for reserves,

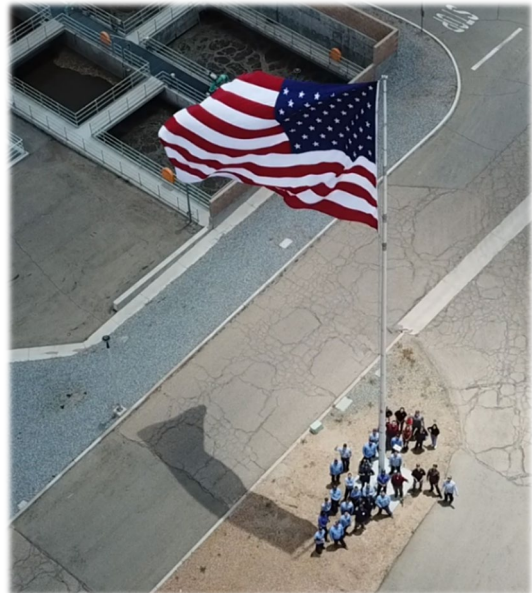
and plan and invest for future capital needs. With Board support and approval, staff will always seek funding sources to keep operational and capital costs down. A strong emphasis by VVWRA staff and consultants will be put towards acquiring grants and seeking smart public or private partnerships to help fund projects which will be presented to the Board for final approval. As part of the VVWRA's commitment to fiscal responsibility staff will strive to sustain the necessary debt coverage requirements and annually report in the budget the Government Finance Officers Association (GFOA) required information. All efforts will be done in an open and transparent process in accordance with policies established by the Board.

4. Operational Optimization

By optimizing operations, VVWRA staff ensures reliable, sustainable, and cost-effective performance in their service to public health and environmental protection. This is accomplished through the effective use of data acquired from automated and smart systems and performance monitoring of processes. VVWRA's highly technical staff is up to date on regulatory trends and technological developments in our industry, which make it possible to anticipate and support the timely adoption of process improvements and expansions.

5. Employee and Leadership Development

VVWRA recruits, develops, and retains a workforce that is competent, self-motivated, and safety focused. Employee development establishes an organization dedicated to continual learning, improvement, and innovation that ensures employee institutional knowledge is retained, transferred, and improved upon over time. VVWRA understands the need for an effective, goal driven management staff and emphasizes and invests in opportunities for professional and leadership development. Employees at VVWRA are dedicated to delivering high level performance and are always looking for opportunities to expand their knowledge and/or improve their abilities to ensure this goal is met.



6. One Team One Vision

It is essential that all VVWRA staff members are dedicated to the effective and efficient operation of VVWRA facilities for the benefit of our Member Agencies, our staff, and the communities we serve. Every person plays a role in achieving this goal and, as such, all positions are equally valued and important. From the General Manager to the newest intern, it is imperative that staff know and understand their job expectations and the priority of goals for

the organization. The workload to achieve the desired goals of VVWRA and the Member Agencies is the responsibility of every staff member. To achieve the highest levels of effectiveness and efficiency, it is imperative that all staff members are committed to the Core Values. There must be a common level of dedication to work together as a team to achieve goals, to achieve proper levels of operation, and to achieve the highest levels of customer service to our Member Agencies, to our staff and with the priorities and goals of the VVWRA and the Member Agencies.

7. Asset Management and Strategic Capital Planning

VVWRA is committed to a sound Asset Management and Strategic Capital Planning process. We make sure that planned maintenance can be conducted and capital assets (pumps, motors, pipes, etc.) can be repaired, replaced, or upgraded on time and on budget. The VVWRA has put in place best practices to manage infrastructure capital assets and minimize the total cost of owning and operating these assets while delivering the desired service levels.

8. Commitment to Excellence

VVWRA's commitment to excellence is shown in how we manage operations, infrastructure, and investments to support the economic, environmental, and health of its community. By reviewing the relevance of operating procedures, performing in depth, staff driven and third party training, and investing in our employee improvement program, VVWRA shows our dedication to employing the highest level staff and providing the most productive and



enjoyable work environment. Collaboration with partners such as public and private utilities, vendors, local governments, and regulatory bodies, we provide an effort to efficiently and cost effectively complete projects or overcome challenges faced by VVWRA, its Member Agencies, and/or the environment. Spreading the message, collaboration, dedication, and integrity through posts on social media, industry publications, and internal newsletters shows VVWRA's commitment to these core values.

9. Sustainability Focus

VVWRA has established several sustainability goals that reflect our community priorities:

- **Reduce energy cost:** We routinely invest in more energy efficient equipment or explore operational changes that can enhance energy optimization.
- **Preserve critical ecological areas like the Mojave River:** Our effluent meets the most stringent regulatory requirement, while we work with other regional agencies to reduce nutrient loadings to the regional watershed.
- **Ensure a sustainable workforce:** VVWRA has implemented steps to ensure a safe workplace, knowledge retention, and new knowledge through training.

10. Communication to Assure Stakeholder Understanding and Support

Communication and trust play an essential role in the success of this model for effective wastewater utility management. Positive and honest communication between VVWRA staff and the Board, operational teams at VVWRA and the Member Agencies, and internal communication within VVWRA are necessary to assure the clarity of goals and expectations. Effective communication is an integral element of success within an organization; it promotes team building, increases innovation, increases efficiency, and loyalty. VVWRA staff will seek to utilize positive and effective communication practices to assure that ideas, thoughts, knowledge, and information are shared to ensure the purpose of the communication is fulfilled in the best possible manner. Communicated information will be confirmed by the sender to assure the receiver has properly interpreted the message to achieve the best possible outcome. These positive communication principles will be practiced by VVWRA staff to assure Member Agencies and internal staff have a strong understanding of the goals and expectations of the organization. Communication will focus on building trust to gain support for the necessary actions to best serve the Member Agencies and the customers we serve.



Keys to Management Success

The keys to management success at VVWRA represent frequently used management approaches that help managers be positively impactful in their roles to represent and apply the core values to achieve the attributes of an effective wastewater utility. They create a supportive framework for a utility as it works towards the outcomes outlined in the attributes. Change starts at the top, and it is a requirement of VVWRA leaders that they strive to improve the Authority's operations through their effective leadership. The Keys to Management Success are as follows:

Leadership

The goals of a leader must be focused on the overall health and success of the organization. We must provide motivation, inspiration, and an environment of trust. We use these skills to impart a sense of importance and understanding to our managers and staff. One inevitable fact of leadership is that we set the example, and as such must endeavor to practice our core values without compromise. We do this by demonstrating an unwavering resolve in all our actions and decision making. We must hold ourselves accountable and allow others to do the same.



We must allow others to succeed and plan for the future while being the champions for the organization. We not only provide the vision for the organization but develop the culture in which we operate. We must plan for our future while providing for our present. By demonstrating a high level of integrity in all our actions, we set the standard for all internal and

external stakeholder interactions and expectations. We have a responsibility to our staff to ensure we provide the environment and tools they need to accomplish our organizational goals. Furthermore, we have a responsibility to our Member Agencies to provide reliable service and sound fiscal responsibility through transparency and open communication.

As leaders, we must maintain a level of excellence in our day to day operations and understand that these ideals must carry over to our partners. We must show that our Member Agencies' goals are just as important as our own. We demonstrate this by building a partnership with them through collaboration and dedication to a shared vision.

Strategic Business Planning

Strategic business planning directs and helps to achieve balance and cohesion across the efficient wastewater utility management (EWUM) ten attributes of an effectively managed utility. A VVWRA strategic business planning will provide a framework for decision making by:

- Assessing current conditions and conducting a strengths, weaknesses, opportunities, and threats (SWOT) analysis
- Characterizing a range of possible and likely future conditions that may occur based on regulatory requirements, deteriorating infrastructure, and growth
- Assessing the underlying causes and effects of future conditions
- Establishing goals, vision, objectives, strategies, and underlying organizational values to overcome these future operational conditions



The EWUM model will provide a platform to develop a successful strategic business planning strategy process that will be dynamic and adaptable, allowing VVWRA to capitalize on new and emerging opportunities. It will be made more robust by engaging with the Board, Member Agencies, and staff. VVWRA will utilize a strong planning procedure that will identify specific implementation steps that will move operations from its current level of performance to achieving its vision.

VVWRA staff will regularly deploy strategic planning principles to take a longer-term view of organizational goals and operations and establish a clear vision and mission. Planning efforts will

be driven by clearly communicated objectives, measurement efforts, financial viability, and operational priority. Carefully developed strategic plans will clearly define current conditions, goals, and specific directives to staff to stimulate change, increase engagement, and support for improvement efforts.

Goal Setting

Goal setting is an important part of establishing a successful model for efficient wastewater utility management (EWUM). SMART goals, which are specific, measurable, attainable, realistic, and timely, are necessary to define a clear vision of the target goal and the path to attain them. Goals encourage people to think about the meaning of their work and how it connects directly to the bigger picture. VVWRA will regularly set short- and long-term SMART goals to help achieve the desired goals of the Board, the staff, and Member Agencies. These goals will be properly developed and communicated to the staff to provide focus and direction to help individuals stay on track and accountable for delivering the necessary efforts they are responsible for to achieve the goal. VVWRA will focus on being a Get-It-Done organization by assuring goals are properly developed, measured, and delivered in a timely manner.



Measurement

“If you can’t measure it, you can’t improve it.”

Peter Drucker

VVWRA has put in place a performance measurement system to track key performance indicators. VVWRA has identified areas in which to improve its operational reliability and efficiency; financial policies and procedures; and capital improvement plans. Part of our ongoing effort is to track those improvements and make sure that when change occurs, it is incorporated into our organizational structure. Benchmarking is a measurement tool used to track the Authority’s progress towards achieving its goals. The process encourages transparency, innovation, and accountability.



We rely on AWWA Utility Benchmarking tool to measure VVWRA's performance and given our increasing role as a part of the broader water solution locally and statewide, we follow the three actions set forth by the California Water Plan Update of 2005.

- Use water efficiently
- Protect water quality
- Manage water in ways that protect and restore the environment

VVWRA is actively pursuing these three goals within its service areas and within its organizational culture. To attain these goals, the Capital Improvement Plan (CIP) includes three elements in each project to improve and meet (1) the capacity, (2) the proper performance efficiency, and (3) the regulatory needs for wastewater treatment for its Member Agencies. As any good steward of our limited resources would do, we regularly conduct benchmarking analysis to identify areas where VVWRA could improve its operation. The primary objective is to create a performance measurement system to evaluate and improve the Authority's operational efficiency. Four indicators were chosen and are tracked, which provide a broad perspective on the operational efficiency of VVWRA, these include:

- Sewer Overflow Rate: The purpose of this indicator is to provide "...a measure of collection system piping condition and the effectiveness of routine maintenance by quantifying the number of sewer overflows per 100 miles of collection piping."
- Million Gallons per Day (MGD) of Wastewater Processed per Employee: This is a measure of employee productivity and includes all staff.
- Operations and Maintenance Cost per Million Gallons Processed: This represents the total operations and maintenance costs (without depreciation) divided by the volume processed during the year.
- Debt Ratio: It quantifies the utilities level of indebtedness.

Continual Improvement Management

Continual improvement management falls into two categories at VVWRA; Capital Improvement and Employee Improvement. Managing capital improvements include the determination of necessary improvements to critical infrastructure, assessing treatment process performance and efficiency, and evaluation of new technologies. Onsite training, establishing "SMART" goals, regular evaluations, SOP audits and internal analysis, and when appropriate, external benchmarking, are some of the continual improvement tools used by VVWRA regarding employee improvement.

Continual improvements to VWRA infrastructure and processes play a central role in effective utility management and are necessary to ensure proper treatment and to maintain regulatory compliance. To ensure treatment goals are always met, VWRA defines roles and responsibilities to staff members at all levels to derive clear accountability for conducting condition and performance assessments. During evaluation of improvements, we look at the feasibility of current assets meeting future process goals and objectives, consulting with experts when necessary, and the return on investment potential of new technologies. Adherence to VWRA's procurement policy, efficient budgeting practices, the seeking of grants and other sources of funding, not only ensure timely implementation of these upgrades, but also shows VWRA's devotion to the responsible use of public funds.

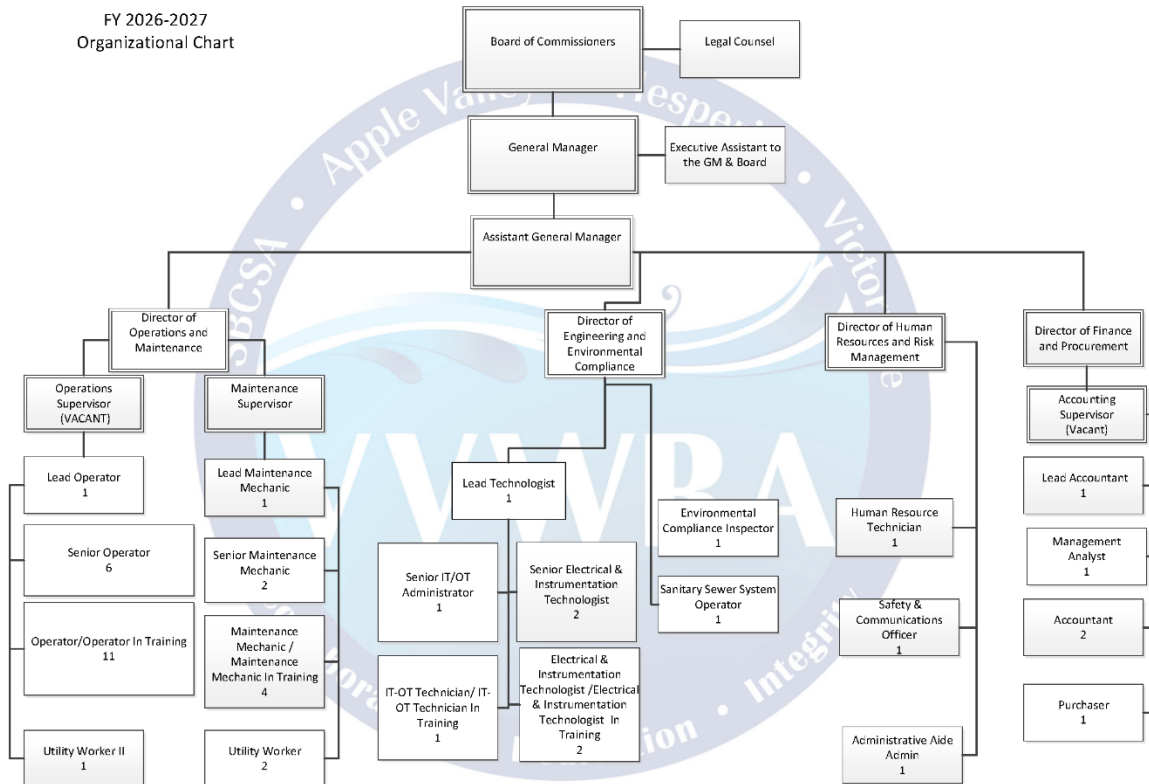
VWRA is committed to the personal and professional growth of all employees. VWRA utilizes regular evaluations of employees, setting of realistic and attainable performance goals. VWRA's management team assesses the effectiveness of management processes, techniques, and best practices, which they frequently review to develop a continually improving yet constant work environment. VWRA invests in employee improvement. Funding of higher education, access to industry seminars, comprehensive trainings, and incentives for certification achievements are policies and work practices that VWRA provides to staff to help develop their "best self."

Whether improvements are for upgrading infrastructure or for betterment of personnel; VWRA's core values of collaboration, dedication, and integrity are the driving force behind the procedures and activities that allow VWRA to produce the highest-level staff, provide the most satisfying, up to date, and productive workplace. These things allow VWRA to fulfill our obligations to our Member Agencies, regulatory bodies, rate payers, and the environment.





3.5 Organizational Chart



3.6 Budgeted Positions

Executive Positions

DESCRIPTION	FISCAL YEAR ENDING JUNE 30				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
General Manager	1	1	1	1	1
Assistant General Manager	0	0	0	1	1
Executive Assistant to the GM & Board	1	1	1	1	1
Total Positions – Executive	2	2	2	3	3



Administration Positions

DESCRIPTION	FISCAL YEAR ENDING JUNE 30				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Director of Human Resources and Risk Management	0	0	0	0	1
Human Resource Technician	1	1	1	1	1
Safety & Communications Officer	1	1	1	1	1
Administrative Aide – Admin	1	1	1	1	1
Director of Administration	1	1	1	1	0
Total Positions – Administration	4	4	4	4	4

Finance Positions

DESCRIPTION	FISCAL YEAR ENDING JUNE 30				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Director of Finance and Procurement	0	0	0	1	1
Lead Accountant	1	1	1	1	1
Management Analyst	1	1	1	1	1
Accountant	1	1	1	2	2
Purchaser	0	0	0	0	1
Controller	1	0	0	0	0
Accounting Supervisor	1	1	1	0	0
Senior Accountant	1	0	0	0	0
Accounting Technician	1	1	1	0	0
Purchasing Technician	1	1	1	1	0
Finance Intern	1	1	0	0	0
Total Positions – Finance	9	7	6	6	6

**Engineering and Environmental Compliance Positions**

DESCRIPTION	FISCAL YEAR ENDING JUNE 30				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Director of Engineering and Environmental Compliance	0	0	0	1	1
Lead Technologist	1	1	1	1	1
Senior IT/OT Administrator	0	0	0	0	1
IT/OT Technician / IT/OT Technician in Training	1	1	1	2	1
Senior Electrical & Instrumentation Technologist	0	0	0	0	2
Electrical & Instrumentation Technician II	2	2	2	2	0
Electrical & Instrumentation Technologist / Electrical & Instrumentation Technologist in Training	0	1	2	2	2
Environmental Compliance Inspector	1	1	1	1	1
Sanitary Sewer System Operator	0	0	0	1	1
Environmental Compliance Manager	1	1	1	0	0
Total Positions – Engineering and Environmental Compliance	6	7	8	10	10

Operations and Maintenance Positions

DESCRIPTION	FISCAL YEAR ENDING JUNE 30				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Director of Operations and Maintenance	0	1	1	0	1
Maintenance Supervisor	1	1	1	1	1
Lead Maintenance Mechanic	1	1	1	1	1



DESCRIPTION	FISCAL YEAR ENDING JUNE 30				
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Senior Maintenance Mechanic	2	2	2	2	2
Maintenance Mechanic / Maintenance Mechanic in Training	4	4	4	4	4
Utility Worker	1	2	2	2	2
Lead Operator	1	1	1	1	1
Senior Operator	6	6	5	6	6
Operator II	1	1	1	0	0
Operator / Operator-in-Training	8	9	12	11	11
Utility Worker II	0	0	1	1	1
Plant Superintendent	1	0	0	0	0
Operations Supervisor	1	1	1	1	0
Septage Receiving Attendant	2	2	0	0	0
Administrative Aide – O&M	0	1	1	0	0
Total Positions – Operations and Maintenance	29	32	32	30	30



3.7 Salary Schedule

Victor Valley Wastewater Reclamation Authority Fiscal Year 2026-2027							
Position Classification	Range	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
Utility Worker	12	\$24.15	\$29.46	\$4,186.00	\$5,106.40	\$50,232.00	\$61,276.80
Environmental Compliance Inspector In Training	15	\$25.06	\$30.57	\$4,343.73	\$5,298.80	\$52,124.80	\$63,585.60
IT/OT Technician In Training	15	\$25.06	\$30.57	\$4,343.73	\$5,298.80	\$52,124.80	\$63,585.60
Maintenance Mechanic In Training	15	\$25.06	\$30.57	\$4,343.73	\$5,298.80	\$52,124.80	\$63,585.60
Electrical & Instrumentation Technologist In Training	15	\$25.06	\$30.57	\$4,343.73	\$5,298.80	\$52,124.80	\$63,585.60
Operator In Training	15	\$25.06	\$30.57	\$4,343.73	\$5,298.80	\$52,124.80	\$63,585.60
Administrative Aide – Admin	28	\$29.48	\$35.88	\$5,109.87	\$6,219.20	\$61,318.40	\$74,630.40
Accounting Technician	34	\$31.76	\$38.70	\$5,505.07	\$6,708.00	\$66,060.80	\$80,496.00
Utility Worker II	40	\$34.20	\$41.68	\$5,928.00	\$7,224.53	\$71,136.00	\$86,694.40
Purchaser	51	\$39.23	\$47.79	\$6,799.87	\$8,283.60	\$81,598.40	\$99,403.20
Operator	51	\$39.23	\$47.79	\$6,799.87	\$8,283.60	\$81,598.40	\$99,403.20
Maintenance Mechanic	51	\$39.23	\$47.79	\$6,799.87	\$8,283.60	\$81,598.40	\$99,403.20
Sanitary Sewer System Operator	51	\$39.23	\$47.79	\$6,799.87	\$8,283.60	\$81,598.40	\$99,403.20
Accountant	52	\$39.73	\$48.38	\$6,886.53	\$8,385.87	\$82,638.40	\$100,630.40
Electrical & Instrumentation Technologist	54	\$40.71	\$49.60	\$7,056.40	\$8,597.33	\$84,676.80	\$103,168.00
Human Resource Technician	54	\$40.71	\$49.60	\$7,056.40	\$8,597.33	\$84,676.80	\$103,168.00
IT/OT Technician	54	\$40.71	\$49.60	\$7,056.40	\$8,597.33	\$84,676.80	\$103,168.00
Environmental Compliance Inspector	56	\$41.72	\$50.85	\$7,231.47	\$8,814.00	\$86,777.60	\$105,768.00
Management Analyst	56	\$41.72	\$50.85	\$7,231.47	\$8,814.00	\$86,777.60	\$105,768.00
Senior Operator	62	\$44.95	\$54.77	\$7,791.33	\$9,493.47	\$93,496.00	\$113,921.60
Senior Maintenance Mechanic	62	\$44.95	\$54.77	\$7,791.33	\$9,493.47	\$93,496.00	\$113,921.60
Senior Accountant	64	\$46.10	\$56.16	\$7,990.67	\$9,734.40	\$95,888.00	\$116,812.80
Senior Electrical & Instrumentation Technologist	64	\$46.10	\$56.16	\$7,990.67	\$9,734.40	\$95,888.00	\$116,812.80
Senior IT/OT Administrator	64	\$46.10	\$56.16	\$7,990.67	\$9,734.40	\$95,888.00	\$116,812.80
Executive Assistant to the GM & Board	64	\$46.10	\$56.16	\$7,990.67	\$9,734.40	\$95,888.00	\$116,812.80
Safety & Communications Officer	75	\$52.84	\$64.35	\$9,158.93	\$11,154.00	\$109,907.20	\$133,848.00
Lead Accountant	80	\$56.25	\$68.52	\$9,750.00	\$11,876.80	\$117,000.00	\$142,521.60
Lead Operator	80	\$56.25	\$68.52	\$9,750.00	\$11,876.80	\$117,000.00	\$142,521.60
Lead Maintenance Mechanic	80	\$56.25	\$68.52	\$9,750.00	\$11,876.80	\$117,000.00	\$142,521.60
Lead Technologist	80	\$56.25	\$68.52	\$9,750.00	\$11,876.80	\$117,000.00	\$142,521.60
Accounting Supervisor	90	\$63.65	\$77.54	\$11,032.67	\$13,440.27	\$132,392.00	\$161,283.20
Maintenance Supervisor	90	\$63.65	\$77.54	\$11,032.67	\$13,440.27	\$132,392.00	\$161,283.20
Operations Supervisor	90	\$63.65	\$77.54	\$11,032.67	\$13,440.27	\$132,392.00	\$161,283.20
Director of Finance and Procurement	105	\$76.72	\$93.47	\$13,298.13	\$16,201.47	\$159,577.60	\$194,417.60
Director of Human Resources and Risk Management	105	\$76.72	\$93.47	\$13,298.13	\$16,201.47	\$159,577.60	\$194,417.60
Director of Engineering and Environmental Compliance	105	\$76.72	\$93.47	\$13,298.13	\$16,201.47	\$159,577.60	\$194,417.60
Director of Operations and Maintenance	105	\$76.72	\$93.47	\$13,298.13	\$16,201.47	\$159,577.60	\$194,417.60
Assistant General Manager	Contract	\$103.90	\$126.66	\$18,009.64	\$21,953.94	\$216,115.66	\$263,447.31
General Manager	Contract	\$118.17	\$144.05	\$20,483.55	\$24,968.07	\$245,802.59	\$299,616.84



Victor Valley Wastewater Reclamation Authority
Fiscal Year 2025-2026 Effective January 31, 2026

Position Classification	Range	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
Utility Worker I	12	\$23.33	\$28.46	\$4,044.30	\$4,933.41	\$48,531.65	\$59,200.92
Electrical & Instrumentation Technician In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Environmental Compliance Inspector In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Information Systems Technician In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Operator In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Maintenance Mechanic In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Administrative Aide	28	\$28.48	\$34.67	\$4,937.18	\$6,009.00	\$59,246.13	\$72,108.04
Accounting Technician	34	\$30.69	\$37.40	\$5,319.57	\$6,481.81	\$63,834.82	\$77,781.74
Utility Worker II	40	\$33.05	\$40.27	\$5,728.33	\$6,980.99	\$68,739.98	\$83,771.91
Purchasing Technician	48	\$36.49	\$44.47	\$6,325.46	\$7,708.10	\$75,905.58	\$92,497.20
Operator and Maintenance Mechanic	51	\$37.91	\$46.18	\$6,570.35	\$8,003.84	\$78,844.15	\$96,046.10
Sanitary Sewer System Operator	51	\$37.91	\$46.18	\$6,570.35	\$8,003.84	\$78,844.15	\$96,046.10
Accountant	52	\$38.38	\$46.74	\$6,653.23	\$8,101.79	\$79,838.74	\$97,221.52
Electrical & Instrumentation Technician	54	\$39.33	\$47.93	\$6,817.11	\$8,307.12	\$81,805.32	\$99,685.40
Human Resource Technician	54	\$39.33	\$47.93	\$6,817.11	\$8,307.12	\$81,805.32	\$99,685.40
Information Systems Technician	54	\$39.33	\$47.93	\$6,817.11	\$8,307.12	\$81,805.32	\$99,685.40
Environmental Compliance Inspector	56	\$40.31	\$49.13	\$6,986.64	\$8,516.21	\$83,839.72	\$102,194.49
Management Analyst	56	\$40.31	\$49.13	\$6,986.64	\$8,516.21	\$83,839.72	\$102,194.49
Electrical & Instrumentation Technician II	59	\$41.84	\$50.99	\$7,252.25	\$8,838.32	\$87,026.94	\$106,059.84
Senior Operator and Senior Maintenance Mechanic	62	\$43.43	\$52.91	\$7,527.27	\$9,171.74	\$90,327.18	\$110,060.82
Executive Assistant to the GM&Board	64	\$44.55	\$54.26	\$7,721.29	\$9,405.31	\$92,655.44	\$112,863.77
Senior Accountant	64	\$44.55	\$54.26	\$7,721.29	\$9,405.31	\$92,655.44	\$112,863.77
Safety & Communications Officer	75	\$51.06	\$62.17	\$8,849.62	\$10,776.65	\$106,195.47	\$129,319.77
Information Technology Lead	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Lead Accountant	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Lead Maintenance Mechanic	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Lead Operator	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Accounting Supervisor	90	\$61.50	\$74.92	\$10,659.86	\$12,986.23	\$127,918.30	\$155,834.73
Maintenance Supervisor	90	\$61.50	\$74.92	\$10,659.86	\$12,986.23	\$127,918.30	\$155,834.73
Operations Supervisor	90	\$61.50	\$74.92	\$10,659.86	\$12,986.23	\$127,918.30	\$155,834.73
Director of Engineering and Environmental Compliance	105	\$74.13	\$90.31	\$12,848.72	\$15,653.55	\$154,184.61	\$187,842.56
Director of Finance and Procurement	105	\$74.13	\$90.31	\$12,848.72	\$15,653.55	\$154,184.61	\$187,842.56
Director of Human Resources and Risk Management	105	\$74.13	\$90.31	\$12,848.72	\$15,653.55	\$154,184.61	\$187,842.56
Director of Operations and Maintenance	105	\$74.13	\$90.31	\$12,848.72	\$15,653.55	\$154,184.61	\$187,842.56
Assistant General Manager	Contract	\$100.68	\$122.73	\$17,451.49	\$21,273.36	\$209,417.82	\$255,280.33
General Manager	Contract	\$114.51	\$139.58	\$19,847.56	\$24,194.18	\$238,170.75	\$290,330.15



Victor Valley Wastewater Reclamation Authority Fiscal Year 2025-2026 Effective July 1, 2025							
Position Classification	Range	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
Utility Worker I	12	\$23.33	\$28.46	\$4,044.30	\$4,933.41	\$48,531.65	\$59,200.92
Electrical Instrumentation Technician In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Environmental Compliance Inspector In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Information Systems Technician In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Maintenance Mechanic In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Operator In Training	15	\$24.21	\$29.54	\$4,196.88	\$5,119.90	\$50,362.60	\$61,438.76
Administrative Aide	28	\$28.48	\$34.67	\$4,937.18	\$6,009.00	\$59,246.13	\$72,108.04
Accounting Technician	34	\$30.69	\$37.40	\$5,319.57	\$6,481.81	\$63,834.82	\$77,781.74
Utility Worker II	40	\$33.05	\$40.27	\$5,728.33	\$6,980.99	\$68,739.98	\$83,771.91
Purchasing Technician	48	\$36.49	\$44.47	\$6,325.46	\$7,708.10	\$75,905.58	\$92,497.20
Operator and Maintenance Mechanic	51	\$37.91	\$46.18	\$6,570.35	\$8,003.84	\$78,844.15	\$96,046.10
Sanitary Sewer System Operator	51	\$37.91	\$46.18	\$6,570.35	\$8,003.84	\$78,844.15	\$96,046.10
Accountant	52	\$38.38	\$46.74	\$6,653.23	\$8,101.79	\$79,838.74	\$97,221.52
Electrical Instrumentation Technician	54	\$39.33	\$47.93	\$6,817.11	\$8,307.12	\$81,805.32	\$99,685.40
Human Resource Technician	54	\$39.33	\$47.93	\$6,817.11	\$8,307.12	\$81,805.32	\$99,685.40
Information Systems Technician	54	\$39.33	\$47.93	\$6,817.11	\$8,307.12	\$81,805.32	\$99,685.40
Environmental Compliance Inspector	56	\$40.31	\$49.13	\$6,986.64	\$8,516.21	\$83,839.72	\$102,194.49
Management Analyst	56	\$40.31	\$49.13	\$6,986.64	\$8,516.21	\$83,839.72	\$102,194.49
Electrical & Instrumentation Technician II	59	\$41.84	\$50.99	\$7,252.25	\$8,838.32	\$87,026.94	\$106,059.84
Senior Operator and Senior Maintenance Mechanic	62	\$43.43	\$52.91	\$7,527.27	\$9,171.74	\$90,327.18	\$110,060.82
Executive Assistant to the GM&Board	64	\$44.55	\$54.26	\$7,721.29	\$9,405.31	\$92,655.44	\$112,863.77
Senior Accountant	64	\$44.55	\$54.26	\$7,721.29	\$9,405.31	\$92,655.44	\$112,863.77
Safety & Communications Officer	75	\$51.06	\$62.17	\$8,849.62	\$10,776.65	\$106,195.47	\$129,319.77
Information Technology Lead	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Lead Accountant	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Lead Maintenance Mechanic	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Lead Operator	80	\$54.35	\$66.20	\$9,420.38	\$11,475.50	\$113,044.60	\$137,706.00
Accounting Supervisor	90	\$61.50	\$74.92	\$10,659.86	\$12,986.23	\$127,918.30	\$155,834.73
Maintenance Supervisor	90	\$61.50	\$74.92	\$10,659.86	\$12,986.23	\$127,918.30	\$155,834.73
Operations Supervisor	90	\$61.50	\$74.92	\$10,659.86	\$12,986.23	\$127,918.30	\$155,834.73
Environmental Compliance Manager	98	\$67.93	\$82.81	\$11,775.01	\$14,353.79	\$141,300.10	\$172,245.53
Director of Administration	Contract	\$87.80	\$107.03	\$15,219.40	\$18,552.44	\$182,632.75	\$222,629.33
Director of Operations and Maintenance	Contract	\$100.68	\$122.73	\$17,451.49	\$21,273.36	\$209,417.82	\$255,280.33
General Manager	Contract	\$114.51	\$139.58	\$19,847.56	\$24,194.18	\$238,170.75	\$290,330.15



Victor Valley Wastewater Reclamation Authority
Fiscal Year 2024-2025

Position Classification	Range	Hourly Minimum	Hourly Maximum	Monthly Minimum	Monthly Maximum	Annual Minimum	Annual Maximum
Utility Worker I	12	\$22.54	\$27.50	\$3,907.54	\$4,766.58	\$46,890.48	\$57,198.96
Environmental Compliance Inspector In Training	15	\$23.39	\$28.54	\$4,054.96	\$4,946.76	\$48,659.52	\$59,361.12
Electrical Instrumentation Technician In Training	15	\$23.39	\$28.54	\$4,054.96	\$4,946.76	\$48,659.52	\$59,361.12
Information Systems Technician In Training	15	\$23.39	\$28.54	\$4,054.96	\$4,946.76	\$48,659.52	\$59,361.12
Maintenance Mechanic In Training	15	\$23.39	\$28.54	\$4,054.96	\$4,946.76	\$48,659.52	\$59,361.12
Operator In Training	15	\$23.39	\$28.54	\$4,054.96	\$4,946.76	\$48,659.52	\$59,361.12
Administrative Aide	28	\$27.52	\$33.50	\$4,770.22	\$5,805.80	\$57,242.64	\$69,669.60
Accounting Technician	34	\$29.65	\$36.13	\$5,139.68	\$6,262.62	\$61,676.16	\$75,151.44
Utility Worker II	40	\$31.93	\$38.91	\$5,534.62	\$6,744.92	\$66,415.44	\$80,939.04
Purchasing Technician	48	\$35.26	\$42.97	\$6,111.56	\$7,447.44	\$73,338.72	\$89,369.28
Operator and Maintenance Mechanic	51	\$36.62	\$44.61	\$6,348.16	\$7,733.18	\$76,177.92	\$92,798.16
Sanitary Sewer System Operator	51	\$36.62	\$44.61	\$6,348.16	\$7,733.18	\$76,177.92	\$92,798.16
Accountant	52	\$37.09	\$45.16	\$6,428.24	\$7,827.82	\$77,138.88	\$93,933.84
Electrical Instrumentation Technician	54	\$38.00	\$46.31	\$6,586.58	\$8,026.20	\$79,038.96	\$96,314.40
Human Resource Technician	54	\$38.00	\$46.31	\$6,586.58	\$8,026.20	\$79,038.96	\$96,314.40
Information Systems Technician	54	\$38.00	\$46.31	\$6,586.58	\$8,026.20	\$79,038.96	\$96,314.40
Environmental Compliance Inspector	56	\$38.94	\$47.47	\$6,750.38	\$8,228.22	\$81,004.56	\$98,738.64
Management Analyst	56	\$38.94	\$47.47	\$6,750.38	\$8,228.22	\$81,004.56	\$98,738.64
Electrical & Instrumentation Technician II	59	\$40.43	\$49.27	\$7,007.00	\$8,539.44	\$84,048.00	\$102,473.28
Operator II	59	\$40.43	\$49.27	\$7,007.00	\$8,539.44	\$84,048.00	\$102,473.28
Senior Operator and Senior Maintenance Mechanic	62	\$41.96	\$51.12	\$7,272.72	\$8,861.58	\$87,272.64	\$106,338.96
Senior Accountant	64	\$43.04	\$52.43	\$7,460.18	\$9,087.26	\$89,522.16	\$109,047.12
Executive Assistant to the GM&Board	64	\$43.04	\$52.43	\$7,460.18	\$9,087.26	\$89,522.16	\$109,047.12
Safety & Communications Officer	75	\$49.33	\$60.07	\$8,550.36	\$10,412.22	\$102,604.32	\$124,946.64
Lead Accountant	80	\$52.51	\$63.97	\$9,101.82	\$11,087.44	\$109,221.84	\$133,049.28
Lead Operator	80	\$52.51	\$63.97	\$9,101.82	\$11,087.44	\$109,221.84	\$133,049.28
Lead Maintenance Mechanic	80	\$52.51	\$63.97	\$9,101.82	\$11,087.44	\$109,221.84	\$133,049.28
Information Technology Lead	80	\$52.51	\$63.97	\$9,101.82	\$11,087.44	\$109,221.84	\$133,049.28
Accounting Supervisor	90	\$59.42	\$72.39	\$10,299.38	\$12,547.08	\$123,592.56	\$150,564.96
Maintenance Supervisor	90	\$59.42	\$72.39	\$10,299.38	\$12,547.08	\$123,592.56	\$150,564.96
Operations Supervisor	90	\$59.42	\$72.39	\$10,299.38	\$12,547.08	\$123,592.56	\$150,564.96
Environmental Compliance Manager	98	\$65.64	\$80.01	\$11,376.82	\$13,868.40	\$136,521.84	\$166,420.80
Director of Operations and Maintenance	Contract	\$97.84	\$119.27	\$16,959.66	\$20,673.82	\$203,515.86	\$248,085.84
Director of Administration	Contract	\$85.33	\$104.02	\$14,790.47	\$18,029.59	\$177,485.67	\$216,355.04
General Manager	Contract	\$111.28	\$135.65	\$19,288.21	\$23,512.32	\$231,458.46	\$282,147.86



3.8 Education and Certification Requirements

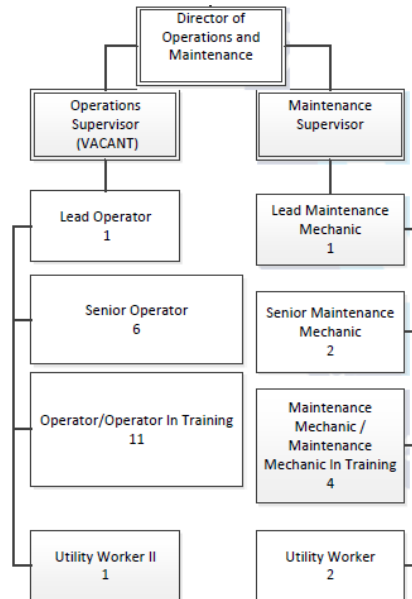
Education and professional certifications play a vital role in ensuring that VVWRA continues to deliver safe, reliable, and environmentally responsible services to the communities we serve. The wastewater industry is governed by evolving regulations, emerging technologies, and increasing environmental standards. Ongoing education ensures that staff remain current with best practices, operational innovations, and compliance requirements, strengthening the agency's ability to protect public health and our local environment. Certifications further demonstrate that employees possess the technical knowledge and competency required to operate complex treatment systems with precision and accountability.

Investing in education and certifications also supports VVWRA's long-term organizational resilience. As workforce trends shift and specialized skills become more essential, professional development helps attract and retain qualified employees, enhances operational efficiency, and reduces risk. A highly trained team not only improves day-to-day performance, but also empowers the agency to adapt to future challenges, maximize the value of capital investments, and maintain the highest standards of services for the Victor Valley region.

Focus	Position	Education	Certifications	Driving License	Years of Experience
EI & MIS	Electrical & Instrumentation Technologist In Training	GED/High School Diploma	None (Grade I within 12 months)	C	0
	Electrical & Instrumentation Technologist	GED/High School Diploma	CWEA Grade I (Grade II preferred) and ISA CST Associate Certificate (Desirable)	C	2
	Senior Electrical and Instrumentation Technologist	GED/High School Diploma (an Associate Degree in Sciences)	CWEA Grade III (Grade IV preferred) and ISA CCST Level 1 (Desirable)	C	4
	Lead Technologist	Associate Degree in Sciences Required (Bachelor degree in Computer Sciences or related is desired)	CWEA Grade E&I IV and ISA CCST or CAP is desirable	C	6
	Senior IT/OT Administrator	Associate Degree in Sciences Required (Bachelor degree in Computer Sciences or related is desired)	Fortinet Certified Professional (FCP) OR Cisco Certified Network Associate (CCNA) any Track Required & ISA CCST Level 1 Desirable	C	4
	IT/OT Technician	Associate Degree in Sciences Required (Bachelor degree in Computer Sciences or related is desired)	CompTIA A+ certification is required; a combination of relevant IT education and experience may be considered in lieu of the certification. CompTIA Network+ and/or ISA CCST Level 1 certifications are desirable	C	3
	IT/OT Technician in Training	GED/High School Diploma	None and Obtain A+ Certification issued by the CompTIA within 18 months	C	0
EC	Environmental Compliance Inspector In Training	GED/High School Diploma	None (Grade I ECI within 12 months)	C	0
	Environmental Compliance Inspector	GED/High School Diploma	Grade I ECI & Grade I Collection System Maintenance (Grade II's Desirable)	C	2
	Sanitary Sewer System Operator	GED/High School Diploma	Grade I Collections System Maintenance & Grade I ECI (Grade II's Desirable)	B	2
Maintenance	Maintenance Mechanic in Training	GED/High School Diploma	None (Grade I within 12 months)	C	0
	Maintenance Mechanic	GED/High School Diploma	CWEA Grade I (Grade II preferred)	C	2
	Senior Maintenance Mechanic	GED/High School Diploma	CWEA Grade III (Grade IV preferred)	A/B	4
	Lead Maintenance Mechanic	GED/High School Diploma	CWEA Grade IV	A/B	6
Operations	Operator in Training	GED/High School Diploma	Operator-In-Training Certificate	C	1
	Operator	GED/High School Diploma	Grade I/II Wastewater Treatment Plant Operator certificate	C	1
	Senior Operator	GED/High School Diploma	Grade III/IV Wastewater Treatment Plant Operator certificate	C	4
	Lead Operator	GED/High School Diploma	Grade V Wastewater Treatment Plant Operator	C	4
Administration	Administrative Aide - Admin	GED/High School Diploma		C	5
Finance	Accountant	Bachelor's Degree in Accounting		C	1
	Accounting Technician	Associate Degree in Accounting		C	1
	Lead Accountant	Bachelor's Degree in Accounting		C	5
	Management Analyst	Bachelor's Degree in Business Administration		C	2
	Purchaser	GED/High School Diploma		C	3

4 Department Overview and Performance Measures

4.1 Operations and Maintenance Department Overview



Department Mission

The Operations and Maintenance Department is committed to delivering safe, reliable, and forward-thinking wastewater services that protect public health, preserve the environment, and strengthen regional water sustainability.

Through operational excellence, innovation, and disciplined asset management, the Department supports VWRA's role as a regional leader in resource recovery, recycled water, and environmental stewardship. The team is focused not only on meeting regulatory requirements, but consistently exceeding them while improving efficiency, resilience, and long-term system performance.

Operations Division

The Operations Division is responsible for the continuous treatment and management of wastewater flows across the Victor Valley region. Staffed by highly trained and certified professionals, the division oversees advanced treatment processes, real-time system monitoring, and effluent quality control to ensure compliance with all regulatory requirements.

Over the past several years, the Division has made significant advancements in operational efficiency by leveraging automation, SCADA integration, and data-driven decision-making.



These efforts have allowed the agency to reduce reliance on traditional around-the-clock staffing models while maintaining high performance and system reliability.

Treated effluent is managed through a balanced approach that supports both environmental discharge and beneficial reuse. Water is either safely discharged to the Mojave River, directed to percolation ponds for groundwater recharge, or distributed as recycled water to support regional demands. This integrated approach strengthens water resilience in the High Desert and reduces dependence on imported potable supplies.

The Operations Division continues to demonstrate exceptional treatment performance, with removal efficiencies consistently exceeding 98–99%, reflecting strong process control and operational discipline.

Key Functions and Strategic Objectives

- **Regulatory Excellence:** Maintain full compliance with all applicable permits and regulations, including those issued by the State Water Resources Control Board and Lahontan Regional Water Quality Control Board, while proactively preparing for future regulatory changes.
- **Process Optimization:** Leverage SCADA systems, advanced controls, and operator expertise to optimize treatment processes, improve nutrient removal and reduce energy consumption. Ongoing efforts include transitioning toward more automated, responsive operations.
- **Operational Efficiency:** Continue refining staffing models and plant operations through technology and process improvements, reducing unnecessary overtime and improving workforce sustainability without compromising system reliability.
- **Water Reuse & Resource Recovery:** Expand recycled water production and beneficial reuse opportunities while supporting groundwater recharge and regional sustainability initiatives. Additionally, maximize resource recovery through partnerships and alternative feedstock digestion.
- **System Reliability and Resilience:** Maintain continuous monitoring and rapid response capability to ensure stable plant performance under varying flow and loading conditions.

Performance Highlights

The Department continues to demonstrate strong operational performance across key metrics:

- **Consistently high removal efficiencies,** with Biochemical Oxygen Demand (BOD) and Total Suspended Solids (TSS) removal exceeding industry standards

- **Increasing influent flows**, reflecting regional growth and system demand
- **Significant expansion in recycled water delivery**, particularly to Hesperia, demonstrating progress toward regional reuse goals
- **Growth in alternative waste streams**, including septage and alternative digestion material (ADM), supporting energy recovery and sustainability efforts

The following data shows the performance level during the last five years.

Description	Fiscal Year Ending June 30				
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Removal Efficiency¹					
Biochemical Oxygen Demand	98.37%	98.62%	98.57%	99.98%	99.98%
Total Suspended Solids	99.41%	99.45%	99.47%	99.46%	99.99%
Wastewater Processed					
Total Effluent Flow (MG)	4,147.33	4,646.85	4,221.60	4,635.84	4,654.25
Total Flow to Percolation Ponds (MG)	2,249.24	2,030.51	1,745.64	1,609.99	1,319.81
Total Flow to Mojave River (MG)	1,883.31	2,706.11	2,475.97	3,020.81	3,322.34
Average Influent (MGD)	10.93	11.27	11.25	12.09	12.10
Recycled Water					
Total Recycled Water Sold (MG)	11.40	8.74	14.45	133.89	149.84
Recycled Water Sold to Victorville (MG)	4.05	4.17	4.52	2.49	0.0
Recycled Water Sold to Hesperia (MG)	0.04	11.62	93.77	118.60	129.29
Recycled Water Sold to Apple Valley (MG)	0.00	0.00	0.00	0.00	4.92
Recycled Water Sold to A.O. (MG)	9.20	7.79	9.93	12.80	15.63
Material Received					
Total Septage Received (MG)	7.24	9.30	7.73	9.52	7.08
Total ADM Received (MG)	0.01	3.44	14.17	18.54	20.23
Total FOG Received (MG)	.73	.41	1.41	0.91	1.27

1: Removal efficiency refers to the average removal percentage of certain waste through the treatment process.

2: A.O. = American Organics



Maintenance Division

The Maintenance Division plays a critical role in ensuring the reliability, safety, and longevity of VWRA's infrastructure. Through a proactive and strategic approach to asset management, the Division minimizes equipment failures, reduces downtime, and supports uninterrupted plant operations.

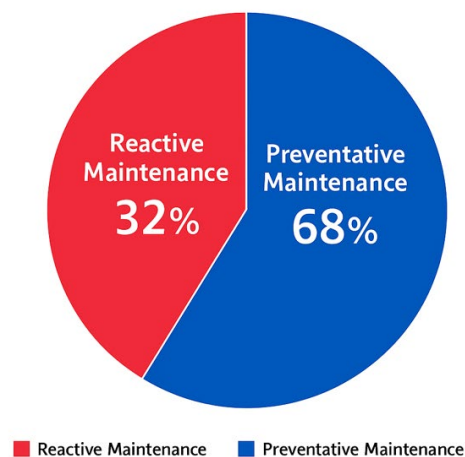
The team maintains a diverse and complex inventory of assets, including treatment systems, lift stations, pipelines, vehicles, and specialized equipment. Their work directly supports both day-to-day operations and long-term capital improvement efforts.

In recent years, the Division has strengthened its maintenance program through improved planning, tracking, and data utilization within the Computerized Maintenance Management System (CMMS). This has enhanced visibility into asset condition, improved work prioritization, and supported more informed capital planning decisions.

Core Responsibilities

- Perform preventive and corrective maintenance on critical infrastructure, including pumps, blowers, motors, valves, gates, and electrical systems
- Support capital improvement projects through installation, coordination, and technical expertise
- Maintain accurate maintenance records and asset histories through CMMS
- Ensure readiness and reliability of fleet and specialized equipment
- Coordinate closely with Operations to minimize downtime and optimize performance

Asset Management Trend FY 2025



Preventive and predictive maintenance: A proactive, scheduled maintenance strategy aimed at reducing equipment failure, minimizing downtime, and extending asset life. Routine inspections and servicing are prioritized to maintain optimal system performance.

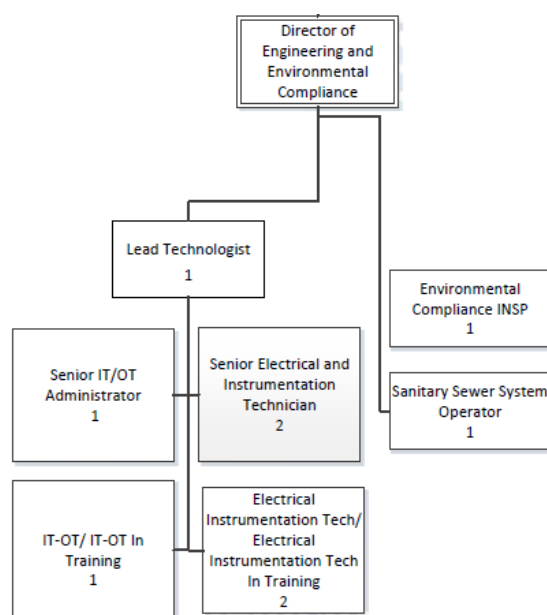
Reactive maintenance: Also known as corrective or breakdown maintenance, this approach addresses equipment issues only after failures occur. While sometimes unavoidable, reactive maintenance typically results in higher costs and system disruptions..

Conclusion

The Operations and Maintenance Department remains the operational backbone of VVWRA, delivering high-quality service while adapting to the evolving needs of the region.

Through a strong commitment to innovation, efficiency, and environmental stewardship, the Department is not only maintaining critical infrastructure but actively transforming how wastewater utilities operate in the High Desert. Continued investments in technology, staff development, and strategic planning position VVWRA to meet future challenges while advancing its role as a leader in sustainable water management.

4.2 Engineering and Environmental Compliance



Environmental Compliance Division

The Environmental Compliance (EC) Division ensures VVWRA maintains compliance with all applicable environmental laws, regulations, permits, and reporting requirements while supporting the Authority's broader commitment to sustainability and public health protection.

The Division oversees a wide range of regulatory and environmental programs that are critical to maintaining operational reliability and environmental stewardship throughout the region.

Primary responsibilities include:

- Administration and enforcement of the Industrial Pretreatment Program
- Recycled Water Program administration and compliance oversight

- Air permit management and regulatory reporting
- Industrial stormwater permit compliance
- Drinking water system management
- Implementation and maintenance of the Sanitary Sewer Management Plan (SSMP)
- Environmental monitoring, inspections, and enforcement coordination

The EC Division plays a vital role in protecting treatment processes, preventing interference and pass-through events, safeguarding collection system infrastructure, and supporting the beneficial reuse of recycled water and biosolids.

The Division is staffed by highly trained professionals certified in Environmental Compliance Inspection, Collection System Maintenance, Industrial Pretreatment, Drinking Water Treatment, and Drinking Water Distribution. Their technical expertise and proactive regulatory coordination help position VWRA as a regional leader in environmental compliance and sustainable water management.



MIS / Electrical & Instrumentation / Automation & Controls Division

The MIS, Electrical & Instrumentation (E&I), and Automation & Controls Division serves as the technological foundation of VWRA's operations. The Division supports critical infrastructure and operational systems through advanced automation, cybersecurity, instrumentation, network management, SCADA integration, and intelligent process controls.

The Division has become increasingly vital to VWRA's operational transformation efforts by leveraging technology to improve efficiency, reliability, resilience, and data-driven decision-making.

Key focus areas include:

Advancing Intelligent Infrastructure

Develop and maintain modern electrical, instrumentation, SCADA, and automation systems that improve operational reliability, safety, and treatment performance across all facilities.

Strengthening Cybersecurity and Digital Resilience

Implement secure and reliable IT infrastructure, cybersecurity protections, and disaster recovery strategies to safeguard critical systems and operational continuity.

Supporting Operational Efficiency

Leverage automation and intelligent controls to optimize treatment processes, reduce energy consumption, minimize downtime, and support proactive maintenance strategies.

Empowering Staff Through Technology

Provide employees with reliable systems, communication tools, and access to operational data that support collaboration, responsiveness, and informed decision-making.

Driving Innovation

Support emerging technologies, system integrations, and modernization initiatives that position VWRA to adapt to future operational and regulatory challenges.

Recent initiatives have included expanded SCADA capabilities, network and Wi-Fi infrastructure improvements across facilities, cybersecurity enhancements, CMMS integration support, and modernization of electrical monitoring and control systems.

Through these efforts, the Division continues to serve as a cornerstone of operational excellence and technological advancement throughout the Authority.



4.3 Human Resources and Risk Management Department



Human Resources Division

The Human Resources Division serves as a strategic partner in supporting VVWRA's workforce, organizational culture, and long-term operational readiness. The Division plays a critical role in recruiting, developing, retaining, and supporting the highly skilled workforce necessary to operate and maintain increasingly advanced wastewater treatment and resource recovery systems.

As VVWRA continues to modernize operations, expand recycled water initiatives, enhance automation systems, and implement advanced technologies, Human Resources remains focused on ensuring the organization has the talent, leadership development, and workforce strategies needed to support these evolving operational demands.

The Division administers and supports:

- Recruitment and retention programs
- Employee relations and labor coordination
- Compensation and classification administration
- Benefits administration
- Leadership and workforce development
- Training coordination and compliance tracking

- Policy development and organizational support
- Succession planning and workforce readiness initiatives

Human Resources has played a key role in supporting VWRA's operational transformation efforts by helping departments adapt to changing workforce needs, supporting technical training opportunities, and encouraging certification advancement across operational and maintenance classifications.

As the wastewater industry faces increasing workforce shortages and retirements statewide, the Division continues to focus on building a resilient and future-ready workforce through proactive recruitment, employee engagement, cross-training opportunities, and leadership development initiatives.

The Division also supports organizational culture initiatives centered on professionalism, accountability, collaboration, safety, and continuous improvement. These efforts help reinforce VWRA's commitment to maintaining a high-performing workforce capable of meeting both current and future regional service demands.



Additionally, Human Resources works closely with leadership to support employee wellness, maintain compliance with evolving labor laws and regulations, and strengthen organizational communication and transparency throughout the agency.

Through these efforts, the Human Resources Division helps ensure VWRA remains competitive, adaptable, and positioned as an employer of choice within the wastewater and public utility industry.

Safety & Communications Division

The Safety & Communications Division is responsible for fostering and maintaining a culture where safety, preparedness, communication, and employee wellbeing remain central to all VWRA operations.

The Division supports the health and safety of employees, contractors, visitors, and the public through proactive safety management, regulatory compliance oversight, training programs, inspections, hazard identification, and continuous improvement initiatives.



As VWRA's facilities and operations continue to expand in complexity through advanced treatment technologies, automation systems, renewable energy partnerships, and recycled water infrastructure, the importance of maintaining a strong and adaptive safety culture continues to grow.

The Division works collaboratively across all departments to ensure safe work practices are integrated into daily operations while supporting operational reliability and regulatory compliance.

Core responsibilities include:

- Safety program administration and regulatory compliance
- Safety inspections and hazard assessments
- Confined space program management
- Lockout/Tagout (LOTO) program oversight
- Contractor safety coordination
- Emergency preparedness and response planning
- Incident investigation and corrective action implementation
- Safety training and employee awareness programs
- Regulatory monitoring and compliance support

Recent efforts have included strengthening confined space entry procedures, improving LOTO compliance programs, enhancing contractor safety expectations, expanding employee safety engagement, and increasing department-level accountability for workplace safety performance.

The Division also supports VWRA's Safety Committee initiatives, helping encourage employee participation and continuous improvement throughout the organization.

In addition to safety responsibilities, the Division supports VWRA's public outreach and communications efforts. These efforts help educate the community about wastewater treatment, recycled water, environmental stewardship, and resource recovery while promoting transparency and public trust.

The Communications function has contributed to expanding VWRA's public presence through:

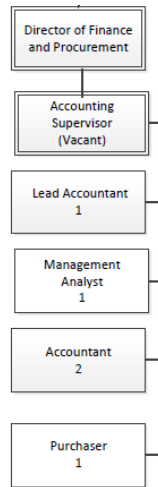
- Community outreach events
- Educational initiatives
- School and job fair participation
- Public awareness campaigns
- Internships
- Industry recognition and award promotion
- Website and digital communication improvements
- Development of outreach materials and publications.

These efforts have helped highlight VVWRA's growing role as a regional leader in sustainability, recycled water, and innovation within the wastewater industry.

Through its integrated focus on safety, communication, and organizational awareness, the Division continues helping VVWRA strengthen operational resilience, employee engagement, and public confidence.



4.4 Finance and Procurement Department



Finance and Procurement Division

The Finance and Procurement Division is responsible for maintaining the fiscal integrity, transparency, and long-term financial sustainability of the Authority. The Division supports the agency's ability to responsibly manage public resources while advancing critical infrastructure improvements, operational modernization, and regional sustainability initiatives.

As VVWRA continues to invest in advanced treatment technologies, recycled water infrastructure, automation systems, cybersecurity improvements, and long-term capital planning, the Finance and Procurement Division plays a critical role in ensuring these initiatives are strategically funded and financially sustainable.

The Division oversees:

- Budget development and administration
- Financial reporting and auditing
- Procurement and contract administration support
- Accounts payable and receivable
- Payroll coordination and financial controls
- Debt administration and financing coordination
- Capital improvement program (CIP) financial planning

- Grant administration and reimbursement support
- Reserve management and long-term forecasting

The Finance and Procurement Division works closely with all departments to ensure operational priorities, capital investments, and strategic initiatives are aligned with available resources and long-term financial planning objectives.

Recent efforts have focused on:

- Strengthening long-term reserve and capital planning strategies
- Supporting financial forecasting associated with regional growth and infrastructure demands
- Enhancing procurement transparency and contract oversight
- Improving financial reporting and operational analytics
- Supporting grant-funded and partnership-driven projects
- Evaluating financing opportunities for major capital investments and infrastructure resiliency projects

The Finance and Procurement Division also plays a key role in supporting Board decision-making by providing accurate financial analysis, budget transparency, and long-term fiscal planning recommendations.

As VWRA continues positioning itself as a leader in recycled water, resource recovery, and operational innovation, the Finance and Procurement Division remains committed to balancing fiscal responsibility with strategic investment in the future of the region's wastewater infrastructure.

Through responsible stewardship and collaborative planning, the Division helps ensure VWRA maintains strong financial stability while continuing to meet the evolving needs of Member Agencies and the communities it serves.

4.5 Finance Policies

Reserve Policy

The Reserve Policy establishes fund reserve balances to maintain adequate cash reserves to comply with a debt coverage requirement for State Revolving Fund (SRF) loans from the State Water Resources Control Board and to handle possible emergency expenditures in future. The Reserve Policy covers six types of reserves: Operating Reserve, Emergency Operating Reserve, SRF Loan User Charge Reserve, SRF Loan Connection Fee Reserve, Excess Operating Reserve, and Excess Connection Fee Reserve. The reserve balances are to be revised annually with the adoption of the budget.



The Operating Reserve serves as a buffer to mitigate potential insufficient revenues or unanticipated expenditure during the fiscal year. It provides financial flexibility and helps maintain VVWRA's service without disruption. The Operating Reserve is funded by monies collected from the User Charge Fund. The minimum Operating Reserve equals 10% of the adopted budgeted total operating expenses excluding debt services for the prior fiscal year.

The Emergency Operating Reserve is monies that are set aside to address significant and unexpected events or emergencies that may arise. The Emergency Operating Reserve ensures the serviceability of VVWRA's infrastructure in an emergency to serve the needs of the Member Agencies and to maintain the rate stability of VVWRA. The Emergency Operating Reserve is funded by monies collected from the User Charge Fund.

The SRF Loan User Charge Reserve is a contractually restricted reserve that is funded by User Charge Fund monies. This reserve fund ensures that the "User Charge portion" of a SRF loan will be repaid from User Charge Fund revenue. This reserve will remain restricted, segregated and fully identifiable and in compliance with VVWRA's financial obligations and covenants.

The SRF Loan Connection Fee Reserve is a contractually restricted reserve that is funded by Connection Fee fund monies. This reserve fund ensures that the "Connection Fee portion" of a SRF loan will be repaid from Connection Fee Fund revenue. This reserve will remain restricted, segregated and fully identifiable and in compliance with VVWRA's financial obligations and covenants.

The Excess Operating Reserve is funded by excess monies from the total reserve in the User Charge Fund. This reserve is used to fund capital supplemental purchases and capital projects in the User Charge Fund.

The Excess Connection Fee Reserve is funded by excess monies from the total reserve in the Connection Fee Fund. This reserve is used to fund capital projects in the Connection Fee Fund.

Procurement Policy

The Procurement Policy lays the guidance for internal controls for the purchases of goods, services and capital expenditures required by VVWRA within the established limits. .

The supervisors are authorized to approve expenses up to a limit of \$15,000 on any one order or contract. Division Directors are authorized to approve expenses up to a limit of \$50,000 on any one order or contract. The Assistant General Manager is authorized to approve expenses up to a limit of \$65,000 on any one order or contract. The General Manager is authorized to approve expenses up to a limit of \$75,000 on any one order or contract. The VVWRA Board of Commissioners approves all expenses above \$75,000, except for certain recurring expenses such as utilities, process chemicals, permit fees, and other expenses as defined in the policy, and must approve all construction contract change orders. Generally, the selection of purchases of materials, supplies, equipment, and contractual services having an estimated value of more than \$5,000 should be considered based on a minimum of three quotes. Purchases of goods and services having an estimated value of more than \$75,000 should be made through a competitive sealed bid process defined in the policy.

Most of our construction contracts fall in this category. Such contracts are awarded through public bids.

Investment Policy

The Investment Policy provides guidelines for the prudent investment of VVWRA's temporary idle cash with the primary objectives of safety, liquidity, and yield under provisions of the California Government Code Section 53600.3. Authorized investments include California State Treasurer's Local Agency Investment Fund (LAIF); Investment Trust of California; San Bernardino County Local Agency Investment Fund; United States Treasury Bills, Notes and Bonds; insured Certificate of Deposits; and Money Market Mutual Funds.

The majority of VVWRA's investment is in Cal TRUST.



Other Policies

Debt Coverage

VWRA maintains a cash reserve at least equal to the annual debt payment amount required by State Water Resources Control Board for the existing SRF loans specified as:

1. The financing agreement shall pledge the net revenue of the recipient for repayment of the proposed SFR financing agreement. This pledged revenue source shall be subject to lien and pledge as security for the obligation.
2. The recipient shall establish a restricted reserve fund, held in the recipient's fund, equal to one year's debt service prior to the construction completion date of the project. The reserve fund shall be maintained for the full term of the finance agreement and shall be subject to lien and pledge as security for the obligation.
3. The recipient shall establish rates and charges sufficient to generate net revenues of at least 1.2 times the total annual debt service.

Revenues – Rate Ordinance

VWRA specifies fees in Fee Ordinances to meet operational needs and most of the reserve requirements. The fees, such as connection fees, user charges, high-strength surcharges, and septage receiving fees, are posted at <https://www.vvwraca.gov/departments/finance/fee-schedule> and updated each year. While the user charge fees are designed to fund capital projects relating to the current treatment capacity, the connection fees are designed to fund capital projects relating to the future treatment capacity.

Overhead Allocation to Project

VWRA records overhead expenses such as legal counsel, engineering consulting, and audit fees as administration costs that are a part of the operation expenses.

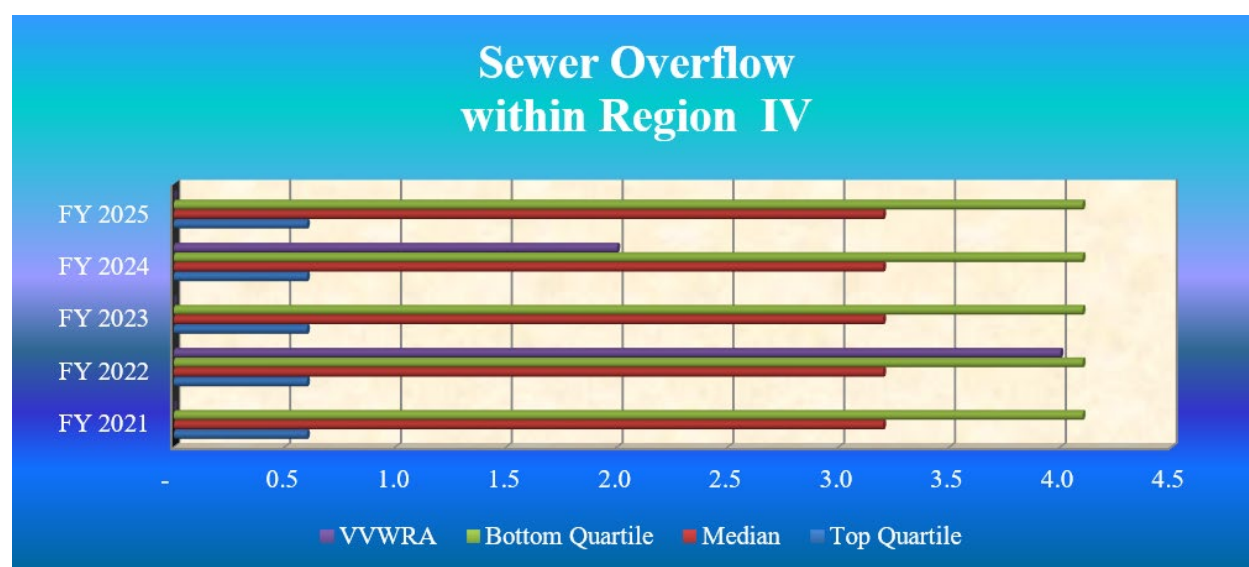
4.6 Organizational Statistics

The sewer overflow rate is an indicator that tracks the condition and the effectiveness of the maintenance of the wastewater collection system.

VWWRA had zero sanitary sewer overflows during year ended June 30, 2025. VWWRA places below median quartile in the West States and above the median quartile Nationally.

Sewer Overflow-West States Region IV Benchmark

	Top Quartile	Median	Bottom Quartile	VWWRA
FY 2025	0.60	3.2	4.1	0.00
FY 2024	0.60	3.2	4.1	2.00
FY 2023	0.60	3.2	4.1	0.00
FY 2022	0.60	3.2	4.1	4.00
FY 2021	0.60	3.2	4.1	0.00



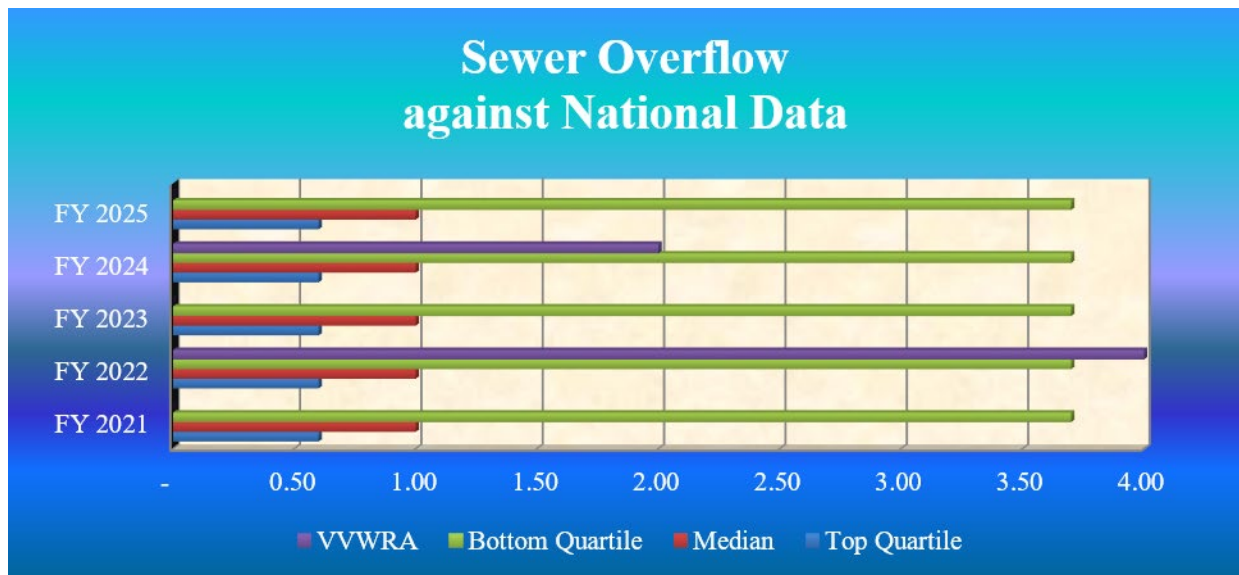
Source: 2019 American Water Works Association Benchmarking analysis

FY = Fiscal Year ended June 30



Sewer Overflow-National Benchmark

	Top Quartile	Median	Bottom Quartile	VVWRA
FY 2025	0.60	1.00	3.70	0.00
FY 2024	0.60	1.00	3.70	2.00
FY 2023	0.60	1.00	3.70	0.00
FY 2022	0.60	1.00	3.70	4.00
FY 2021	0.60	1.00	3.70	0.00



Source: 2019 American Water Works Association Benchmarking analysis

FY = Fiscal Year ended June 30

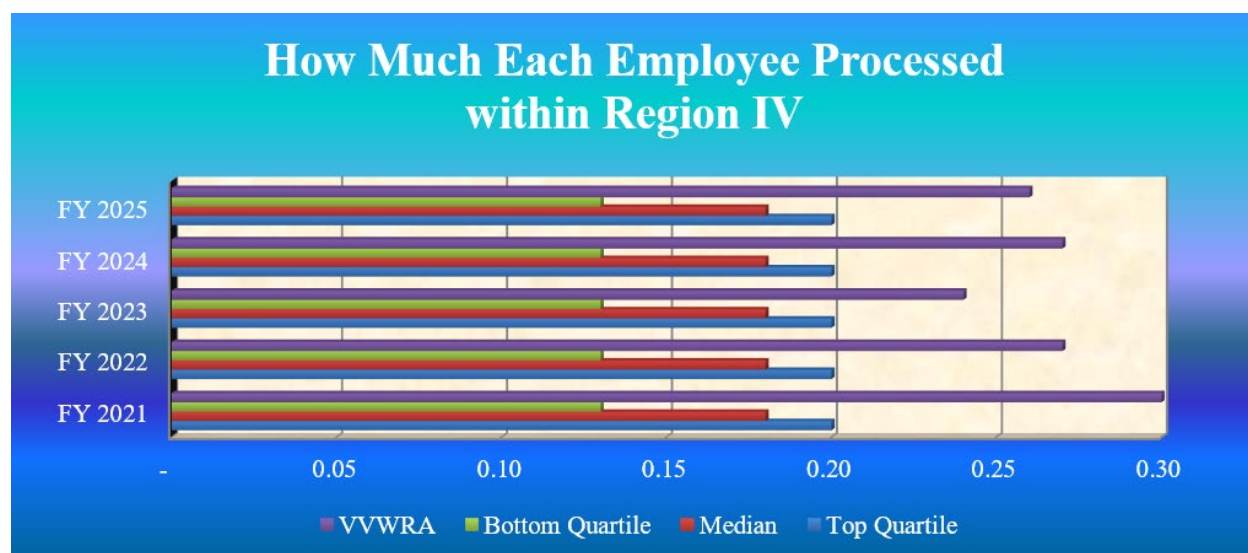
How Much Each Employee Processed

The quantity of wastewater processed by each employee has decreased from 0.30 MGD in FY 2021 to 0.26 MGD in FY 2025. The total amount of wastewater that VVWRA has processed is 4,668 MG in FY 2025. The total number of employees that VVWRA employed has increased from 36 in FY 2021 to 50 in FY 2025 during the comparative period per ACFR's.

Compared to Region IV states, VVWRA has continuously remained above the top quartile since FY 2021. Compared nationally, the quantity of wastewater processed by each employee has surpassed the median since FY 2021.

How Much Each Employee Processed-Region IV Benchmark

	Top Quartile	Median	Bottom Quartile	VVWRA
FY 2025	0.20	0.18	0.13	0.26
FY 2024	0.20	0.18	0.13	0.27
FY 2023	0.20	0.18	0.13	0.24
FY 2022	0.20	0.18	0.13	0.27
FY 2021	0.20	0.18	0.13	0.30



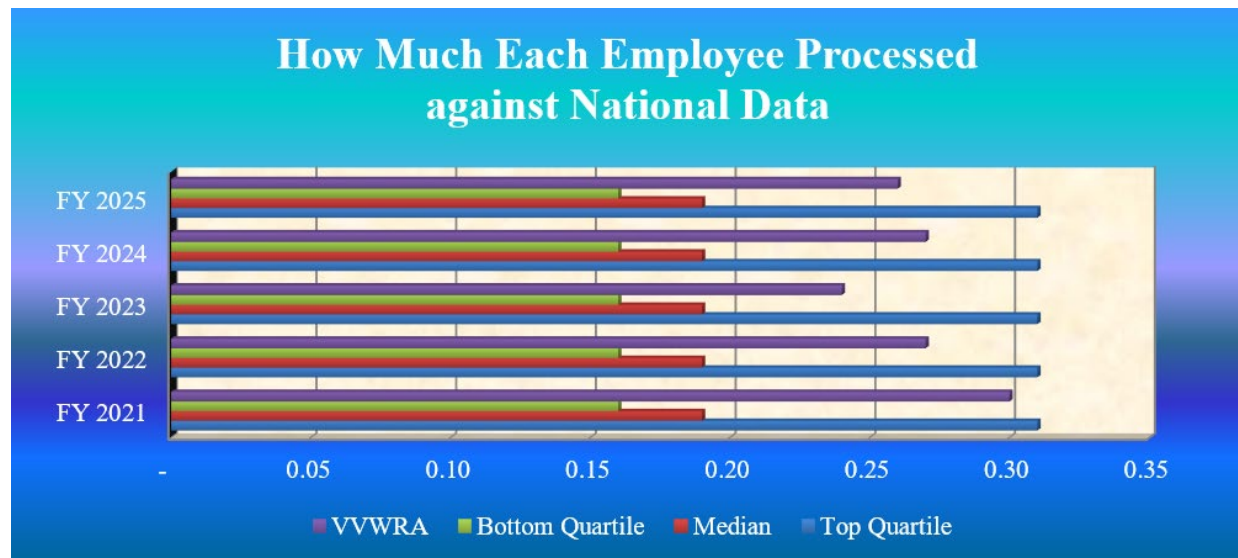
Source: 2019 American Water Works Association Benchmarking analysis

FY = Fiscal Year ended June 30



How Much Each Employee Processed-National Benchmark

	Top Quartile	Median	Bottom Quartile	VVWRA
FY 2025	0.31	0.19	0.16	0.26
FY 2024	0.31	0.19	0.16	0.27
FY 2023	0.31	0.19	0.16	0.24
FY 2022	0.31	0.19	0.16	0.27
FY 2021	0.31	0.19	0.16	0.30



Source: 2019 American Water Works Association Benchmarking analysis

FY = Fiscal Year ended June 30

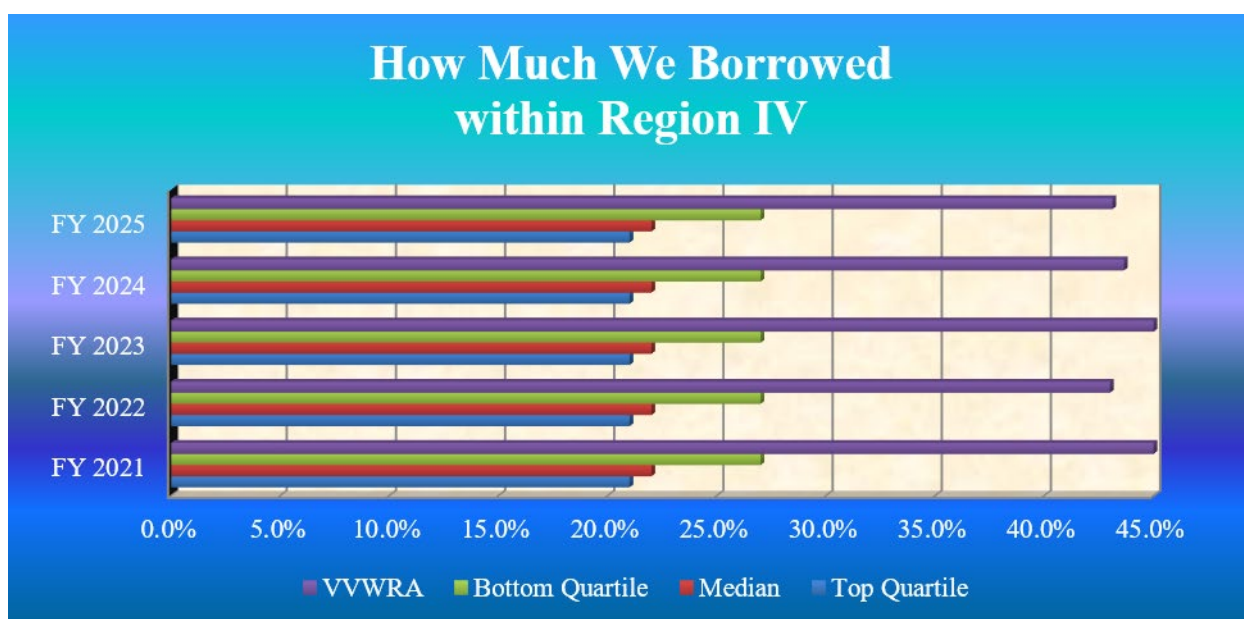
How Much VWRA Borrowed

When you compare what you owe (liabilities) to what you have (assets), you will obtain a debt ratio. This ratio can be used to measure the health of a business. Lower value of the debt ratio is favorable, and a higher value indicates that a higher portion of the organization's assets are claimed by its creditors, which means there is a higher risk in operation since the entity would find it difficult to obtain loans for new projects. VWRA's debt ratio has decreased from 45.0% in FY 2021 to 43.1% in FY 2025.

VWRA is ranked below the bottom quartile of the Region IV states from FY 2021 to FY 2025. Compared nationally, VWRA is ranked below median quartiles for the same period.

How Much We Borrowed-Region IV Benchmark

	Top Quartile	Median	Bottom Quartile	VWRA
FY 2025	21.0%	22.0%	27.0%	43.1%
FY 2024	21.0%	22.0%	27.0%	43.6%
FY 2023	21.0%	22.0%	27.0%	45.0%
FY 2022	21.0%	22.0%	27.0%	43.0%
FY 2021	21.0%	22.0%	27.0%	45.0%



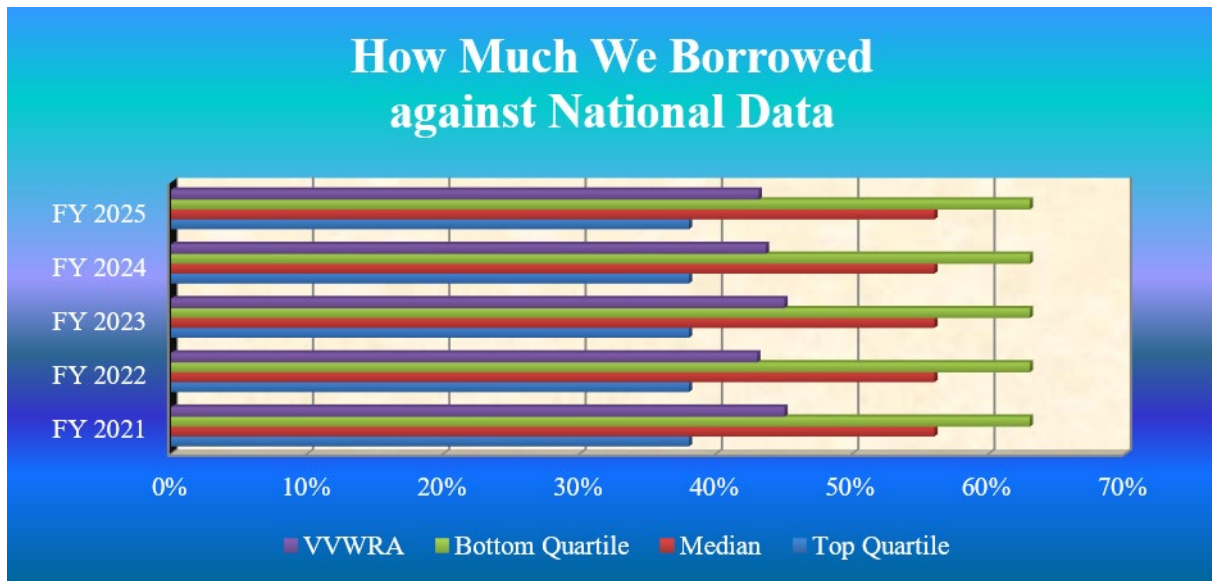
Source: 2019 American Water Works Association Benchmarking analysis

FY = Fiscal Year ended June 30



How Much We Borrowed-National Benchmark

	Top Quartile	Median	Bottom Quartile	VVWRA
FY 2025	38.0%	56.0%	63.0%	43.1%
FY 2024	38.0%	56.0%	63.0%	43.6%
FY 2023	38.0%	56.0%	63.0%	45.0%
FY 2022	38.0%	56.0%	63.0%	43.0%
FY 2021	38.0%	56.0%	63.0%	45.0%



Source: 2019 American Water Works Association Benchmarking analysis

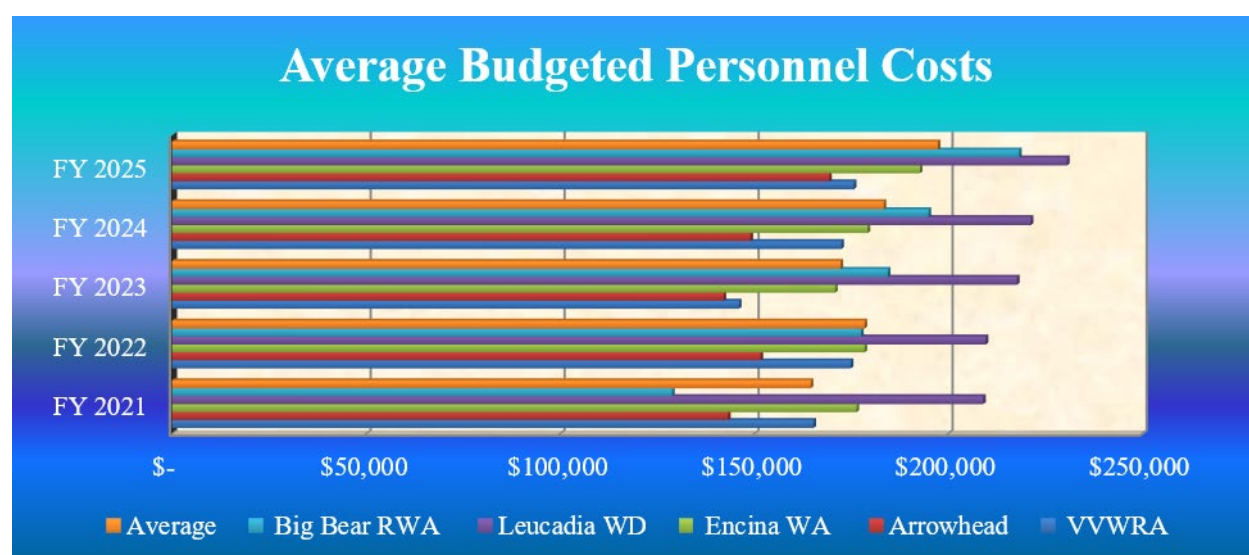
FY = Fiscal Year ended June 30

Average Budgeted Personnel Cost

Average budgeted personnel cost indicates the cost-effectiveness of an agency's overall personnel budget. Such an indicator is calculated by dividing the total budgeted personnel costs by the total budgeted number of employees for a fiscal year. VVWRA's average budgeted personnel costs have improved from median to the low end compared to other wastewater treatment agencies with similar size in Southern California.

Average Budgeted Personnel Cost

	VVWRA	Arrowhead	Encina WA	Leucadia WD	Big Bear RWA
FY 2025	\$ 172,726	\$ 169,386	\$ 192,768	\$ 230,676	\$ 218,317
FY 2024	\$ 172,505	\$ 149,076	\$ 179,268	\$ 221,332	\$ 194,977
FY 2023	\$ 146,131	\$ 142,162	\$ 170,901	\$ 217,763	\$ 184,475
FY 2022	\$ 174,949	\$ 151,675	\$ 178,499	\$ 209,723	\$ 177,602
FY 2021	\$ 165,331	\$ 143,318	\$ 176,423	\$ 209,080	\$ 170,935



Source: 2019 American Water Works Association Benchmarking analysis

FY = Fiscal Year ended June 30



Alongside the benchmarks, VVWRA has a three year comparison of internal statistics that are tracked throughout the year. VVWRA benefits greatly from tracking the organizational statistics because they offer a clear picture of the organizational performance, resource needs, and community impact. Keeping these indicators visible supports informed decision-making, transparency to the public, and accountability to the governing boards. Maintaining these stats helps ensure VVWRA operates efficiently, meets regulatory obligations, and continues to provide reliable service to the community.

Human Resources / Administrative Support	FY 2023	FY 2024	FY 2025
Positions Hired	7	8	5
Evaluations Completed	42	42	44
Overtime Cost	\$7,084.96	\$8,946.85	\$6,026.51
Board Meetings Held	11	12	12
Board Action Items	45	48	44
Board Presentations	5	4	6
Public Hearings	3	5	4

Safety / Communications	FY 2023	FY 2024	FY 2025
Number Recorded Injuries	1	1	1
Number of days on Workers Comp	365	61	0
Near Miss	0	1	1
Safety Training Hours	594	754	791
Facebook Followers	1,677	1,675	1,697

Community Outreach	FY 2023	FY 2024	FY 2025
Press Releases	3	4	1
Published Articles	7	7	1
Purple Pipe Published	3	4	4

Regulatory Compliance	FY 2023	FY 2024	FY 2025
Septage Volume Received	7.17 million gallons	9.29 million gallons	7.08 million gallons
FOG Volume Received	12.30 million gallons	957,798 gallons	1.28 million gallons
Number of Industrial Permit Inspections Completed	14	14	14
Number of Industrial Permit Sampling Collected	11	11	11
Sewer Interceptor Cleaned (Miles)	3.9	8.5	0
Sanitary Sewer Overflows	0	2	0

Information Technology	FY 2023	FY 2024	FY 2025
Desktop Systems Replaced	14	10	23
Servers Replaced/Implemented	2	0	0

4.7 Budget Preparation Process

Basis of Budgeting

Victor Valley Wastewater Reclamation Authority (VWRA) employs a fiscal year beginning July 1. VWRA prepares its annual budget based on an accrual accounting method (which recognizes revenues and expenses when they occur), excluding non-cash depreciation expense but including loan proceeds and the related repayments to present the fund inflows and outflows. We have included the reconciliation of FY 2025 actual to FY 2025 Annual Comprehensive Financial Report later in the document.

Balanced Budget

A balanced budget is when VWRA's overall revenues are equal to or exceed its overall expenses. The FY 2027 budget shows a balanced budget that will be allocated to capital projects .

Budget Process

VWRA managerial staff input budgetary estimates for the following year with their departmental goals in mind at the beginning of the budgetary process. Based on these inputs, the finance team prepares the draft budget. The senior management, including the General Manager, reviews the draft budget. The General Manager predicts capital project costs based on the member agency's needs. The finance team incorporates the data into the draft budget.



The draft budget is presented to the External and Internal Financial Committees, which consist of the Member Agencies, for their close review. The revised draft budget is presented to the Financial Committees again to incorporate further recommendations in a proposed budget. After the revisions, the proposed budget is presented to the Board of Commissioners. Any additional comments are incorporated into the proposed budget. Then the Financial Committee finalizes the recommendations, and the Committee presents the budget to the public hearing and the Board for approval.

VWRA reviews and compares its performance to the budget at a mid-year point at around January. If any amendments are necessary, the finance staff will revise the budget accordingly and then present the revised budget to the Board for approval in February. The approved budgets are posted at VWRA's website.



Budget Calendar

The following budget calendar shows our preparation and review process timeline.

VVWRA BUDGET PLANNING – FY2027	REQUIRED BY DATE
Budget Kickoff Meeting	01/20/26
Update actual numbers and prepare for the new budget cycle	03/02/26
Budget Expense Request from Managers	03/02/26
Prepare Revenue estimates	03/02/26
Present the budget draft 1 to General Manager and managers	03/10/26
Present the budget draft 2 to General Manager and managers	03/17/26
Present the budget draft 3 to General Manager and managers	03/24/26
Present the budget draft 4 to General Manager and managers	03/31/26
Finalize the draft budget	04/17/26
Present the budget to Internal and External Finance Committee	04/29/26
Circulate the budget document to the Board	05/14/26
Place a public notice on local newspaper to invite public participation	05/26/26
Board Meeting - Present the budget	05/28/26
Public notice posted in local newspaper	06/07/26
Board budget hearing and adoption	06/18/26
The second Board budget hearing and adoption (if needed)	06/25/26
Apply for GFOA Award for Excellence in Budget Reporting.	06/30/26

Our budget activities are summarized as:

1. Initiate the budget.
2. Prepare a draft budget based on managers' input.
3. Present the draft to Internal and External Finance Committee.
4. Publish a public hearing notice in the local newspaper to invite public participation.
5. Present the budget to the Board of Commissioners.
6. Propose any budget amendments, if applicable, when the staff reviews the performance and budget in January.





4.8 GFOA Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Victor Valley Wastewater Reclamation Authority
California**

For the Fiscal Year Beginning

July 01, 2025

Christopher P. Morrell

Executive Director



5 Financial Information Operations

5.1 Consolidated Operating Budget Statement and Fund Balance Summary

	2025 Actual \$5,923/MG	2025 Budget \$5,923/MG	2026 Actual as of 4/30/2026	2026 Projected to the Year End	2026 Original Budget \$6,811/MG	2026 Revised Budget \$6,811/MG	2027 Budget \$7,288/MG
User Charge Fund Revenues							
User Charges	\$ 25,846,500	\$ 26,011,093	\$ 25,707,197	\$ 30,848,636	\$ 32,800,164	\$ 32,800,164	\$ 34,152,532
Recycled Flow User Charges	-	-	953,281	1,143,937	-	-	1,093,200
VVIWWTP Sludge	169,633	144,000	198,925	238,710	144,000	144,000	144,000
High Strength Waste Surcharges	13,800	12,000	28,016	33,619	12,000	12,000	12,000
ADM FOG Tipping Fee Revenue	-	-	-	-	-	-	-
Septage Receiving Facility Charges	849,236	960,000	585,642	702,770	960,000	960,000	960,000
Reclaimed Water Sales	65,827	97,703	69,208	83,050	97,703	97,703	97,703
Interest	6,603	-	723	868	-	-	241,770
Pretreatment Fees	54,604	55,150	57,225	68,670	55,150	55,150	55,150
Miscellaneous	12,064	2,220	33,473	40,168	2,220	2,220	2,220
Settlement Revenue	-	440,000	-	-	-	-	-
Biomethane Land Lease	250,012	500,000	245,371	294,445	500,000	500,000	500,000
FOG	153,146	120,000	45,449	54,539	-	-	-
Capital Contribution	-	-	-	-	-	-	-
	\$ 27,421,425	\$ 28,342,166	\$ 27,924,510	\$ 33,509,412	\$ 34,571,237	\$ 34,571,237	\$ 37,258,575
Other Operating Financing Sources							
SRF Loan Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
External Financing	-	-	-	-	-	-	15,000,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000,000
Connection Fee Fund Revenues							
Connection Fees	\$ 2,191,433	\$ 1,842,783	\$ 7,403,557	\$ 8,012,552	\$ 1,842,783	\$ 6,201,364	\$ 1,934,922
Interest	702,650	62,610	606,645	727,974	62,610	62,610	150,000
Capital Contribution	-	-	300,000	300,000	300,000	300,000	-
Grant - CalRecycle	386,909	150,000	-	-	-	-	-
Grant - Other	-	-	-	-	-	-	-
	\$ 3,280,992	\$ 2,055,393	\$ 8,310,202	\$ 9,040,526	\$ 2,205,393	\$ 6,563,974	\$ 2,084,922
Other Connection Fee Fund Financing Sources							
SRF Loan Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues and Other Financing Sources	\$ 30,702,417	\$ 30,397,559	\$ 36,234,712	\$ 42,549,938	\$ 36,776,630	\$ 41,135,211	\$ 54,343,497
User Charge Fund Expenses							
Personnel and Benefits	\$ 8,796,451	\$ 8,998,937	\$ 7,687,163	\$ 9,462,017	\$ 9,756,126	\$ 9,756,126	\$ 10,499,520
Maintenance	4,197,163	5,336,382	3,870,168	5,392,318	5,575,317	6,375,943	6,070,823
Operations	6,083,038	7,082,462	4,960,775	6,302,929	7,506,415	7,004,498	7,212,677
Administration	3,222,452	3,489,874	2,372,225	3,427,479	3,868,198	4,025,070	4,186,565
Contingency	294,855	554,800	282,596	-	725,000	114,419	720,000
	\$ 22,593,959	\$ 25,462,455	\$ 19,172,927	\$ 24,584,743	\$ 27,431,056	\$ 27,276,056	\$ 28,689,585
Connection Fee Fund Expenses							
Personnel and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-
Administration	(2,054)	-	(2,054)	(2,054)	-	-	-
Contingency and Construction	-	-	-	-	-	-	-
	\$ (2,054)	\$ -	\$ (2,054)	\$ (2,054)	\$ -	\$ -	\$ -
Debt Services							
SRF Principal	\$ 3,371,096	\$ 3,223,088	\$ 2,880,422	\$ 3,273,335	\$ 3,273,335	\$ 3,273,335	\$ 3,324,541
SRF Interest	813,081	821,701	541,704	771,454	771,454	771,454	720,248
Other Loan/Lease Principal	-	103,357	109,427	109,427	109,427	109,427	1,223,672
Other Loan/Lease Interest	39,428	26,505	20,435	20,435	20,435	20,435	1,085,437
	\$ 4,223,605	\$ 4,174,651	\$ 3,551,988	\$ 4,174,651	\$ 4,174,651	\$ 4,174,651	\$ 6,353,898
Total Expenses and Debt Services	\$ 26,815,510	\$ 29,637,106	\$ 22,722,861	\$ 28,757,340	\$ 31,605,707	\$ 31,450,707	\$ 35,043,483
Transfer from User Charge Fund Reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Agency Net Surplus or (Deficit)	\$ 3,886,907	\$ 760,453	\$ 13,511,851	\$ 13,792,598	\$ 5,170,923	\$ 9,684,504	\$ 19,300,014



User Charge Fund Balance	FYE 06/30/26 Revised Budget	FYE 06/30/27 Adopted Budget
User Charge Fund Reserve Beginning Balance	12,302,268	14,395,099
User Charges	32,800,164	34,152,532
Septage Receiving Facility Charges	960,000	960,000
External Financing	-	15,000,000
Other Revenues	873,683	2,146,043
Total Budgeted Revenues	34,633,847	52,258,576
SRF Loans	(2,749,736)	(2,749,736)
Other Loans/Leases	(129,862)	(2,309,109)
Revenues after Loans	31,754,249	47,199,731
Total Operating Expense	(27,276,057)	(28,689,585)
Transfer from Reserve	-	-
Fiscal Year Budgeted Surplus (Deficit)	4,478,192	18,510,147
Total Reserve	16,780,460	32,905,246
Restricted Reserves	(6,295,982)	(6,477,342)
Reserve Available for CIP and Capital Purchase	10,484,478	26,427,904
Capital Purchase	(1,955,500)	(1,547,176)
Capital Projects (CIP)	(5,067,000)	(16,960,924)
Unused Budget for Rollover	4,637,140	-
Fiscal Year Net Use of Unrestricted Reserves	(2,385,360)	(18,508,100)
Fiscal Year Ending Reserve	14,395,099	14,397,146

Connection Fee Fund Balance	FYE 06/30/26 Revised Budget	FYE 06/30/27 Adopted Budget
Connection Fee Fund Reserve Beginning Balance	4,617,892	8,258,457
Connection Fees - Hesperia Withheld Fees	4,358,581	-
Connection Fees - Victorville	750,000	787,500
Connection Fees - Apple Valley	467,900	491,295
Connection Fees - Hesperia	543,000	570,150
Connection Fees - CSA 64 Spring Valley Lake	81,883	85,977
SBCSA - Contribution	300,000	-
Other Revenues	62,610	150,000
Total Budgeted Revenues	2,205,393	2,084,922
SRF Loans	(1,295,053)	(1,295,053)
Fiscal Year Budgeted Surplus (Deficit)	910,340	789,869
Total Reserve	9,886,813	9,048,326
Restricted Reserves	(1,295,053)	(1,295,053)
Reserve Available for CIP	8,591,760	7,753,273
Capital Projects (CIP)	(2,212,356)	(584,000)
Unused Budget for Rollover	584,000	-
Fiscal Year Net Use of Unrestricted Reserves	(1,628,356)	(584,000)
Fiscal Year Ending Reserve	8,258,457	8,464,326

Our goals, objectives and strategies are transformed into numbers for the budgets with a projection for the rest of FY 2026. The consolidated budget on the previous page shows all functions of the entire organization. The section 5.2 demonstrates a reconciliation of FY 2025 actual to ACFR for the year ended June 30, 2025. The section 5.3 describes a budget for the User Charge Fund, and the section 5.6 shows a budget for the connection fee fund.



5.2 Reconciliation from Actual to ACFR for FY Ending June 30, 2025

	2025 Actual	Reconciliation to ACFR	2025 Per ACFR
User Charge Fund Revenues			
User Charges	\$ 25,846,500	\$ -	\$ 25,846,500
Adelanto User Charges	169,633	-	169,633
High Strength Waste Surcharges	13,800	-	13,800
Septage Receiving Facility Charges	849,236	-	849,236
ADM FOG Tipping Fee Revenue	153,146	-	153,146
Reclaimed Water Sales	65,827	-	65,827
Pretreatment Fees	54,604	-	54,604
Capital Contribution	-	-	-
Grant - FEMA/Cal-OES	-	-	-
Grant - Proposition 1	-	-	-
Biomethane Land Lease	250,012	-	250,012
Miscellaneous	18,667	-	18,667
	<u>\$ 27,421,425</u>	<u>\$ -</u>	<u>\$ 27,421,425</u>
Connection Fee Fund Revenues			
Connection Fees	\$ 2,191,433	\$ -	\$ 2,191,433
Interest	702,650	-	702,650
Capital Contribution	-	-	-
Grant - FEMA/Cal-OES	386,909	-	386,909
Grant - CEC Microgrid	-	-	-
	<u>\$ 3,280,992</u>	<u>\$ -</u>	<u>\$ 3,280,992</u>
Other Financing Sources			
SRF Loan Funding	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Revenues and Other Financing Sources	<u>\$ 30,702,417</u>	<u>\$ -</u>	<u>\$ 30,702,417</u>
Operating Expenses			
Personnel and Benefits	\$ 8,796,451	\$ -	\$ 8,796,451
Maintenance	4,197,163	-	4,197,163
Operations	6,083,038	-	6,083,038
Administration	3,222,452	-	3,222,452
Contingency and Construction	294,855	3	294,858
	<u>\$ 22,593,959</u>	<u>3</u>	<u>\$ 22,593,962</u>
Depreciation Expense	<u>\$ -</u>	<u>\$ 11,723,518</u>	<u>\$ 11,723,518</u>
Connection Fee Fund Expenses			
Personnel and Benefits	\$ -	\$ -	\$ -
Maintenance	-	-	-
Operations	-	-	-
Administration	(2,054)	-	(2,054)
Contingency	-	-	-
	<u>\$ (2,054)</u>	<u>\$ -</u>	<u>\$ (2,054)</u>
Debt Services			
SRF Principal	\$ 3,371,096	(3,371,096)	\$ -
SRF Interest	813,081	-	813,081
Other Loan/Lease Principal	-	-	-
Other Loan/Lease Interest	39,428	-	39,428
	<u>\$ 4,223,605</u>	<u>\$ (3,371,096)</u>	<u>\$ 852,509</u>
Total Expenses with Debt Services	<u>\$ 26,815,510</u>	<u>8,352,425</u>	<u>\$ 35,167,935</u>
Total Net Surplus or (Deficit)	<u>\$ 3,886,907</u>	<u>\$ (8,352,425)</u>	<u>\$ (4,465,518)</u>



5.3 Budget Statement of User Charge Fund

	2025 Actual \$5,923/MG	2025 Budget \$5,923/MG	2026 Actual as of 4/30/2026	2026 Projected to the Year End	2026 Original Budget \$6,811/MG	2026 Revised Budget \$6,811/MG	2027 Budget \$7,288/MG
Revenues							
User Charges	\$ 25,846,500	\$ 26,011,093	\$ 25,707,197	\$ 30,848,636	\$ 32,800,164	\$ 32,800,164	\$ 34,152,532
Recycled Flow User Charges	-	-	953,281	1,143,937	-	-	1,093,200
VVIWWTP Sludge	169,633	144,000	198,925	238,710	144,000	144,000	144,000
High Strength Waste Surcharges	13,800	12,000	28,016	33,619	12,000	12,000	12,000
ADM FOG Tipping Fee Revenue	-	-	-	-	-	-	-
Septage Receiving Facility Charges	849,236	960,000	585,642	702,770	960,000	960,000	960,000
Reclaimed Water Sales	65,827	97,703	69,208	83,050	97,703	97,703	97,703
Interest	6,603	-	723	868	-	-	241,770
Pretreatment Fees	54,604	55,150	57,225	68,670	55,150	55,150	55,150
Miscellaneous	12,064	2,220	33,473	40,168	2,220	2,220	2,220
Settlement Revenue	-	440,000	-	-	-	-	-
Biomethane Land Lease	250,012	500,000	245,371	294,445	500,000	500,000	500,000
FOG	153,146	120,000	45,449	54,539	-	-	-
Capital Contribution	-	-	-	-	-	-	-
	\$ 27,421,425	\$ 28,342,166	\$ 27,924,510	\$ 33,509,412	\$ 34,571,237	\$ 34,571,237	\$ 37,258,575
Other Financing Sources							
SRF Loan Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
External Financing	-	-	-	-	-	-	15,000,000
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,000,000
Total User Charge Fund Revenues and Other Financing Sources	\$ 27,421,425	\$ 28,342,166	\$ 27,924,510	\$ 33,509,412	\$ 34,571,237	\$ 34,571,237	\$ 52,258,575
Expenses							
Personnel and Benefits	\$ 8,796,451	\$ 8,998,937	\$ 7,687,163	\$ 9,462,017	\$ 9,756,126	\$ 9,756,126	\$ 10,499,520
Maintenance	4,197,163	5,336,382	3,870,168	5,392,318	5,575,317	6,375,943	6,070,823
Operations	6,083,038	7,082,462	4,960,775	6,302,929	7,506,415	7,004,498	7,212,677
Administration	3,222,452	3,489,874	2,372,225	3,427,479	3,868,198	4,025,070	4,186,565
Contingency	294,855	554,800	282,596	-	725,000	114,419	720,000
	\$ 22,593,959	\$ 25,462,455	\$ 19,172,927	\$ 24,584,743	\$ 27,431,056	\$ 27,276,056	\$ 28,689,585
Debt Services							
SRF Principal	\$ 2,128,289	\$ 2,198,201	\$ 1,353,282	\$ 2,234,190	\$ 2,234,190	\$ 2,234,190	\$ 2,270,893
SRF Interest	551,544	551,537	343,233	515,546	515,546	515,546	478,843
Other Loan/Lease Principal	-	103,357	109,427	109,427	109,427	109,427	1,223,672
Other Loan/Lease Interest	39,428	26,505	20,435	20,435	20,435	20,435	1,085,437
	\$ 2,719,261	\$ 2,879,600	\$ 1,826,377	\$ 2,879,598	\$ 2,879,598	\$ 2,879,598	\$ 5,058,845
Total User Charge Fund Expenses with Debt Services	\$ 25,313,220	\$ 28,342,055	\$ 20,999,304	\$ 27,464,341	\$ 30,310,654	\$ 30,155,654	\$ 33,748,430
Interfund Loan from the Connection Fee Fund	-	-	-	-	-	-	-
Transfer from User Charge Fund Reserves	-	-	-	-	-	-	-
User Charge Fund Net Surplus or (Deficit)	\$ 2,108,205	\$ 111	\$ 6,925,206	\$ 6,045,071	\$ 4,260,583	\$ 4,415,583	\$ 18,510,145

ⓘ Please see detailed expense information at page 79.

Please see next page for User Charge Fund expenses in detail.

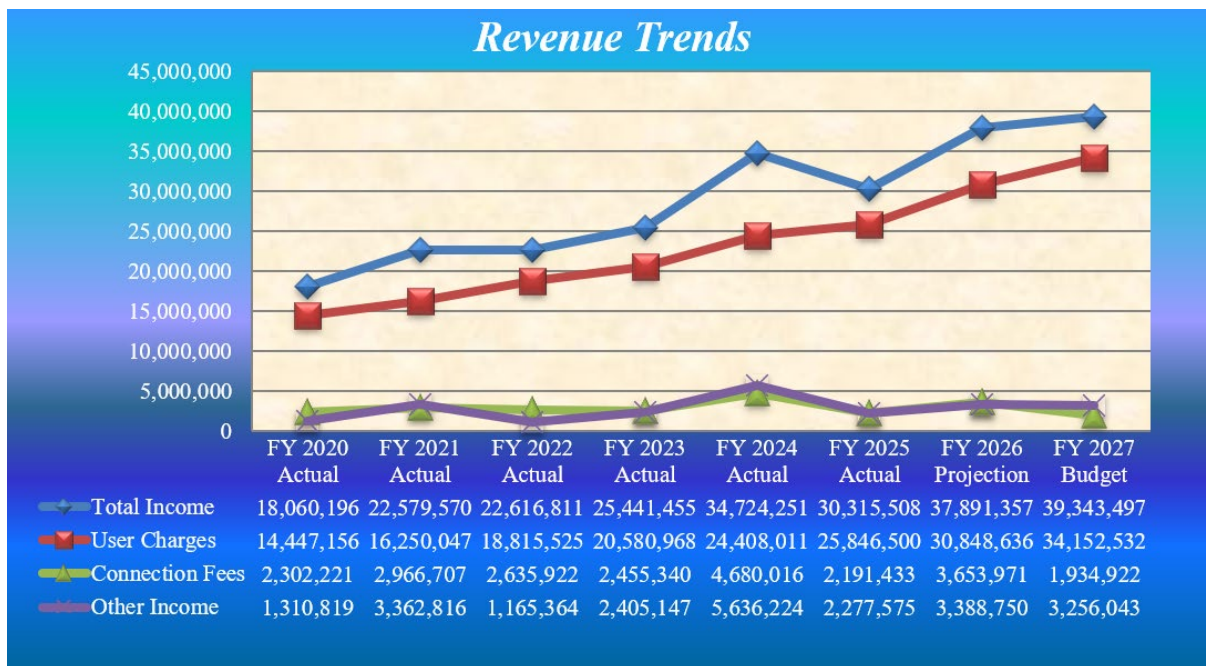


	2025 Actual \$5,923/MG	2025 Budget \$5,923/MG	2026 Actual as of 4/30/2026	2026 Projected to the Year End	2026 Original Budget \$6,811/MG	2026 Revised Budget \$6,811/MG	2027 Budget \$7,288/MG
Personnel Expenses Allocations							
Allocation to Operations and Maintenance	5,453,800	5,579,341	4,766,041	5,866,451	6,048,798	6,048,798	6,509,702
Allocation to Administrations	3,342,651	3,419,596	2,921,122	3,595,566	3,707,328	3,707,328	3,989,818
	\$ 8,796,451	\$ 8,998,937	\$ 7,687,163	\$ 9,462,017	\$ 9,756,126	\$ 9,756,126	\$ 10,499,520
Maintenance Expenses							
Maintenance Equipment	\$ 1,356,629	\$ 1,820,790	\$ 1,332,285	\$ 2,098,742	\$ 1,955,155	\$ 2,436,836	\$ 2,326,484
Instrumentation	640,133	1,070,953	782,386	938,863	1,147,907	1,222,907	1,285,839
Total Grounds Maintenance & Landscaping	1,882,105	2,033,974	1,568,274	2,081,929	2,041,590	2,360,535	2,041,500
Vehicle Repairs	230,089	263,500	133,689	170,427	263,500	188,500	213,500
Interceptor Sewer Maintenance	19,331	40,000	7,820	37,500	50,000	50,000	50,000
Maintenance Safety Equipment	-	-	-	10,000	10,000	10,000	8,500
Misc. Maintenance Expense	68,876	107,165	45,714	54,857	107,165	107,165	145,000
	\$ 4,197,163	\$ 5,336,382	\$ 3,870,168	\$ 5,392,318	\$ 5,575,317	\$ 6,375,943	\$ 6,070,823
Operations Expenses							
Process Chemicals	\$ 944,613	\$ 1,560,000	\$ 816,656	\$ 1,179,987	\$ 1,630,000	\$ 1,330,000	\$ 1,290,000
Utilities	4,202,432	4,179,152	3,239,532	3,987,438	4,379,902	4,143,902	4,397,752
Trash and Sludge	155,349	227,797	244,567	293,480	340,000	347,362	340,000
Fuel and Lubricants	73,331	100,000	72,935	87,522	100,000	100,000	100,000
Lab Supplies and Services	22,231	75,000	17,154	20,585	50,000	50,000	35,000
Outside Lab Services	367,229	371,000	314,671	377,605	407,000	408,921	450,000
Safety Equipment	154,234	250,000	123,183	162,820	300,000	300,000	272,325
Custodial Services and Supplies	57,410	100,000	40,506	58,607	100,000	100,000	60,000
Equipment Rental	47,531	78,000	46,721	68,065	58,000	78,000	124,000
Uniforms	45,158	75,000	36,651	56,981	75,000	75,000	70,000
Security	13,520	66,513	8,199	9,839	66,513	71,313	73,600
Permits	-	-	-	-	-	-	-
Misc. Operating Expense	-	-	-	-	-	-	-
	\$ 6,083,038	\$ 7,082,462	\$ 4,960,775	\$ 6,302,929	\$ 7,506,415	\$ 7,004,498	\$ 7,212,677
Administrations Expenses							
Telephone and Communications	\$ 255,658	\$ 253,484	\$ 167,855	\$ 214,426	\$ 253,302	\$ 253,302	\$ 261,300
Computer Supplies	91,739	177,614	109,606	246,527	177,614	272,614	246,000
Office Supplies	67,923	120,500	106,868	166,050	184,500	184,500	149,900
Travel, Meeting, Training	186,842	200,551	157,381	188,857	216,226	216,226	332,750
Employee and Community Events	58,883	98,700	39,728	47,674	98,700	85,200	101,500
Membership, Fees, Licenses	59,604	65,160	61,832	74,198	70,600	95,478	56,260
Professional Services	443,892	555,280	311,185	573,422	710,777	761,271	662,000
Legal Services and Fees	654,816	550,000	491,430	589,716	550,000	550,000	650,000
Temporary Labor	8,614	75,000	-	-	75,000	75,000	90,000
Bond & Liability Insurance	750,601	773,425	564,578	857,494	889,439	889,439	1,022,855
Finance Fees	119	100	403	484	-	-	-
Misc. Administration Expense	46,709	-	-	-	-	-	-
Permit Fees	391,251	428,060	201,854	277,225	444,040	444,040	414,000
Vehicle Lease Program	205,801	192,000	159,505	191,406	198,000	198,000	200,000
	\$ 3,222,452	\$ 3,489,874	\$ 2,372,225	\$ 3,427,479	\$ 3,868,198	\$ 4,025,070	\$ 4,186,565
Contingency	\$ 294,855	\$ 554,800	\$ 282,596	\$ -	\$ 725,000	\$ 114,419	\$ 720,000
Total User Charge Fund Expenses	\$ 22,593,959	\$ 25,462,455	\$ 19,172,927	\$ 24,584,743	\$ 27,431,056	\$ 27,276,056	\$ 28,689,585

Ⓢ Please see Allocations of Personnel Expenses on page 83.

5.4 User Fee Revenue Trend Analysis

The Victor Valley Wastewater Reclamation Authority has worked with Water Resources Economics, LLC to establish a financial plan and rate structure that aligns revenues with future operating cost and significant capital improvement needs. VVWRA's Board of Commissioners (the Board) have approved a three-year user charge rate increase starting in FY 2027 through FY 2029. The user charge rate for FY 2027 will increase by 7%, while FY 2028 and FY 2029 will both increase by 5%. Along with the user charge rate increase, the Board has approved a revised connection fee rate structure that establishes annual escalation based on the California Construction Cost Index (CCCI) up to a maximum of 5.0%. The connection fee rate will increase by 5.0% for FY 2027, which is based on the actual CCCI released in FY 2026.



Source: VVWRA

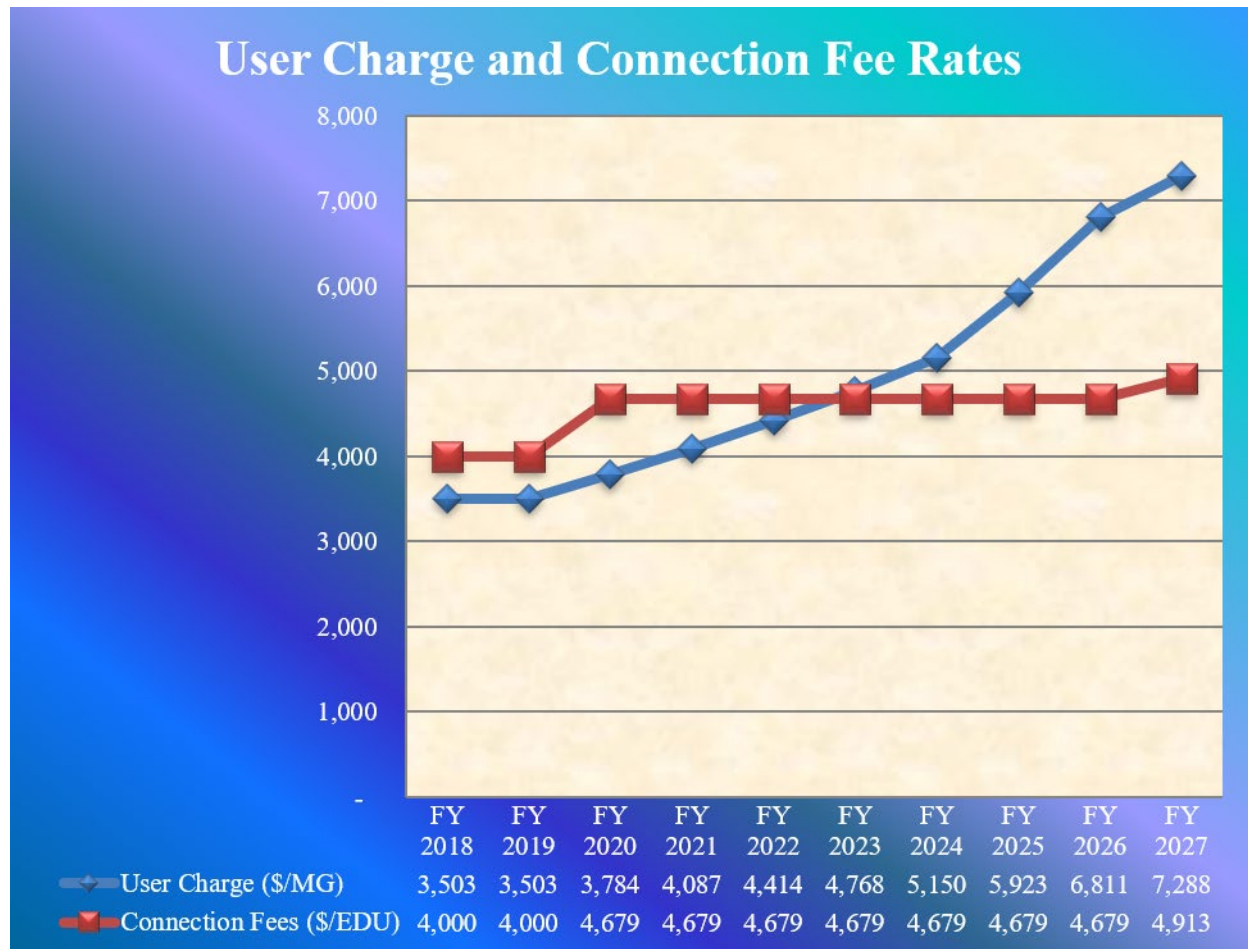
FY = Fiscal Year ended June 30

The other income includes high strength surcharges for high contents of certain chemical, reclaimed water sales from the processed water, industrial pretreatment permits charged to businesses, and interest income. Grants and proceeds from loans are excluded in this revenue analysis for the period from FY 2020 to FY 2027.

We have determined user charges and connection fees by multiplying the quantity expected to receive by unit prices. The four Member Agencies determined these rates be incorporated in the revenue ordinances to absorb the operating and construction costs. The graph on the next page shows rate changes up to FY 2027 according to rate studies.

We have calculated the connection fees based on sewage quantity discharged by a single-family home for a period of twenty-four hours. This single-family home unit is referred to as one EDU.

The Board of Commissioners reserves the right to change the rates of user fee and connection fee from time to time as necessary to fund its operations, maintenance, repairs, replacements, and expansion of the regional system.



Source: VWRA FY = Fiscal Year ended June 30



This page shows high strength surcharge rates for FY 2027 and the calculation worksheet.

Worksheet

User Charges from Member Agencies \$ 34,152,532
Unit User Charge per MG \$7,288.00
Estimated Treatment Flow (MG) 4,686

	⓪ Influent mg/l	Influent lbs/day	⓪ Effluent mg/l	Effluent lbs/day	Removal lbs/day	Removal lbs/year	Percent of Cost	Removal Cost/lb	Unit Cost \$
BOD	347.00	37,155	6.00	642	36,513	13,327,079	35.0%	\$11,953,386	\$0.8969
TSS	512.00	54,822	0.00	0	54,822	20,010,160	25.0%	\$8,538,133	\$0.4267
NH3	43.00	4,604	0.00	0	4,604	1,680,541	30.0%	\$10,245,760	\$6.0967
Annual Flow - MG per Day		12.84	MGD				10.0%	\$3,415,253	
							100.0%	\$34,152,532	

	BOD	TSS	NH3
	\$/lb	\$/lb	\$/lb
Surcharge Rates:	\$0.8969	\$0.4267	\$6.0967
Applied to Concentrations Above:	200 mg/l	250 mg/l	20 mg/l

FORMULAS

lbs/day = flow (mgd) x concentration
(mg/l) x weight of water (8.34 lbs/gal)

BOD

Influent (flow mgd) x (influent mg/l) x 8.34 lbs/gal = lbs/day
Effluent (flow mgd) x (effluent mg/l) x 8.34 lbs/gal = lbs/day

TSS

Influent (flow mgd) x (influent mg/l) x 8.34 lbs/gal = lbs/day
Effluent (flow mgd) x (effluent mg/l) x 8.34 lbs/gal = lbs/day

NH3

Influent (flow mgd) x (influent mg/l) x 8.34 lbs/gal = lbs/day
Effluent (flow mgd) x (effluent mg/l) x 8.34 lbs/gal = lbs/day

REMOVAL

Per day: Influent lb/day - Effluent lb/day = Removal lbs/day
Per year: Removal lb/day x 365 = Removal lb/year

REMOVAL COST

Per lb: Total user cost x 35% = Removal cost/lb
Per unit: Removal cost/lb / Removal lb/year

⓪ Fiscal year basis. From VWRA Wastewater Data Program (OPS10 in FY 2025)

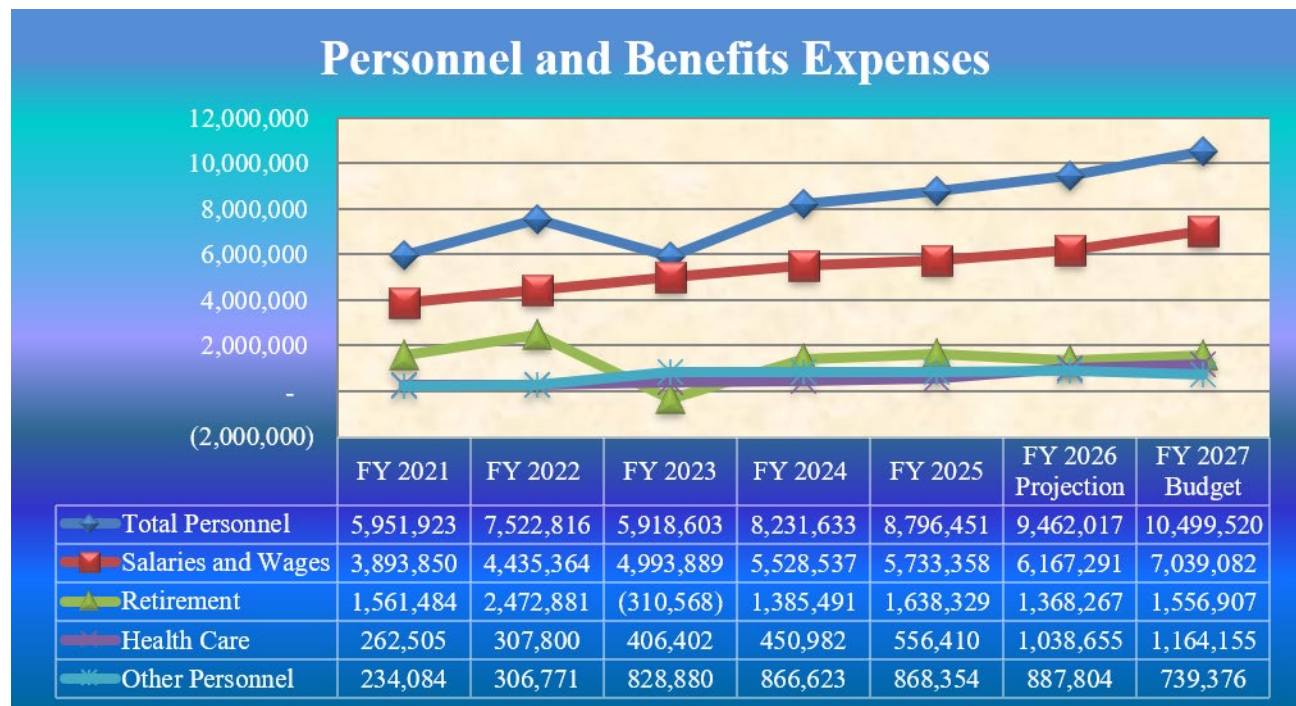


5.5 Allocations of Personnel Expenses

	2025 Actual \$5,923/MG	2025 Budget \$5,923/MG	2026 Actual as of 4/30/2026	2026 Projected to the Year End	2026 Original Budget \$6,811/MG	2026 Revised Budget \$6,811/MG	2027 Budget \$7,288/MG
User Charge Fund Salary Expenses							
Regular Salaries	\$ 5,490,256	\$ 5,844,364	\$ 4,875,049	\$ 5,850,059	\$ 6,178,878	\$ 6,178,878	\$ 6,674,082
Overtime	243,102	290,000	264,360	317,232	290,000	290,000	365,000
Call-Out Pay	-	-	-	-	-	-	-
	<u>\$ 5,733,358</u>	<u>\$ 6,134,364</u>	<u>\$ 5,139,409</u>	<u>\$ 6,167,291</u>	<u>\$ 6,468,878</u>	<u>\$ 6,468,878</u>	<u>\$ 7,039,082</u>
User Charge Fund Benefit Expenses							
Longevity	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Allowance	21,381	-	13,256	15,907	-	-	-
Sick Leave Buy Back	-	-	-	-	-	-	-
Medicare	84,236	85,388	75,557	90,668	90,244	90,244	102,067
Social Security Expense	-	-	-	-	-	-	-
PERS / Health Insurance	556,410	867,836	623,390	1,038,655	1,093,321	1,093,321	1,164,155
Dental / Vision Insurance	-	-	-	-	-	-	-
Workers Comp Insurance	448,250	459,281	380,978	457,174	632,906	632,906	525,000
PERS / Retirement	679,110	640,620	619,425	655,087	655,087	655,087	764,316
PERS / Retirement - GASB 68	269,691	-	-	-	-	-	-
PERS / Retirement-EUL	689,528	712,587	690,102	713,180	713,180	713,180	792,591
Employer 401(a) Contributions	-	-	37,652	45,182	-	-	-
Life Insurance	18,266	29,001	26,848	32,218	28,468	28,468	32,713
Unemployment Insurance	25,150	23,002	24,299	29,159	23,002	23,002	23,436
Disability Insurance	39,317	41,858	53,710	64,452	41,040	41,040	46,160
Misc Personnel Expense	2,948	5,000	2,537	3,044	10,000	10,000	10,000
OPEB Expense	228,806	-	-	150,000	-	-	-
	<u>\$ 3,063,093</u>	<u>\$ 2,864,573</u>	<u>\$ 2,547,754</u>	<u>\$ 3,294,726</u>	<u>\$ 3,287,248</u>	<u>\$ 3,287,248</u>	<u>\$ 3,460,438</u>
Connection Fee Fund Salary and Benefits Expenses							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Benefits	-	-	-	-	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Personnel Expenses	\$ 8,796,451	\$ 8,998,937	\$ 7,687,163	\$ 9,462,017	\$ 9,756,126	\$ 9,756,126	\$ 10,499,520
Allocations of Personnel Expenses							
1. Allocations to User Charge Fund							
To Maintenance Department	\$ (5,453,800)	\$ (5,579,341)	\$ (4,766,041)	\$ (5,866,451)	\$ (6,048,798)	\$ (6,048,798)	\$ (6,509,702)
To Operations and Maintenance	(3,342,651)	(3,419,596)	(2,921,122)	(3,595,566)	(3,707,328)	(3,707,328)	(3,989,818)
To Administration	\$ (8,796,451)	\$ (8,998,937)	\$ (7,687,163)	\$ (9,462,017)	\$ (9,756,126)	\$ (9,756,126)	\$ (10,499,520)
2. Allocation To Connection Fee Fund							
To Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Personnel Expenses After Allocations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The personnel costs have remained stable with a slight increase over the years and a jump during FY 2022 when more staff were employed in anticipation of operating two plants in Hesperia and Apple Valley. The FY 2027 total personnel budget reflects an increase in the total number of employees and Consumer Price Index adjustments.

Other personnel costs include OPEB costs, Medicare, workers comp insurance, life insurance, unemployment insurance, and disability insurance. We have eliminated other personnel expense of payroll processing fees by switching processing payroll internally.



Source: VWRA. FY = Fiscal Year ended June 30



5.6 Budget Statement of Connection Fee Fund

	2025 Actual \$4,679/EDU ①	2025 Budget \$4,679/EDU ①	2026 Actual as of 4/30/2026	2026 Projected to the Year End	2026 Original Budget \$4,679/EDU ①	2026 Revised Budget \$4,679/EDU	2027 Budget \$4,913/EDU ①
Revenues							
Connection Fees	\$ 2,191,433	\$ 1,842,783	\$ 7,403,557	\$ 8,012,552	\$ 1,842,783	\$ 6,201,364	\$ 1,934,922
Interest	702,650	62,610	606,645	727,974	62,610	62,610	150,000
Capital Contribution	-	-	300,000	300,000	300,000	300,000	-
Grant - Cal Recycle	386,909	150,000	-	-	-	-	-
Grant - Other	-	-	-	-	-	-	-
	<u>\$ 3,280,992</u>	<u>\$ 2,055,393</u>	<u>\$ 8,310,202</u>	<u>\$ 9,040,526</u>	<u>\$ 2,205,393</u>	<u>\$ 6,563,974</u>	<u>\$ 2,084,922</u>
Other Financing Sources							
SRF Loan Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Connection Fee Fund Revenues/Other Financing Sources	<u>\$ 3,280,992</u>	<u>\$ 2,055,393</u>	<u>\$ 8,310,202</u>	<u>\$ 9,040,526</u>	<u>\$ 2,205,393</u>	<u>\$ 6,563,974</u>	<u>\$ 2,084,922</u>
Expenses							
Personnel and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance	-	-	-	-	-	-	-
Operations	-	-	-	-	-	-	-
Administration	(2,054)	-	(2,054)	(2,054)	-	-	-
Contingency	-	-	-	-	-	-	-
	<u>\$ (2,054)</u>	<u>\$ -</u>	<u>\$ (2,054)</u>	<u>\$ (2,054)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Debt Services							
SRF Principal	\$ 1,242,807	\$ 1,024,887	\$ 1,527,140	\$ 1,039,145	\$ 1,039,145	\$ 1,039,145	\$ 1,053,648
SRF Interest	261,537	270,164	198,471	255,908	255,908	255,908	241,405
	<u>\$ 1,504,344</u>	<u>\$ 1,295,051</u>	<u>\$ 1,725,611</u>	<u>\$ 1,295,053</u>	<u>\$ 1,295,053</u>	<u>\$ 1,295,053</u>	<u>\$ 1,295,053</u>
Total Connection Fee Expenses with Debt Services	<u>\$ 1,502,290</u>	<u>\$ 1,295,051</u>	<u>\$ 1,723,557</u>	<u>\$ 1,292,999</u>	<u>\$ 1,295,053</u>	<u>\$ 1,295,053</u>	<u>\$ 1,295,053</u>
Interfund Loan to the User Charge Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Connection Fee Fund Net Surplus or (Deficit)	<u>\$ 1,778,702</u>	<u>\$ 760,342</u>	<u>\$ 6,586,645</u>	<u>\$ 7,747,527</u>	<u>\$ 910,340</u>	<u>\$ 5,268,921</u>	<u>\$ 789,869</u>

① EDU = Equivalent Dwelling Unit (250 gallons/day or 20 fixture units)

Impact of Capital Project Funding on Operations

The agency has five outstanding Clean Water State Revolving Fund loans from the California State Water Resources Control Board (SWRCB) with \$55.4 million outstanding as of June 30, 2027, whose annual payments become due throughout the year. The principal payment due for FY 2027 is \$3.32 million and the corresponding interest due is \$.72 million. The agency has considered the User Charge portion of these debt payments is \$2.27 million and the corresponding interest of \$.49 million for FY 2027. In addition to the actual payments, the loan agreements require that VVWRA set up a loan reserve to cover one-year payment of principal and interest for all the loans that would bind some of user fees and connection fees. Additional constraint on the user charge fund revenues is that SWRCB sets a legal binding on user and collection fees in case of a default. Further, the loan agreements require the agency to maintain debt coverage ratio of 1.2 throughout the year.

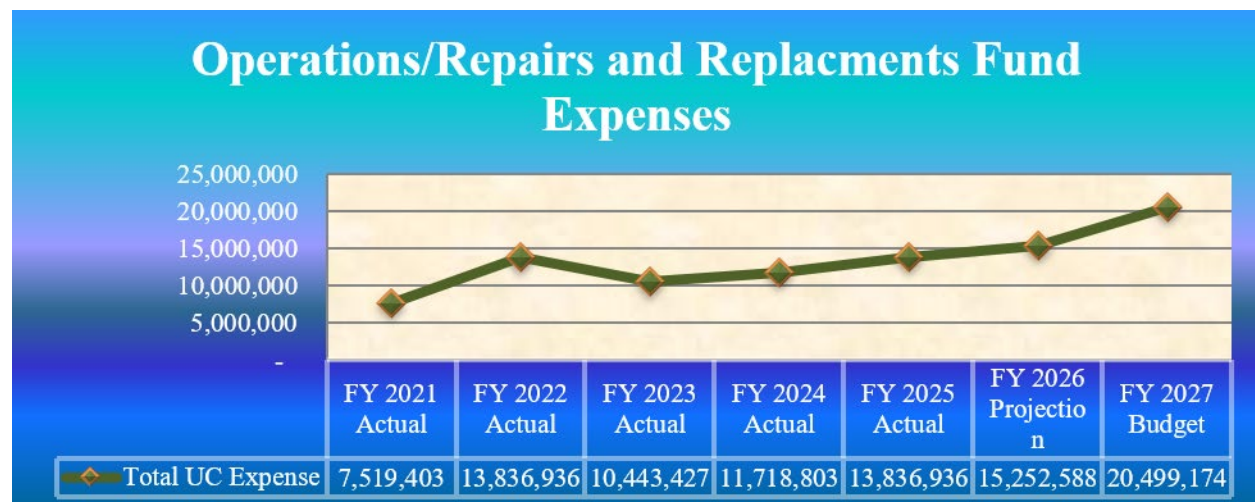
5.7 Department Supplemental Capital Purchases

Supplemental Capital	
Description	FY 2027 Budget Amount
New Godwin	\$70,000
2 Carry All Carts	\$40,000
CCTV Utility Truck Mounted Camera	\$140,960
Brown Bear - Rollover	\$636,331
Electric Blower - Rollover	\$659,885
Total	\$1,547,176

During FY 2022, the Authority eliminated the Repairs and Replacements Fund and rolled the reoccurring regular operational expenses into the User Charge Fund. Significant capital assets that need replacement on as-needed basis are now within the User Charge Fund as supplemental capital purchases. These assets are not normally critical to operations and can be budgeted only when funds are available. The list for available supplemental capital purchases for FY 2027 are presented in the list above.

5.8 Operational Overview of Expenses

The operations expenses have steadily increased since FY 2021. Up to FY 2021, such costs have been kept low forced by a low cash flow level. FY 2027's expenses have increased significantly when necessary repairs and replacements can no longer wait without causing alarming level of loss in pipeline and equipment integrity. In addition, these expenses continue to show the high electricity costs for the UV system throughout the period.



5.9 Historical Comparison of Operational Revenues to Expenses

The following graphs show actual revenues and expenses during the last ten years.

June 30	Operating Revenues		
	Total Operating Revenues	Total Non-Operating Revenues	Total Revenues
2025	\$ 27,086,919	\$ 3,785,748	\$ 30,872,667
2024	26,032,969	11,596,004	37,628,973
2023	22,526,945	3,544,228	26,071,173
2022	20,034,734	2,866,106	22,900,840
2021	17,167,525	8,079,931	25,247,456
2020	15,457,755	3,109,947	18,567,702
2019	14,649,380	3,665,387	18,314,767
2018	14,696,537	5,317,638	20,014,175
2017	13,655,631	9,797,819	23,453,450
2016	12,305,439	14,416,430	26,721,869

June 30	Operating Expenses						Total Non-Operating Expenses	Combined Expenses
	Personnel	Maintenance	Operations	Administration	Depreciation and amortization	Total Operating Expense		
2025	\$ 8,796,451	\$ 4,197,163	\$ 6,083,038	\$ 3,692,533	\$ 11,723,518	\$ 34,492,703	\$ 845,482	\$ 35,338,185
2024	8,231,633	3,341,765	5,243,011	3,433,454	11,750,941	32,000,804	907,553	32,908,357
2023	5,918,603	3,147,505	4,535,689	2,844,351	11,555,695	28,001,843	946,112	28,947,955
2022	7,522,816	2,481,215	3,971,404	2,924,297	11,327,026	28,226,758	1,219,005	29,445,763
2021	5,951,923	1,905,014	3,481,013	2,181,361	11,225,596	24,744,907	1,086,729	25,831,636
2020	5,988,422	1,808,505	3,176,174	2,478,592	11,565,945	25,017,638	2,735,887	27,753,525
2019	5,011,708	1,880,448	2,928,704	2,162,267	11,519,264 *	23,502,391	1,255,633	24,758,024
2018	4,813,879	1,654,791	2,877,169	1,783,254	9,429,914 *	20,559,007	1,937,435 *	22,496,442
2017	4,435,790	1,936,625	2,444,093	2,087,840	7,900,370	18,804,718	1,555,468	20,360,186
2016	5,090,845	1,892,127	2,359,892	1,831,796	6,645,579	17,820,239	1,214,952	19,035,191

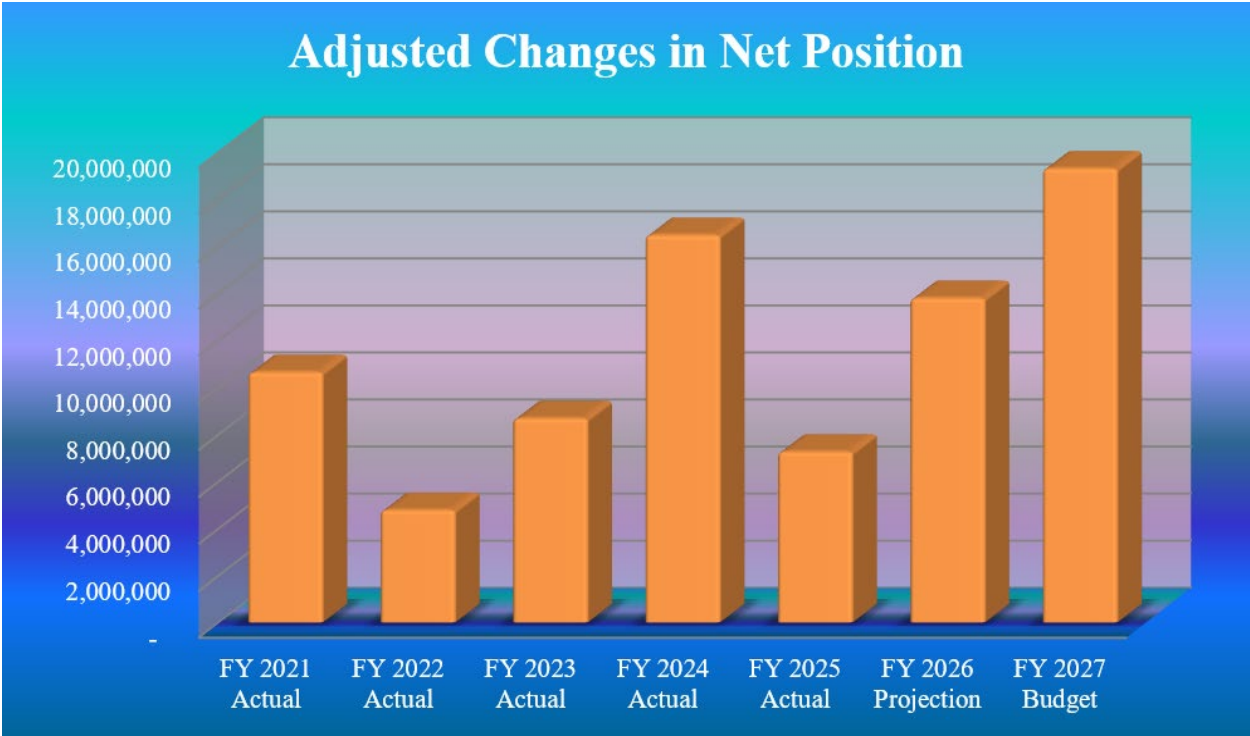


5.10 Changes in Net Position

The table below shows adjusted changes in net position. The graph below shows the fluctuation of adjusted changes in net position during FY 2021 through FY 2027, or the total revenues over total expenses. Connection fee revenues have slightly decreased from \$2,966,707 in FY 2021 to \$2,635,922 in FY 2022 and further decreased to \$2,191,433 in FY 2025. On the other hand, the operating expenses have increased by 68%, from \$13,471,326 in FY 2021 to \$22,633,387 in FY 2025. This increase in operating expenses is largely due to inflation and global supply chain issues. Grant revenues are recorded in ACFR but most of the related construction costs are recorded in a construction in progress, excluded from expenses. For fair comparison purposes, the actual net positions from FY 2021 to 2025 are adjusted by adding back the grant related capitalized expenses and adding non-cash depreciation and amortized interest expenses. Please see detailed discussions on capital improvement projects anticipated during FY 2027 at sections 6.1, 6.2, and 6.3.

FY = Fiscal Year	Beginning Net Position	Changes in Net Position per ACFR *=Per Budget	Ending Net Position	Grants CIP/Interest Amortization and Depreciations Expense	Adjusted Changes in Net Position	Adjusted Ending Net Position*
FY 2021 Actual	110,636,886	(584,180)	110,052,706	11,225,596	10,641,416	121,278,302
FY 2022 Actual	110,052,706	(6,544,923)	103,507,783	11,327,026	4,782,103	114,834,809
FY 2023 Actual	103,507,783	(2,876,782)	100,631,001	11,555,695	8,678,913	112,186,696
FY 2024 Actual	100,631,001	4,720,616	105,351,617	11,750,941	16,471,557	117,102,558
FY 2025 Actual	105,351,617	(4,465,518)	100,886,099	11,723,518	7,258,000	112,609,617
FY 2026 Projection	100,886,099	13,792,598	114,678,697	-	13,792,598	114,678,697
FY 2027 Budget	114,678,697	19,300,014	133,978,711	-	19,300,014	133,978,711

*Note: Adjusted Ending Net Position = Beginning Net Position + Adjusted Changes in Net Position



Source: VWRA FY = Fiscal Year ended June 30



6 Financial Information Capital Projects

6.1 Capital Improvement Program FY 2027



2024-2033

CAPITAL IMPROVEMENT PROGRAM

Prepared by Dudek Engineers

VVWRA's mission statement:

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

Collaboration, Dedication, and Integrity



Hesperia
CALIFORNIA



Introduction

The Victor Valley Wastewater Reclamation Authority (VWRA) facilities in Victorville, Hesperia, and Apple Valley are the largest advanced wastewater treatment facilities in the High Desert. The regional plant in Victorville has provided uninterrupted wastewater treatment and safeguarded public health and the environment since 1981. The sub regional facilities in Hesperia and Apple Valley came online in 2022. The production and discharge of clean recycled water to Member agency irrigation customers, and discharge into the Mojave River and delivered for beneficial use, contributes to diverse and thriving wildlife ecosystems.

Much of the VWRA's infrastructure is functioning well beyond its intended use. A 5-year Capital Improvement Program (CIP) was developed as part of the rate study that was approved in March of 2026. This comprehensive 5-year Capital Improvement Program (CIP) was developed to guide long-term modernization and rehabilitation efforts. This investment is essential to ensure VWRA can continue delivering reliable, state-of-the-art treatment services that support the High Desert's quality of life and economic vitality. Through the CIP, VWRA is systematically rebuilding critical infrastructure and incorporating innovative, efficient treatment technologies to meet the evolving needs of the region.

The Authority's Capital Improvement Program (CIP) incorporates projects that support the objectives of the 2026 Local Hazard Mitigation Plan by improving infrastructure resiliency, reducing operational vulnerabilities, and maintaining continuity of essential wastewater services. Planned capital investments address identified risks associated with flooding, earthquake activity, climate change-induced drought, wildfire, and severe storm events. Key projects include interceptor protection improvements, potable water systems reliability enhancements, rehabilitation of critical facilities, treatment process upgrades, and infrastructure modernization efforts. These investments are intended to reduce the likelihood of service disruptions, protect public health and the environment, and ensure the long-term sustainability of wastewater treatment and recycled water services throughout the Victor Valley Region.

Capital Improvement Program (CIP) Process

The CIP was prepared as part of the annual budget and in accordance with VWRA's approved rate study model. VWRA staff worked closely with our rate consultant, to identify the capital projects needed to carry out the goals of the Authority and determine cost estimates and how resources will be allocated to accomplish the work.

Management of the CIP can be summarized by the following process:



Development and update of the CIP represents the Project Identification stage of the CIP process. The following sections further define each stage of the CIP delivery process.

Project Identification

CIP projects are identified to address a need, typically associated with one of five priority triggers:

1. **Growth**: Improvements are required to provide service to a growing population and/or businesses, driven by an increase in the number of customer connections.
2. **Regulatory**: Improvements are required to meet current and/or future regulatory requirements related to effluent water quality, recycled water, air quality, codes and standards updates, and other regulatory factors.
3. **Asset Failure**: Improvements are required to address a risk of asset or facility failure due to condition, obsolescence, changing conditions, and other factors that affect the performance and reliability of operating equipment and facilities.
4. **End of Life**: Improvements are required to address assets that are nearing their end of usage.
5. **Operations Performance**: Improvements are required to increase the efficiency of wastewater treatment processes

When a project need is identified, staff will work with selected engineering firms to develop a preliminary project concept and description, cost estimate, identify funding sources, priority/schedule considerations, and incorporate the project into the CIP. Projects are developed and prioritized to meet Member Agencies' expectations for reliability and water quality, existing and emerging regulatory requirements, and public safety, taking into consideration the age, condition, and criticality of each asset and facility.

Based on the CIP schedule and available funding, the project will eventually advance to the planning stage.

Planning

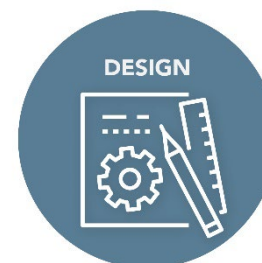
All CIP projects require planning to further evaluate and confirm the project scope of work, schedule, evaluate alternatives, and document and address environmental, permitting, and design criteria. Depending on the facility needs, size, complexity, and schedule requirements, staff will work closely with consultant engineers and other industry experts to effectively plan projects in the CIP. This process typically begins with VVWRA staff either completing the required planning internally for smaller, simple projects or working with consultants to prepare technical studies, alternatives analyses, cost estimates, environmental documentation, and/or other planning work required to support the subsequent design and construction of improvements. These planning efforts will either be included as part of a larger design and construction CIP project, or as a standalone CIP project.



The planning stage also includes funding. VVWRA staff will seek grant funding or special financing opportunities in addition to allocating funds from user charges or connection fees to complete the project.

Design

Following the planning stage, VVWRA staff will contract with a qualified consultant to prepare engineering design plans, specifications, and estimates for the construction of facility improvements to address the project needs. Staff review progress submittals and provide Operations and Maintenance input into the design, which helps increase the project success rate and extends the lifecycle of the project.



Environmental documentation, permitting, and special funding agreements, as applicable, will also be completed and/or finalized during the design stage of the project when project-specific details are confirmed.

Construction

Upon completion of project design bid documents, VVWRA staff will advertise the project with a public bid by qualified contractors. Depending on the funding sources for the project, special provisions may be included in the bid documents. VVWRA administers the project during the construction with the support of construction managers, inspectors, and engineers who review the contractor's work



to verify that the work completed is of a high quality and the correct materials and equipment are installed.

Alternative Project Delivery Methods

In some cases, alternative project delivery methods may be utilized by VVWRA staff if the traditional project delivery process is unable to satisfy the needs of the project, or the alternative delivery method provides unique advantages over a traditional process. Examples of project delivery methods may include:

- **Design-Build:** Design-Build is a delivery method where the Design and Construction of a project are completed by a single Contractor and Engineer team working together. Advantages of this delivery method can include a faster delivery schedule; however, trade-offs can include less control for VVWRA on the finished product.
- **Public-Private-Partnership (P3):** P3 projects are a delivery method where the agency (VVWRA) enters an agreement with a private entity to provide the full project delivery, including planning, design, construction, financing, operation, and maintenance of the new facilities. An example of P3 delivery method is VVWRA's ongoing relationship with Anaergia.

Capital Projects Pay as You Go Strategy

In FY 2027, VVWRA staff continue to advance the Capital Improvement Program (CIP) initiated in FY 2020. The proposed capital project list for FY 2027 reflects extensive analysis and planning, with each project evaluated through prior studies and incorporated into the five-year rate study approved by the Board in March 2026. As part of that study, the Board determined that securing additional financing would help stabilize future rate adjustments while providing critical support for

long-term infrastructure investments. Accordingly, a loan estimated between \$15 million and \$17 million will be pursued following approval of the FY 2027 budget, with final allocations brought forward during the Mid-Year Budget Adjustment.

Both required and unrestricted reserve balances are included in the FY 2027 operating and capital budgets to provide transparency regarding the use of excess reserves for capital funding. These combined resources, user revenues, reserves, connection fees, and anticipated loan proceeds allow VVWRA to support a diverse portfolio of capital needs. Smaller maintenance and capacity-related projects are proposed for full funding, while larger initiatives are partially funded to support preliminary engineering work, design, or phased implementation. Total



proposed funding for FY 2027 capital improvements is approximately \$17.5 million, inclusive of projected user charges, loan proceeds, and connection fee revenues.

With the new rates approved in March 2026 and scheduled to take effect July 1, 2026, the Authority is now allocating all available funds above debt service, operational expenses, and required reserves to advance essential capital work. The planned loan will provide a stable source of capital over the next five years, ensuring major projects can move forward without creating disproportionate annual rate impacts. This balanced financial approach strengthens VVWRA's ability to address immediate infrastructure needs while supporting long-term system reliability.

To ensure future investments remain coordinated and strategically aligned, the Authority is developing a long-term Strategic Vision Plan that will identify capital requirements for the next fifty years. Workshops with the Board of Commissioners and Member Agency engineering and finance teams are already underway, developing a unified path forward. This effort will serve as the foundation for a new CIP, being developed in parallel with updates to the Joint Powers Authority (JPA) agreement. The Strategic Vision Plan is projected for Board approval in FY 2027. A comprehensive financial analysis will also be incorporated into this study to help stabilize long-term capital spending and identify future funding and grant opportunities.

Together, these financial and planning initiatives provide a comprehensive and forward-thinking framework to ensure VVWRA continues to meet the service, reliability, and capacity expectations of its Member Agencies. By aligning funding strategies, long-term planning, and collaborative input, the Authority is strengthening the region's wastewater infrastructure and ensuring equitable, sustainable service for decades to come.

Funding Opportunities

To fund the CIP, VVWRA has identified several funding sources.

1. User Fees and/or Connection Fees
2. Clean Water State Revolving Fund (CWSRF) administered by the State Water Resources Control Board Division of Financial Assistance: Funding application is comprised of four separate applications (General, Environmental, Financial and Technical), supporting documents are required for the four applications. Typically takes 20-24 months to obtain approval.
3. Title XVI Water Reclamation and Reuse Program - Water SMART: Water Recycling and Desalination Planning administered by the United States Bureau of Reclamation
 - a. Typically takes 9-12 months to obtain approval.
 - b. The VVWRA project under the Title XVI feasibility study would be per the Reclamation Manual Directives and Standards (D&S), Title XVI Water Reclamation and Reuse Program and Desalination Construction Program

Feasibility Study Review Process (WTR 11-01) (Reclamation Feasibility Study D&S).

- c. Once this approved USBR then the project could apply for funding for construction under the Title XVI WIIN Program.
4. Water Infrastructure Finance and Innovation Act (WIFIA) administered by the United States Environmental Protection Agency
 - a. VVWRA should submit a complete application within 1 year of invitation to apply for due diligence by US EPA to begin.
 - b. EPA will complete Credit Due Diligence, Legal Due Diligence and Technical Due Diligence.
 - c. The VVWRA project under the Title XVI feasibility study would be per the Reclamation Manual Directives and Standards (D&S), Title XVI Water Reclamation and Reuse Program and Desalination Construction Program Feasibility Study Review Process (WTR 11-01) (Reclamation Feasibility Study D&S).
 - d. Once this approved USBR then the project could apply for funding for construction under the Title XVI WIIN Program.
5. Water Recycling Funding Program - Planning Grant administered by the State Water Resources Control Board Division of Financial Assistance:
 - a. VVWRA should submit a complete application within 3 months before issuance of an RFP to complete the Recycled Water Feasibility Study.
 - b. VVWRA might want to change the scope of work to match U.S. Bureau of Reclamation Manual WTR 11-01.
 - c. The effort to complete the grant is minor.





Feasibility and Development

During the planning phases for most large public works projects, VVWRA undertakes feasibility and development studies to complete project scoping, find project alternatives and complete conceptual designs.

Currently VVWRA is completing or planning several feasibility studies:

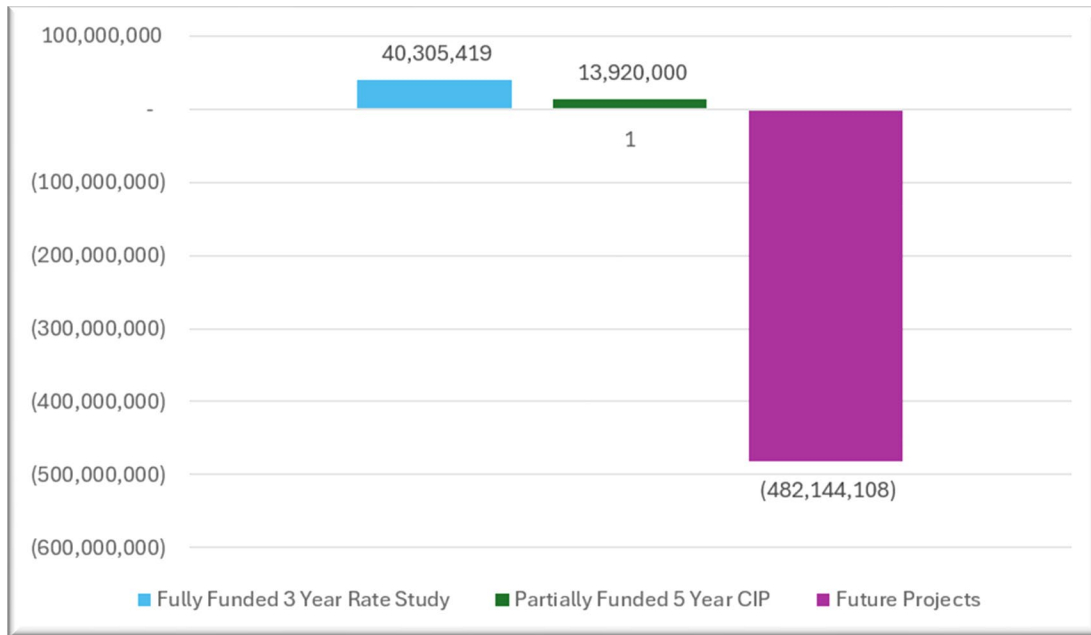
Study	Phase	Estimated date of completion
Sidestream Technology Evaluation	Feasibility Study	07/31/2025
Return Activated Sludge (RAS) Motor Control Center	Feasibility Study	01/26/2026
Anammo Nitrogen Removal	30% Design	07/01/2026
New Boiler Replacement	30% Design	07/01/2026
Potable Connection to the City of Victorville	Final Design	12/31/2026
Ossum Wash CEQA Determination	Feasibility / Environmental Review	12/31/2026
Facility Master Plan	Planning Study	03/31/2027



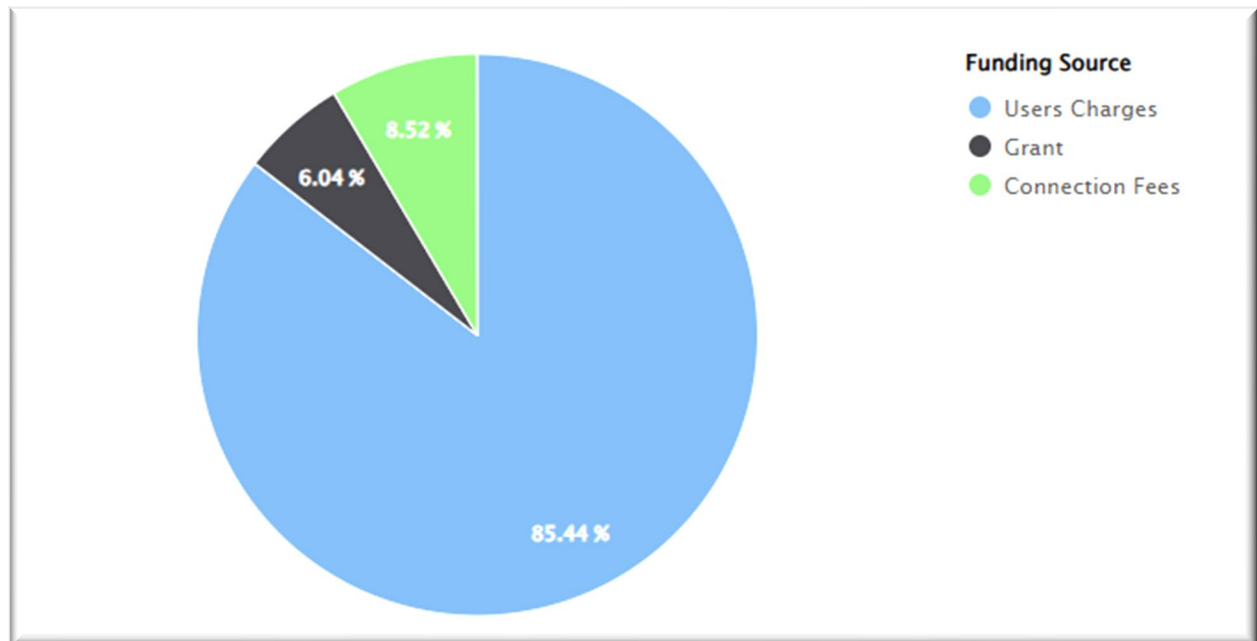
Projects Obligations Balance

Category	2026	2027	2028	2029	2030	2031	Funding Total	Total Expenditures	Funding Balance
Collection Systems Projects									
Interceptor Capacity Upgrade	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -
Oro Grande Pump Station Relocation Project	\$ -	\$ -	\$ 5,220,495	\$ -	\$ -	\$ -	\$ 5,220,495	\$ 5,513,340	\$ 0
Ossum Wash Repair	\$ 79,517	\$ 220,483	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 2,300,000	\$ 2,381,323	\$ -
Rehabilitation of South Apple Valley Manholes Hwy 18	\$ 200,000	\$ -	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,200,000	\$ 2,200,000	\$ -
Collection Systems Projects Total	\$ 279,517	\$ 520,483	\$ 6,720,495	\$ 1,500,000	\$ 500,000	\$ 500,000	\$ 10,020,495	\$ 10,394,663	\$ 0
Facility Projects									
Admin Building Design and Rehabilitation and New Lab Building	\$ 125,000	\$ 5,655,000	\$ 3,000,000	\$ -	\$ -	\$ -	\$ 8,780,000	\$ 9,383,527	\$ (0)
Mojave Narrows Resource Recovery Facility/Hesperia Parallel Int	\$ 900,001	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 900,001	\$ 964,800	\$ -
New Boiler Installation	\$ -	\$ -	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ 2,000,000	\$ 2,000,000	\$ -
Regional Plant Facilities Master Plan	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 550,000	\$ (250,000)
Regional Plant Potable Connection to the City of Victorville	\$ 31,000	\$ 369,000	\$ 3,000,000	\$ 500,000	\$ -	\$ -	\$ 3,900,000	\$ 4,037,721	\$ (0)
Strategic Vision Plan Project	\$ 175,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -
Facility Projects Total	\$ 1,231,001	\$ 6,449,000	\$ 7,000,000	\$ 1,500,000	\$ -	\$ -	\$ 16,180,001	\$ 17,236,048	\$ (250,001)
Technology Projects									
PLC Replacement Project Phase 5	\$ 87,356	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,356	\$ 2,198,537	\$ 0
Regional Plant Emergency Generators Controls Upgrade	\$ 679,293	\$ 114,441	\$ -	\$ -	\$ -	\$ -	\$ 793,734	\$ 793,734	\$ -
Regional Plant MCC Modernization	\$ 237,265	\$ 1,761,000	\$ 920,000	\$ 920,000	\$ 920,000	\$ -	\$ 4,758,265	\$ 4,996,621	\$ -
Sludge and Aeration Valve Assembly Replacement	\$ 345,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 345,000	\$ 345,000	\$ -
Technology Projects Total	\$ 1,348,914	\$ 1,875,441	\$ 920,000	\$ 920,000	\$ 920,000	\$ -	\$ 5,984,355	\$ 8,333,892	\$ 0
Treatment Process Projects									
Ammonia Based Control	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ 3,000,000	\$ 3,000,000	\$ -
Anammox Nitrogen Removal	\$ 345,000	\$ 6,000,000	\$ -	\$ -	\$ -	\$ -	\$ 6,345,000	\$ 19,775,000	\$ (13,300,000)
Biosolids Master Plan	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -
Regional Plant Headworks Repair	\$ 500,000	\$ 2,400,000	\$ -	\$ -	\$ -	\$ -	\$ 2,900,000	\$ 2,900,000	\$ -
UV Standardization	\$ -	\$ -	\$ -	\$ 1,200,000	\$ 6,000,000	\$ 6,000,000	\$ 13,200,000	\$ 13,200,000	\$ -
Treatment Process Projects Total	\$ 845,000	\$ 8,700,000	\$ 1,500,000	\$ 2,700,000	\$ 6,000,000	\$ 6,000,000	\$ 25,745,000	\$ 39,175,000	\$ (13,300,000)
Total	\$ 3,704,432	\$ 17,544,924	\$ 16,140,495	\$ 6,620,000	\$ 7,420,000	\$ 6,500,000	\$ 57,929,851	\$ 75,139,603	\$ (13,550,000)

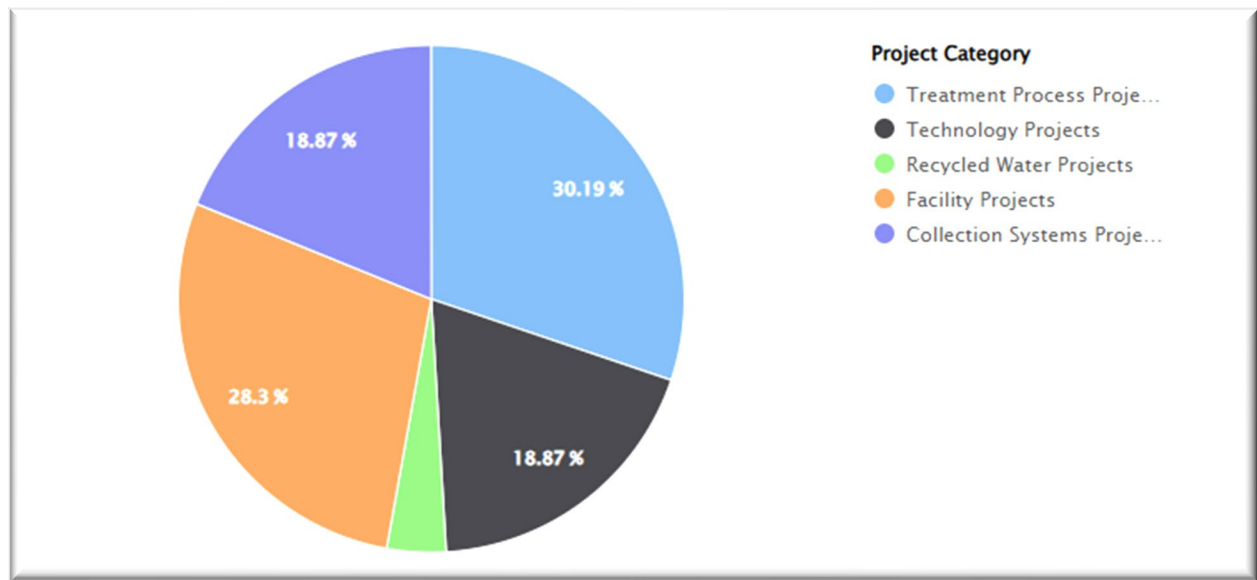
Funded vs. Unfunded



Projects by Funding Source



Number of Projects by Category





6.2 Capital Project Details Sheets

Category	Total Anticipated Expenditures	Funding Status as of FY 2027	Project Trigger
Collection Systems Projects			
Lower Narrows Lift Station	\$ 44,200,000	Unfunded	Growth
Upper Narrows Parallel Interceptor	\$ 44,100,000	Unfunded	Growth
Hesperia Parallel Interceptor	\$ 32,000,000	Unfunded	Growth
Decommissioning and Demolition of Abandoned Nanticoke Pump Station	\$ 1,000,000	Unfunded	End of Life
Collection Systems Projects Total	\$ 121,300,000		
Facility Projects			
Mojave Narrows Resource Recovery Facility/Hesperia Parallel Interceptor	\$ 275,000,000	Unfunded	Growth
UV Generator Tie-in to South Percolation Pond Pump Station	\$ 549,000	Unfunded	Operations Performance
Regional Plant Emergency Power Replacement Project	\$ 36,129,108	Unfunded	End of Life
Regional Plant Warehouse and Campus Design	\$ 1,367,000	Unfunded	Growth
Regional Plant Stormwater Spill Containment System	\$ 400,000	Unfunded	Operations Performance
Aqua Diamond Filters Enclosure	\$ 200,000	Unfunded	Asset Failure
Facility Projects Total	\$ 313,645,108		
Recycled Water Projects			
Mojave Basin One Water Project	\$ 300,000	Unfunded	Operations Performance
Recycled Water Master Plan	\$ 300,000	Unfunded	Growth
Recycled Water Projects Total	\$ 300,000		
Technology Projects			
Energy Efficiency Project	\$ 1,000,000	Unfunded	Operations Performance
Technology Projects Total	\$ 1,000,000		
Treatment Process Projects			
Regional Plant Headworks Replacement	\$ 20,000,000	Unfunded	Asset Failure
Septage Receiving Station Relocation	\$ 1,300,000	Unfunded	Operations Performance
Regional Plant UV Replacement Engineering Services	\$ 8,800,000	Unfunded	Operations Performance
Regional Filter Effluent Channel Pump Station	\$ 224,000	Unfunded	Regulatory
Hesperia Subregional Plant Membrane Replacement	\$ 875,000	Unfunded	Operations Performance
Odor Mitigation at Subregionals	\$ 1,500,000	Unfunded	Regulatory
Biosolids Dewatering and Handling	\$ 13,200,000	Unfunded	Operations Performance
Treatment Process Projects Total	\$ 45,899,000		
Total	\$ 482,144,108		

PROJECT # R177

PROJECT NAME: Rehabilitation of South Apple Valley Manholes Hwy 18

Department:	Environmental Compliance
Project Year:	2026
Project Type:	Improvements
Project Category:	Collection Systems Projects
Cost Estimate:	\$2,500,000
Location:	Interceptors



Project Description:

In 2019, VVWRA performed a CCTV condition assessment of 61 manholes along Highway 18 in Apple Valley, the results show severe corrosion of a large number of manholes due to high Sewer Gas H₂S. This project will repair or replace any damaged manholes in order to continue maintaining this important interceptor.

Project Justification:

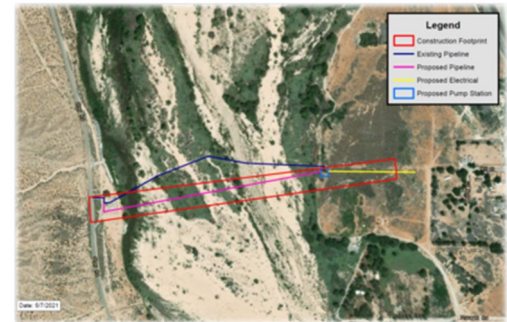
The manholes and associated sewer segments along Highway 18 in South Apple Valley are experiencing degradation from age, hydrogen sulfide corrosion, and traffic loading. As critical access points to a major interceptor under a state highway, failure of these structures could result in surcharging, surface collapse, or an SSO in a heavily traveled corridor where bypassing and emergency repairs are very difficult and costly. Rehabilitation will restore structural integrity, stop infiltration and inflow, and protect the highway and adjacent properties, all while extending the life of existing assets at a fraction of replacement cost. Addressing these manholes now is a targeted way to reduce risk and preserve capacity in an area that will continue to grow.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$200,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$2,200,000
Total	\$200,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$2,200,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$200,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$2,200,000
Total	\$200,000	\$0	\$500,000	\$500,000	\$500,000	\$500,000	\$2,200,000

PROJECT # C126**PROJECT NAME: Oro Grande Pump Station Relocation Project**

Department:	Engineering and Construction
Project Year:	2026
Project Type:	Infrastructure
Project Category:	Collection Systems Projects
Cost Estimate:	\$5,367,656
Location:	Interceptors

**Project Description:**

The new pipeline will replace the existing Oro Grande gravity interceptor. The existing pipeline runs across the Mojave River with several manholes out in the channel. The replacement would put a pump station on the Oro Grande side (east side) of the river and a force main installed in a micro-tunneled pipe below the river. There would be no manholes and the pipe would be below the scour depth of the river to minimize the risk of failure and spill.

Project Justification:

The Oro Grande Pump Station and its associated pipelines are more than 40 years old and currently cross beneath the Mojave River in a location that is difficult to access and maintain. Condition assessments documented extensive cracking and infiltration in the vitrified clay pipe and severe corrosion and obstructions in the VCP pipe under the river, creating a high risk of structural failure and sanitary sewer overflows directly to the river. The Preliminary Engineering Report recommends replacing the failing river crossing and relocating the pump station and pipeline out of the active scour zone, which will greatly reduce environmental, regulatory, and financial risk to the Authority and its Member Agencies. Advancing this project now addresses a clearly documented high-risk asset before an emergency failure forces a far more costly and disruptive response.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grant	\$0	\$0	\$2,500,000	\$0	\$0	\$0	\$2,500,000
Connection Fees	\$0	\$0	\$2,720,495	\$0	\$0	\$0	\$2,720,495
Total	\$0	\$0	\$5,220,495	\$0	\$0	\$0	\$5,220,495

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Design Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$5,220,495	\$0	\$0	\$0	\$5,220,495
Total	\$0	\$0	\$5,220,495	\$0	\$0	\$0	\$5,220,495

PROJECT # R170

PROJECT NAME: Ossum Wash

Department:	Engineering and Construction
Project Year:	2026
Project Type:	Rehabilitation
Project Category:	Collection Systems Projects
Cost Estimate:	\$2,300,000
Location:	Interceptors



Project Description:

The Victor Valley Wastewater Reclamation Authority (VWRA) is concerned about the stability of its two gravity sewer pipelines (36-inch and 42-inch diameter) crossing the Ossum Wash. These pipelines, which carry approximately 75% of VWRA Regional Plant influent flow daily, have become dangerously exposed after recent heavy rains caused significant erosion, leaving only a few feet of protective cover. VWRA fears that further erosion from future storms could lead to pipeline damage and a sewage spill due to debris or bedload in the wash. To prevent this, we are proposing emergency improvements to the wash.

The proposed work will focus solely on reinforcing the Ossum Wash to protect the existing pipelines from future erosion and potential damage. No work will be done directly on the pipelines themselves.

Project Justification:

The interceptor crossing at Ossum Wash is a critical trunk sewer that is exposed to high storm flows, erosion, and scour. The Ossum Wash Repair plans show the need for structural armoring, grouted rock lining, and toe-down protection to stabilize the channel and protect the existing 36-inch RCP sewer and associated infrastructure. Without these improvements, a major storm event could undermine or expose the pipe, leading to a catastrophic line break, significant spill, and costly emergency repair in a difficult access area. Completing the Ossum Wash project now will protect a key interceptor segment, maintain system reliability, and avoid both environmental damage and regulatory penalties associated with a potential failure.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$79,517	\$220,483	\$1,000,000	\$1,000,000	\$0	\$0	\$2,300,000
Total	\$79,517	\$220,483	\$1,000,000	\$1,000,000	\$0	\$0	\$2,300,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$2,000,000
Design	\$79,517	\$220,483	\$0	\$0	\$0	\$0	\$300,000
Total	\$79,517	\$220,483	\$1,000,000	\$1,000,000	\$0	\$0	\$2,300,000

PROJECT # R157

PROJECT NAME: Regional Plant Potable Connection to City of Victorville

Department:	Engineering and Construction
Project Year:	2027
Project Type:	Infrastructure
Project Category:	Facility Projects
Cost Estimate:	\$3,699,510
Location:	Regional Plant



Project Description:

This project will look to address the potable water concerns that exist at the VVWRA regional plant. Today the regional plant utilizes two onsite water wells for its potable source of supply. This water, though used as a potable supply, is not drinkable due to existing water quality issues. In addition to the poor quality of water, VVWRA staff is asked to treat this supply and delivery as if it were a small rural water system because this water is also delivered to our land lease partners, American Organics and Anaergia. These operational tasks are burdensome and take up a good amount of time that should be spent on VVWRA core operations. Other projects to treat this water have been evaluated and have shown to be costly and add more complexity to the operation of the system. This proposed project would look to connect the VVWRA regional plant with a potable water pipeline from the City of Victorville. This solution would provide a drinkable potable supply and would eliminate VVWRA staff operations to operate this small rural water system.

Project Justification:

VVWRA currently relies on two onsite groundwater wells to supply potable water to the Regional Plant and American Organics. These wells sit immediately adjacent to wastewater facilities and have repeatedly drawn concern from the Regional Water Board for borderline compliance with drinking-water standards. Beyond the physical risk, maintaining VVWRA's small water system carries significant regulatory and administrative burdens, including routine bacteriological sampling, Title 22 monitoring, consumer confidence reporting, cross-connection control documentation, and strict inspection and corrective action requirements. These responsibilities continue to grow in complexity and cost as drinking water regulations evolve. The feasibility study confirms that continued use of the wells would also require substantial rehabilitation and possibly the installation of a treatment system, adding even more ongoing operational and compliance obligations.

Constructing a new potable water pipeline to the City of Victorville's distribution system eliminates these risks and obligations by shifting VVWRA from a regulated small water system operator to a water customer served by a fully permitted municipal supplier. The project includes approximately one mile of 12-inch transmission main from the City's 18-inch waterline, a PRV station, separate meters for VVWRA and American Organics, and hydrants needed to meet the required fire flow for the American Organics facility. This improvement also ensures a reliable supply for future potable demands associated with Anaergia and other plant enhancements. Moving to Victorville's potable water system strengthens regulatory compliance, ensures a safe and dependable water source, removes long-term liability tied to well operation, and reduces staff workload tied to drinking water reporting. Completing this project now

provides operational certainty while allowing VVWRA to incorporate stable potable water costs into long-term budgeting and facility master planning.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Connection Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grant	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000
Users Charges	\$31,000	\$369,000	\$2,000,000	\$500,000	\$0	\$0	\$2,900,000
Total	\$31,000	\$369,000	\$3,000,000	\$500,000	\$0	\$0	\$3,900,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Design Engineering	\$31,000	\$369,000	\$0	\$0	\$0	\$0	\$400,000
Construction	\$0	\$0	\$3,000,000	\$500,000	\$0	\$0	\$3,500,000
Total	\$31,000	\$369,000	\$3,000,000	\$500,000	\$0	\$0	\$3,900,000

PROJECT # R149

PROJECT NAME: Admin Building Design and Rehabilitation and New Lab Building

Department:	Administration
Project Year:	2026
Project Type:	Buildings
Project Category:	Facility Projects
Cost Estimate:	\$3,415,400
Location:	Regional Plant



Project Description:

The original administrative building has not been used as an office space for VVWRA staff since 2007. This project will look to fund the necessary clean-up and demolition of the internal walls of the facility. Other funds will be used to develop a feasibility study for future repurposing the building for a new administrative and laboratory facility. New laboratory facility must be completed in order to begin refurbishment of current building.

Project Justification:

Per the directive from the VVWRA Board of Commissioners, VVWRA need to mitigate the significant operations and lease cost of the temporary mobile office building. The Board asked management to perform rehabilitation to the old administration building and to make necessary improvements to place the old administration building back in service.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$125,000	\$5,655,000	\$3,000,000	\$0	\$0	\$0	\$8,780,000
Connection Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$125,000	\$5,655,000	\$3,000,000	\$0	\$0	\$0	\$8,780,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$125,000	\$5,655,000	\$3,000,000	\$0	\$0	\$0	\$8,780,000
Design Engineering	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$125,000	\$5,655,000	\$3,000,000	\$0	\$0	\$0	\$8,780,000

PROJECT # R176**PROJECT NAME: Strategic Vision Plan Project**

Department:	Administration
Project Year:	2025
Project Type:	Improvements
Project Category:	Facility Projects
Cost Estimate:	\$300,000
Location:	VVWRA Service Area

**Project Description:**

The Strategic Vision Plan aims to identify the essential projects required to be operated by the Victor Valley Wastewater Reclamation Authority (VVWRA) over a 50 to 100-year horizon, by which time the region and service area are expected to be fully developed, with a significantly expanded sewer service coverage within our member agency communities. Based on projections, wastewater flow rates at full build-out are anticipated to exceed fifty million gallons per day. VVWRA will need to expand its infrastructure to provide comprehensive wastewater treatment services across all Member Agencies, while ensuring equitable access, reliability, and availability of recycled water for the benefit of these communities. The plan will include detailed considerations of project locations and preliminary designs regarding size and capacity, as well as a phased timeline for construction aligned with the evolving demands for treatment capacity and recycled water usage.

Project Justification:

The justification for the Strategic Vision Plan is to have the service areas' infrastructure stay ahead of the growth that is expected to happen over the next 50-100 years.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Connection Fees	\$175,000	\$125,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$175,000	\$125,000	\$0	\$0	\$0	\$0	\$300,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Administration and Legal	\$175,000	\$125,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$175,000	\$125,000	\$0	\$0	\$0	\$0	\$300,000

PROJECT # TBD

PROJECT NAME: Regional Plant Facilities Master Plan

Department:	Operations and Maintenance
Project Year:	FY 2027
Project Type:	Buildings
Project Category:	Facility Projects
Cost Estimate:	TBD
Location:	Regional Plant



Project Description:

The VVWRA Regional WWTP Facilities Master Plan is a long-term strategy for maintaining and upgrading the wastewater treatment plant facilities, buildings and structures. It assesses current facilities, forecasts future needs, ensures compliance with regulations, and outlines a schedule for improvements. The plan helps keep the plant reliable, efficient, and ready to serve the community as it grows.

Project Justification:

VVWRA's solids handling system, including the digesters, sidestream treatment, gravity belt thickener, and solar drying beds, is facing increasing pressure from higher loading, aging infrastructure, and evolving regulatory expectations. The sidestream evaluation completed by Black & Veatch shows that filtrate from thickening alone contributes nearly 30 percent of the plant's total nitrogen load, and that future process changes, such as upgraded dewatering technologies, will significantly affect both flows and nutrient loads. A facility master plan is a cornerstone of responsible utility management. It gives the agency a clear, data-driven roadmap for sequencing projects, aligning capital needs with available funding, and making sure that operational decisions support long-term strategy. The plan strengthens VVWRA's ability to communicate priorities to its Member Agencies, justify capital investments, and maintain fiscal transparency during the budget process. Completing this master plan now will prevent stranded investments, ensure the agency pursues the most cost-effective and sustainable solutions, and give VVWRA a solid foundation for capacity planning, staffing, rate forecasting, regulatory compliance, and organizational stability for the next 20 years.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Administration and Legal	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000

PROJECT # TBD**PROJECT NAME: New Boiler Installation**

Department:	Operations and Maintenance
Project Year:	2025
Project Type:	Equipment
Project Category:	Facility Projects
Cost Estimate:	\$2,000,000
Location:	Regional Plant

**Project Description:**

A boiler at VVWRA would be a critical component of the facility's energy and heating infrastructure. It is used to generate hot water, which supports various thermal processes within the wastewater treatment plant, including sludge digestion, heating of anaerobic digesters, and maintaining optimal temperatures for biological treatment processes.

Project Justification:

VVWRA's digesters and process heating systems currently depend on two sources of recovered heat: the CHP units, which have a history of reliability issues, and the internal combustion engine (ICE) blowers that are producing waste heat but are scheduled for replacement. As the agency moves toward modernizing the aeration system with electric blowers, that change will eliminate a major heat recovery source and remove an important layer of redundancy for the digester complex. A new, high-efficiency boiler is essential to provide a stable, stand-alone heat supply so that solids stabilization, odor control, and biogas production are not jeopardized during CHP downtime or after the ICE blowers are replaced. Securing dependable digester heating is central to maintaining consistent volatile solids reduction and supporting the sidestream characteristics that enable the anammox and biosolids strategies identified in recent studies. Advancing this boiler project now protects process stability and strengthens VVWRA's overall energy and solids-handling modernization plans.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$2,000,000
Total	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$2,000,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$2,000,000
Total	\$0	\$0	\$1,000,000	\$1,000,000	\$0	\$0	\$2,000,000

PROJECT # R163

PROJECT NAME: Regional Plant MCC Modernization

Department:	Electrical and Instrumentation
Project Year:	2026
Project Type:	Rehabilitation
Project Category:	Technology Projects
Cost Estimate:	\$5,000,000
Location:	Regional Plant



Project Description:

An Electrical System Condition Assessment will be performed in FY 24 and will provide the condition assessment report. Schneider Electric will complete the selected engineering assessment on the electrical distribution systems based on a walkthrough of all facilities. The assessment will be tailored toward equipment condition with recommendations for warranted upgrade/replacement and a comprehensive maintenance program outline for the following facilities. The Regional Plant, the Oro Grande Pump Station, the Hesperia Water Reclamation Subregional Plant, and the Hesperia Pump Station. The Apple Valley Water Reclamation Subregional Plant and the OTOE Pump Station. This assessment will also identify and provide long-term maintenance solutions, determine critical sites and provide prioritization, yield a Timeline for Capital Improvements, provide priority of recommended replacements and provide Arch Flash and coordination Studies requirements.

Project Justification:

Many of the Regional Plant's motor control centers (MCCs) date back several decades and are past their useful life, with obsolete components, limited fault-protection, and increasing failure rates. These MCCs feed critical process equipment such as influent pumps, blowers, and return sludge pumps, and unplanned failures can immediately impact treatment performance and compliance. Modernizing the MCCs will replace aging gear with current-code equipment that has available parts, improved arc-flash and operator safety features, and better integration with SCADA and energy-management systems. Doing this work proactively, rather than through emergency replacements, reduces outage risk, supports the DHI-recommended automation and energy-optimization efforts, and ensures the electrical backbone of the plant can reliably support future capacity and process upgrades.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Connection Fees	\$60,999	\$319,000	\$0	\$0	\$0	\$0	\$379,999
Users Charges	\$176,266	\$1,442,000	\$920,000	\$920,000	\$920,000	\$0	\$4,378,266
Total	\$237,265	\$1,761,000	\$920,000	\$920,000	\$920,000	\$0	\$4,758,265

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Prelim Design/Planning	\$237,265	\$1,761,000	\$920,000	\$920,000	\$920,000	\$0	\$4,758,265
Total	\$237,265	\$1,761,000	\$920,000	\$920,000	\$920,000	\$0	\$4,758,265

PROJECT # R174**PROJECT NAME: Regional Plant Emergency Generators Controls Upgrade**

Department:	Electrical and Instrumentation
Project Year:	2025
Project Type:	Equipment
Project Category:	Facility Projects
Cost Estimate:	\$822,446
Location:	Regional Plant

**Project Description:**

The Victor Valley Wastewater Reclamation Authority's (VWRA) wastewater treatment plant's 480V electrical system dates back to 1979, with much of the original equipment from that year. Subsequent upgrades and expansions in 2000, 2004, 2005, 2006-2009, 2011, and 2014 have resulted in a mix of newer and older components. While the plant has two standby generators and two cogeneration (Cogen) units, the generators are difficult to operate (requiring manual intervention and load shedding) and lack the capacity to fully support current or future electrical demands. The Cogen system is not intended for backup power during utility outages from Southern California Edison (SCE).

From October 2022 to November 2023, VWRA contracted Carollo Engineers to conduct a standby power study. The study assessed options for replacing the regional plant's current generators with a new system designed to meet present and anticipated future power demands. The new system's design will prioritize maintainability, reliability, safety, and ease of operation.

To maximize power system reliability, Carollo recommended installing a 2,750-kW standby generator, a load bank, and new switchgear. This solution is estimated to cost either \$36,129,108 (Option 1) or \$42,204,154 (Option 2), with the difference being the physical placement of the generators and switchgear.

Faced with the high cost of Carollo's recommended solution, VWRA staff investigated options to modernize the existing generators' controls and extend their lifespan by approximately 10 years. To this end, we consulted with experts from Graybar and Schneider Electric to review Carollo's Technical Memorandum and provide recommendations for upgrading the plant's current two emergency generators automation controls.

Project Justification:**Unreliable equipment**

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$679,293	\$114,441	\$0	\$0	\$0	\$0	\$793,734
Total	\$679,293	\$114,441	\$0	\$0	\$0	\$0	\$793,734

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$679,293	\$114,441	\$0	\$0	\$0	\$0	\$793,734
Total	\$679,293	\$114,441	\$0	\$0	\$0	\$0	\$793,734

PROJECT # R173

PROJECT NAME: Regional Plant Headworks Repair

Department:	Operations and Maintenance
Project Year:	2026
Project Type:	Rehabilitation
Project Category:	Treatment Process Projects
Cost Estimate:	\$1,000,000
Location:	Regional Plant



Project Description:

In 2023, VVWRA conducted a physical assessment of the headworks flowmeter upstream and downstream chambers. Severe corrosion was found, categorized as grade 5 under the MACP standards, requiring immediate repair. This project will fund the coating of these chambers and replacement of any damaged gates.

Project Justification:

The Regional Plant headworks is the first line of defense for the entire system, removing rags, grit, and debris before they damage downstream pumps, basins, and membranes. The facility has experienced significant structural and mechanical deterioration, including concrete damage and aging screening and grit-removal equipment, to the point where major repair is now required. Investing in a comprehensive headworks repair project will restore structural soundness, improve screening and grit removal reliability, and reduce wear and clogging in downstream processes, which in turn lowers O&M costs and helps maintain permit compliance. Completing this work as a planned repair rather than waiting for a failure provides better value and protects every subsequent treatment process at the plant.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Connection Fees	\$60,000	\$140,000	\$0	\$0	\$0	\$0	\$200,000
Users Charges	\$440,000	\$2,260,000	\$0	\$0	\$0	\$0	\$2,700,000
Total	\$500,000	\$2,400,000	\$0	\$0	\$0	\$0	\$2,900,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$500,000	\$2,400,000	\$0	\$0	\$0	\$0	\$2,900,000
Total	\$500,000	\$2,400,000	\$0	\$0	\$0	\$0	\$2,900,000

PROJECT # R175**PROJECT NAME: Anammox Nitrogen Removal**

Department:	Operations and Maintenance
Project Year:	2025
Project Type:	Improvements
Project Category:	Treatment Process Projects
Cost Estimate:	\$
Location:	Regional Plant

**Project Description:**

The Anammox Nitrogen Removal Project is a strategic initiative aimed at enhancing nitrogen removal efficiencies at the Victor Valley Wastewater Reclamation Authority Regional Facility by implementing the Anaerobic Ammonium Oxidation (Anammox) biological process. This cutting-edge treatment technology offers a sustainable and cost-effective alternative to conventional nitrification-denitrification by leveraging naturally occurring autotrophic bacteria that convert ammonium (NH_4^+) and nitrite (NO_2^-) directly into nitrogen gas (N_2) under anoxic conditions, without the need for an external carbon source.

Project Justification:

The current sidestream ammonia-stripping process is energy- and chemical-intensive and still sends a large nitrogen load back to the main plant, contributing to periodic effluent ammonia spikes and limiting how much high-strength organics (ADM) VVWRA can accept. The sidestream treatment evaluation found that anammox-based deammonification technologies (such as DEMON® or ANITA™Mox) can reliably remove at least 60% of sidestream nitrogen using existing tanks, with lower energy and chemical demand and less sludge production than conventional approaches. Implementing anammox sidestream treatment will free up mainstream biological capacity, improve compliance margins for nitrogen, and restore flexibility for co-digestion and biogas production, all while substantially lowering long-term operating costs. This project directly addresses documented permit-compliance risks and should be advanced in parallel with the biosolids planning effort.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$6,000,000	\$0	\$0	\$0	\$0	\$6,000,000
Connection Fees	\$345,000	\$0	\$0	\$0	\$0	\$0	\$345,000
Total	\$345,000	\$6,000,000	\$0	\$0	\$0	\$0	\$6,345,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Construction	\$0	\$6,000,000	\$0	\$0	\$0	\$0	\$6,000,000
Other	\$345,000	\$0	\$0	\$0	\$0	\$0	\$345,000
Total	\$345,000	\$6,000,000	\$0	\$0	\$0	\$0	\$6,345,000

PROJECT # TBD

PROJECT NAME: Biosolids Master Plan

Department:	Operations and Maintenance
Project Year:	FY 2027
Project Type:	Improvements
Project Category:	Treatment Process Projects
Cost Estimate:	\$300,000
Location:	Regional Plant



Project Description:

The Biosolids Master Plan is a long-term strategy for managing the biosolids (treated sewage sludge) produced at the VVWRA regional plant. It starts by assessing current conditions, including existing infrastructure, biosolids production rates, regulatory compliance, and operational costs.

The plan then projects future needs, considering population growth, anticipated regulatory changes, and the resulting demands on capacity. It evaluates various alternatives for processing biosolids (e.g., digestion, composting) and for their end-use or disposal (e.g., land application for beneficial reuse, energy recovery, landfilling). This evaluation considers sustainability, environmental impact, and cost-effectiveness.

Finally, the master plan will develop a strategic implementation plan. This includes recommending a preferred solution, outlining a capital improvement program with budgets and timelines, identifying operational improvements, and establishing monitoring protocols. The goal is to sustainably and effectively manage biosolids while ensuring environmental protection, regulatory compliance, and operational efficiency, often with a focus on resource recovery.

Project Justification:

Ensures Regulatory Compliance: It keeps the plant in line with strict federal, state, and local environmental regulations, avoiding costly fines and legal issues, and proactively addresses emerging concerns like PFAS.

Drives Sustainability & Resource Recovery: The plan identifies ways to beneficially reuse biosolids (e.g., as fertilizer) and generate renewable energy (like biogas), reducing waste and promoting a circular economy. This aligns with broader sustainability goals and current initiatives at facilities like Victorville's.

Boosts Operational Efficiency & Saves Money: By optimizing existing processes and planning future capital investments strategically, the plan helps reduce operating costs, chemical use, and energy consumption. It also ensures the plant has diverse, reliable options for managing biosolids.

Improves Public Relations: A well-executed plan minimizes odor issues and fosters community trust through transparent planning and engagement, showcasing the plant's commitment to environmental stewardship.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Administration and Legal	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Total	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000

PROJECT # TBD**PROJECT NAME: UV Standardization**

Department:	Operations and Maintenance
Project Year:	FY 2029
Project Type:	Equipment
Project Category:	Treatment Process Projects
Cost Estimate:	\$13,200,000
Location:	Regional Plant

**Project Description:**

This project establishes the planning, design, and construction effort necessary to replace the open-channel system with a modern UV disinfection system that improves energy use, reduces maintenance burdens, enhances operator safety, and ensures long-term permit compliance. The feasibility study evaluated several alternatives, including a gravity-fed closed-vessel system, a pressurized closed-vessel system, and an updated open-channel retrofit. The study confirmed that a gravity-fed closed-vessel system is feasible with structural modifications to the existing UV basin and provides the greatest improvement in energy efficiency and O&M reductions. UV System Upgrade Feasibility R...

Key elements of the planned project include demolition of the existing UV channels, structural modifications to lower the basin floor, installation of closed-vessel UV reactors, new influent and effluent header piping, flow control and isolation valves, updated instrumentation, and integration of a Clean-In-Place (CIP) system. Work will also include electrical and controls upgrades and construction sequencing to maintain continuous disinfection capability throughout the retrofit. UV System Upgrade Feasibility R...

The upgraded UV system will support VVWRA in meeting Title 22 recycled water disinfection requirements, NPDES permit limits, and long-term operational goals while reducing energy consumption, improving safety, and standardizing UV equipment across VVWRA facilities.

Project Justification:

VVWRA's existing open-channel UV system at the Westside Water Reclamation Plant is energy-intensive, maintenance-heavy, and uses equipment that is not standardized with the Apple Valley and Hesperia subregional facilities. The 2024 UV Feasibility Report shows that replacing the current open-channel system with closed-vessel Wedeco LBX reactors will significantly reduce power costs (on the order of \$100k per year), cut operator hours, and improve safety and reliability while still meeting the 100 mJ/cm² Title 22 disinfection requirement. It also creates a common UV platform across VVWRA facilities, reducing spare parts inventory and simplifying training and troubleshooting for staff. Investing in this project now locks in long-term O&M savings and ensures VVWRA's primary recycled water disinfection system remains robust, efficient, and permit-compliant as flows increase.

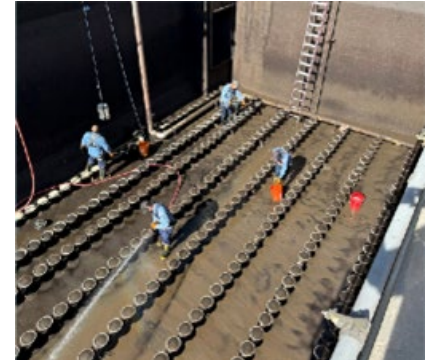
Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$0	\$0	\$1,200,000	\$6,000,000	\$6,000,000	\$13,200,000
Total	\$0	\$0	\$0	\$1,200,000	\$6,000,000	\$6,000,000	\$13,200,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Other	\$0	\$0	\$0	\$1,200,000	\$6,000,000	\$6,000,000	\$13,200,000
Total	\$0	\$0	\$0	\$1,200,000	\$6,000,000	\$6,000,000	\$13,200,000

PROJECT # TBD

PROJECT NAME: Ammonia Based Control

Department:	Operations and Maintenance
Project Year:	2028
Project Type:	Improvements
Project Category:	Treatment Process Projects
Cost Estimate:	\$3,000,000
Location:	Regional Plant



Project Description:

This project establishes funding to upgrade the aeration system by installing new air flow meters, nitrate and ammonia sensors, automated control valves, and updated SCADA logic. The improvements will convert the existing fixed-valve configuration into an actively controlled aeration system capable of matching air delivery to real-time loading conditions. Work will include adding valve actuators where needed, installing basin-level instrumentation, integrating airflow measurement, and developing updated control logic to support ammonia-based and demand-based aeration. These upgrades will allow the facility to better balance treatment performance with energy efficiency by maintaining more stable dissolved oxygen levels, improving nitrification control, reducing blower runtime, and minimizing operator workload. The project also enhances operational reliability by providing staff with accurate, continuous data on basin conditions and air distribution. Once complete, the improved aeration control system will support consistent permit compliance, reduce electrical costs, and align the facility with current industry standards for optimized biological treatment.

Project Justification:

The DHI Capacity Optimization Study demonstrated that the Regional Plant has sufficient biological capacity but is limited by how efficiently aeration and equalization are controlled. Implementing ammonia- and nitrate-based aeration control, tied to the existing online sensors, can reduce aeration power demand by roughly 20% while maintaining full nitrification and denitrification at flows up to 16 MGD. This level of control will stabilize effluent ammonia, improve process resilience as sidestream loads and flows grow, and defer the need for larger capital expansions by getting more capacity out of the existing basins and blowers. Installing ammonia-based control now directly supports the optimization roadmap laid out in the DHI study and provides immediate electrical and operational savings that benefit all Member Agencies.

Funding Sources	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Users Charges	\$0	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$3,000,000
Total	\$0	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$3,000,000

Expenditures	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	Total
Other	\$0	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$3,000,000
Total	\$0	\$0	\$1,500,000	\$1,500,000	\$0	\$0	\$3,000,000

7 Conclusion

7.1 Budget Conclusion

The Victor Valley Wastewater Reclamation Authority remains firmly committed to fulfilling its Mission Statement by applying our established Core Values and our Model for Efficient Wastewater Utility Management as guiding principles for the coming fiscal year. The Authority continues to prioritize transparency, responsiveness, and responsible stewardship in service to our Board of Commissioners, Member Agencies, stakeholders, and employees.

I would like to extend my appreciation to the External Finance Committee, comprised of financial staff from the Member Agencies, for their valuable input during the development of this proposed budget. I also wish to acknowledge the dedicated efforts of the VVWRA Finance team, including Director of Finance and Procurement Xiwei Wang; Lead Accountant Kyle Parker; Accountants Anne Mazzarella and Charlene Villalvazo; and Management Analyst Cyle Palazzo.

The budget being presented to the Board on June 18, 2026, reflects a responsible fiscal approach that anticipates a revenue surplus. This surplus, along with a loan for \$17M approved in the budget process and rate increase study, will support the Authority's pay-as-you-go strategy for capital projects. The proposed budget achieves the Authority's target debt coverage ratio of 1.2. Last year's approved budget had a debt coverage ratio of 3.37. The budget before you today reflects a ratio of 2.63, aligning with long-term financial planning objectives. Increases in operating expenses have been fully funded through additional revenue generated by the recently approved user charge rate increase of April 16, 2026. The Authority has also fully or partially funded 110 capital projects as part of this budget.

In conclusion, VVWRA staff are proud to submit this proposed budget for the Board of Commissioners' consideration. The team has worked diligently to develop an improved budget format and a financial plan that is accurate, comprehensive, and aligned with organizational goals. With the Board's approval, staff are prepared to implement this plan and advance the fiscal and operational objectives established by the Board, the Member Agencies, and the VVWRA workforce.



8 Glossary of Terms

8.1 Glossary of Terms

Term	Definition
Ammonia Nitrogen	The soluble ionized and unionized ammonia nitrogen component in wastewater that can be measured using the procedure described in the current edition of “ <i>Standard Methods for the Examination of Water and Wastewater</i> ” published by the American Public Health Association.
Biochemical Oxygen Demand (BOD)	The measure of decomposable organic material in wastewater as represented by the oxygen utilized as determined by the procedure described in the current edition of “ <i>Standard Methods for the Examination of Water and Wastewater</i> ” published by the American Public Health Association.
Cash Basis	Revenues and expenses are recognized when cash is received or paid out.
Connection Fee	A fee paid by a new discharger for the costs of capacity in the regional wastewater system.
Effluent	The liquid outflow discharged from the Publicly Owned Treatment Works (POTW) facility, or the nondomestic wastewater discharged by industrial users to the POTW.
Enterprise Accounting	Uses an accrual basis of accounting method to account for the activities of a government agency that provides goods or services to the public on a fee basis.
Enterprise Accounting System	An accrual accounting system that is like a regular business accounting method, where revenues and expenses are recorded when they incur. VVWRA employs two funds, (1) user charge fund and (2) connection fee fund. Both funds employ the Enterprise Accounting System.
Interceptor	A pipeline that conveys wastewater from the sewer collection facilities of a Member Agency to the VVWRA's wastewater treatment facilities.
Member Agencies	The four government agencies who participate in the joint power agreement with VVWRA. They are the City of Victorville; Town of Apple Valley; City of Hesperia; and County of San Bernardino Service Areas, #42 Oro Grande and #64 Spring Valley Lake.
MG	Million Gallons.
MGD	Million Gallons per Day.
POTW	The Publicly Owned Treatment Works is sewage treatment plants that are owned and usually operated by local government agencies.
Industrial Pretreatment	The reduction and elimination of pollutants or the alteration of the nature of pollutant properties in wastewater to a less harmful state prior to or in lieu of discharging or otherwise introducing such pollutants into the POTW.
Reclaimed Water	Water that, as a result of waste treatment, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource.
Septage	Any wastewater or sludge removed from cesspools, septic tanks, holding tanks, or chemical toilets that is trucked or hauled to the point of discharge.
SRF	State Revolving Fund.

High Strength Surcharge	An assessment, in addition to the service charge, which may be levied on those users whose wastewater exceeds established concentration thresholds.
Total Suspended Solids	The insoluble solid matter suspended in wastewater that is separable by laboratory filtration in accordance with the procedure described in the current edition of “ <i>Standard Methods for the Examination of Water and Wastewater</i> ” published by the American Public Health Association.
User	Any person who contributes, causes, or permits the contribution of wastewater into the POTW, including households, private residences, nonresidential users, and Member Agencies.
VVWRA	The Victor Valley Wastewater Reclamation Authority.
Wastewater	The domestic or nondomestic liquid wastes discharged from dwellings, or commercial buildings, industrial facilities, and institutions, together with any groundwater, surface water, and stormwater that may be present, whether treated or untreated, which is contributed into or permitted to enter the POTW.
Post-Consumer Food Waste	Organic food waste discarded by customers/guests/students/patients/visitors after the food has been sold or served. Typically sent to landfills. Under Senate Bill 1383, 75% of organics sent to landfills must be diverted to digestion facilities by 2025. This is processed and received by VVWRA for digestion and the production of Renewable Natural Gas (RNG) as a secondary revenue source.
RNG	RNG stands for Renewable Natural Gas which today is produced by VVWRA’s private partnership with Anaergia as a result of receiving Post-Consumer Food Waste.
GIS	GIS stands for Geographic Information System which is a mapping system that identifies the current VVWRA pipeline assets and future facility assets.
PLC	PLC stands for Programmable Logic Controllers which are connected to specific operational assets that provide remote or pre-programmed operations.
SCADA	Supervisory control and data acquisition (SCADA) is a system of software and hardware elements that allows industrial organizations to: •Control industrial processes locally or at remote locations •Monitor, gather, and process real-time data •Directly interact with devices such as sensors, valves, pumps, motors, and more through human-machine interface (HMI) software •Record events into a log file VVWRA uses Ignition SCADA made by Inductive Automation.
CMMS	CMMS stands for Computerized Maintenance Management System that receives, processes and stores reactionary and preventative maintenance work orders that are completed by staff to assure proper operations of the VVWRA assets.

EXHIBIT B

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

CPI
3.50%

**CPI for March 2026 was 3.1%, but MOU has 3.5% minimum

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
1	43,825.60	44,865.60	46,092.80	47,174.40	48,380.80	49,628.80	50,835.20	52,083.20	53,393.60	Annual
1	3,652.13	3,738.80	3,841.07	3,931.20	4,031.73	4,135.73	4,236.27	4,340.27	4,449.47	Monthly
1	21.07	21.57	22.16	22.68	23.26	23.86	24.44	25.04	25.67	Hourly
2	44,408.00	45,531.20	46,571.20	47,840.00	49,046.40	50,211.20	51,500.80	52,748.80	54,100.80	Annual
2	3,700.67	3,794.27	3,880.93	3,986.67	4,087.20	4,184.27	4,291.73	4,395.73	4,508.40	Monthly
2	21.35	21.89	22.39	23.00	23.58	24.14	24.76	25.36	26.01	Hourly
3	44,886.40	46,092.80	47,174.40	48,380.80	49,628.80	50,835.20	52,083.20	53,393.60	54,766.40	Annual
3	3,740.53	3,841.07	3,931.20	4,031.73	4,135.73	4,236.27	4,340.27	4,449.47	4,563.87	Monthly
3	21.58	22.16	22.68	23.26	23.86	24.44	25.04	25.67	26.33	Hourly
4	45,531.20	46,654.40	47,840.00	49,046.40	50,211.20	51,500.80	52,748.80	54,121.60	55,432.00	Annual
4	3,794.27	3,887.87	3,986.67	4,087.20	4,184.27	4,291.73	4,395.73	4,510.13	4,619.33	Monthly
4	21.89	22.43	23.00	23.58	24.14	24.76	25.36	26.02	26.65	Hourly
5	46,092.80	47,174.40	48,401.60	49,649.60	50,856.00	52,104.00	53,435.20	54,766.40	56,097.60	Annual
5	3,841.07	3,931.20	4,033.47	4,137.47	4,238.00	4,342.00	4,452.93	4,563.87	4,674.80	Monthly
5	22.16	22.68	23.27	23.87	24.45	25.05	25.69	26.33	26.97	Hourly
6	46,654.40	47,860.80	49,046.40	50,232.00	51,500.80	52,790.40	54,121.60	55,432.00	56,888.00	Annual
6	3,887.87	3,988.40	4,087.20	4,186.00	4,291.73	4,399.20	4,510.13	4,619.33	4,740.67	Monthly
6	22.43	23.01	23.58	24.15	24.76	25.38	26.02	26.65	27.35	Hourly
7	47,195.20	48,401.60	49,649.60	50,856.00	52,104.00	53,435.20	54,787.20	56,139.20	57,553.60	Annual
7	3,932.93	4,033.47	4,137.47	4,238.00	4,342.00	4,452.93	4,565.60	4,678.27	4,796.13	Monthly
7	22.69	23.27	23.87	24.45	25.05	25.69	26.34	26.99	27.67	Hourly
8	47,860.80	49,046.40	50,232.00	51,500.80	52,790.40	54,121.60	55,452.80	56,888.00	58,240.00	Annual
8	3,988.40	4,087.20	4,186.00	4,291.73	4,399.20	4,510.13	4,621.07	4,740.67	4,853.33	Monthly
8	23.01	23.58	24.15	24.76	25.38	26.02	26.66	27.35	28.00	Hourly
9	48,401.60	49,649.60	50,856.00	52,104.00	53,435.20	54,787.20	56,139.20	57,553.60	59,009.60	Annual
9	4,033.47	4,137.47	4,238.00	4,342.00	4,452.93	4,565.60	4,678.27	4,796.13	4,917.47	Monthly
9	23.27	23.87	24.45	25.05	25.69	26.34	26.99	27.67	28.37	Hourly
10	49,088.00	50,232.00	51,521.60	52,790.40	54,121.60	55,452.80	56,888.00	58,240.00	59,696.00	Annual
10	4,090.67	4,186.00	4,293.47	4,399.20	4,510.13	4,621.07	4,740.67	4,853.33	4,974.67	Monthly
10	23.60	24.15	24.77	25.38	26.02	26.66	27.35	28.00	28.70	Hourly
11	49,649.60	50,856.00	52,104.00	53,435.20	54,787.20	56,139.20	57,553.60	59,009.60	60,528.00	Annual
11	4,137.47	4,238.00	4,342.00	4,452.93	4,565.60	4,678.27	4,796.13	4,917.47	5,044.00	Monthly
11	23.87	24.45	25.05	25.69	26.34	26.99	27.67	28.37	29.10	Hourly
12	50,232.00	51,521.60	52,790.40	54,142.40	55,452.80	56,929.60	58,240.00	59,696.00	61,276.80	Annual
12	4,186.00	4,293.47	4,399.20	4,511.87	4,621.07	4,744.13	4,853.33	4,974.67	5,106.40	Monthly
12	24.15	24.77	25.38	26.03	26.66	27.37	28.00	28.70	29.46	Hourly
13	50,876.80	52,124.80	53,476.80	54,787.20	56,139.20	57,553.60	59,009.60	60,548.80	62,004.80	Annual
13	4,239.73	4,343.73	4,456.40	4,565.60	4,678.27	4,796.13	4,917.47	5,045.73	5,167.07	Monthly
13	24.46	25.06	25.71	26.34	26.99	27.67	28.37	29.11	29.81	Hourly
14	51,521.60	52,873.60	54,142.40	55,452.80	56,929.60	58,240.00	59,696.00	61,276.80	62,816.00	Annual
14	4,293.47	4,406.13	4,511.87	4,621.07	4,744.13	4,853.33	4,974.67	5,106.40	5,234.67	Monthly
14	24.77	25.42	26.03	26.66	27.37	28.00	28.70	29.46	30.20	Hourly
15	52,124.80	53,476.80	54,808.00	56,180.80	57,574.40	59,030.40	60,548.80	62,004.80	63,585.60	Annual
15	4,343.73	4,456.40	4,567.33	4,681.73	4,797.87	4,919.20	5,045.73	5,167.07	5,298.80	Monthly
15	25.06	25.71	26.35	27.01	27.68	28.38	29.11	29.81	30.57	Hourly
16	52,873.60	54,142.40	55,494.40	56,929.60	58,344.00	59,696.00	61,276.80	62,816.00	64,334.40	Annual
16	4,406.13	4,511.87	4,624.53	4,744.13	4,862.00	4,974.67	5,106.40	5,234.67	5,361.20	Monthly
16	25.42	26.03	26.68	27.37	28.05	28.70	29.46	30.20	30.93	Hourly

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
17	53,476.80	54,808.00	56,180.80	57,574.40	59,030.40	60,548.80	62,025.60	63,585.60	65,166.40	Annual
17	4,456.40	4,567.33	4,681.73	4,797.87	4,919.20	5,045.73	5,168.80	5,298.80	5,430.53	Monthly
17	25.71	26.35	27.01	27.68	28.38	29.11	29.82	30.57	31.33	Hourly
18	54,142.40	55,494.40	56,929.60	58,344.00	59,758.40	61,276.80	62,816.00	64,334.40	65,998.40	Annual
18	4,511.87	4,624.53	4,744.13	4,862.00	4,979.87	5,106.40	5,234.67	5,361.20	5,499.87	Monthly
18	26.03	26.68	27.37	28.05	28.73	29.46	30.20	30.93	31.73	Hourly
19	54,808.00	56,180.80	57,574.40	59,030.40	60,569.60	62,025.60	63,585.60	65,166.40	66,788.80	Annual
19	4,567.33	4,681.73	4,797.87	4,919.20	5,047.47	5,168.80	5,298.80	5,430.53	5,565.73	Monthly
19	26.35	27.01	27.68	28.38	29.12	29.82	30.57	31.33	32.11	Hourly
20	55,494.40	56,950.40	58,344.00	59,758.40	61,297.60	62,836.80	64,355.20	65,998.40	67,683.20	Annual
20	4,624.53	4,745.87	4,862.00	4,979.87	5,108.13	5,236.40	5,362.93	5,499.87	5,640.27	Monthly
20	26.68	27.38	28.05	28.73	29.47	30.21	30.94	31.73	32.54	Hourly
21	56,180.80	57,574.40	59,051.20	60,569.60	62,025.60	63,606.40	65,166.40	66,788.80	68,432.00	Annual
21	4,681.73	4,797.87	4,920.93	5,047.47	5,168.80	5,300.53	5,430.53	5,565.73	5,702.67	Monthly
21	27.01	27.68	28.39	29.12	29.82	30.58	31.33	32.11	32.90	Hourly
22	56,950.40	58,364.80	59,758.40	61,297.60	62,836.80	64,355.20	65,998.40	67,683.20	69,368.00	Annual
22	4,745.87	4,863.73	4,979.87	5,108.13	5,236.40	5,362.93	5,499.87	5,640.27	5,780.67	Monthly
22	27.38	28.06	28.73	29.47	30.21	30.94	31.73	32.54	33.35	Hourly
23	57,595.20	59,051.20	60,569.60	62,025.60	63,606.40	65,208.00	66,872.00	68,452.80	70,158.40	Annual
23	4,799.60	4,920.93	5,047.47	5,168.80	5,300.53	5,434.00	5,572.67	5,704.40	5,846.53	Monthly
23	27.69	28.39	29.12	29.82	30.58	31.35	32.15	32.91	33.73	Hourly
24	58,364.80	59,758.40	61,297.60	62,836.80	64,355.20	66,040.00	67,683.20	69,368.00	71,073.60	Annual
24	4,863.73	4,979.87	5,108.13	5,236.40	5,362.93	5,503.33	5,640.27	5,780.67	5,922.80	Monthly
24	28.06	28.73	29.47	30.21	30.94	31.75	32.54	33.35	34.17	Hourly
25	59,051.20	60,569.60	62,046.40	63,606.40	65,208.00	66,872.00	68,452.80	70,200.00	71,926.40	Annual
25	4,920.93	5,047.47	5,170.53	5,300.53	5,434.00	5,572.67	5,704.40	5,850.00	5,993.87	Monthly
25	28.39	29.12	29.83	30.58	31.35	32.15	32.91	33.75	34.58	Hourly
26	59,779.20	61,318.40	62,836.80	64,376.00	66,040.00	67,683.20	69,368.00	71,073.60	72,904.00	Annual
26	4,981.60	5,109.87	5,236.40	5,364.67	5,503.33	5,640.27	5,780.67	5,922.80	6,075.33	Monthly
26	28.74	29.48	30.21	30.95	31.75	32.54	33.35	34.17	35.05	Hourly
27	60,590.40	62,046.40	63,627.20	65,208.00	66,872.00	68,452.80	70,200.00	71,968.00	73,819.20	Annual
27	5,049.20	5,170.53	5,302.27	5,434.00	5,572.67	5,704.40	5,850.00	5,997.33	6,151.60	Monthly
27	29.13	29.83	30.59	31.35	32.15	32.91	33.75	34.60	35.49	Hourly
28	61,318.40	62,857.60	64,376.00	66,040.00	67,704.00	69,388.80	71,094.40	72,904.00	74,630.40	Annual
28	5,109.87	5,238.13	5,364.67	5,503.33	5,642.00	5,782.40	5,924.53	6,075.33	6,219.20	Monthly
28	29.48	30.22	30.95	31.75	32.55	33.36	34.18	35.05	35.88	Hourly
29	62,046.40	63,627.20	65,228.80	66,892.80	68,515.20	70,200.00	71,968.00	73,819.20	75,670.40	Annual
29	5,170.53	5,302.27	5,435.73	5,574.40	5,709.60	5,850.00	5,997.33	6,151.60	6,305.87	Monthly
29	29.83	30.59	31.36	32.16	32.94	33.75	34.60	35.49	36.38	Hourly
30	62,857.60	64,376.00	66,060.80	67,704.00	69,388.80	71,094.40	72,924.80	74,630.40	76,606.40	Annual
30	5,238.13	5,364.67	5,505.07	5,642.00	5,782.40	5,924.53	6,077.07	6,219.20	6,383.87	Monthly
30	30.22	30.95	31.76	32.55	33.36	34.18	35.06	35.88	36.83	Hourly
31	63,627.20	65,228.80	66,892.80	68,515.20	70,200.00	71,968.00	73,819.20	75,670.40	77,542.40	Annual
31	5,302.27	5,435.73	5,574.40	5,709.60	5,850.00	5,997.33	6,151.60	6,305.87	6,461.87	Monthly
31	30.59	31.36	32.16	32.94	33.75	34.60	35.49	36.38	37.28	Hourly
32	64,417.60	66,060.80	67,704.00	69,388.80	71,094.40	72,924.80	74,672.00	76,606.40	78,520.00	Annual
32	5,368.13	5,505.07	5,642.00	5,782.40	5,924.53	6,077.07	6,222.67	6,383.87	6,543.33	Monthly
32	30.97	31.76	32.55	33.36	34.18	35.06	35.90	36.83	37.75	Hourly
33	65,228.80	66,892.80	68,515.20	70,241.60	72,009.60	73,840.00	75,670.40	77,542.40	79,497.60	Annual
33	5,435.73	5,574.40	5,709.60	5,853.47	6,000.80	6,153.33	6,305.87	6,461.87	6,624.80	Monthly

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
33	31.36	32.16	32.94	33.77	34.62	35.50	36.38	37.28	38.22	Hourly
34	66,060.80	67,724.80	69,430.40	71,115.20	72,924.80	74,672.00	76,606.40	78,520.00	80,496.00	Annual
34	5,505.07	5,643.73	5,785.87	5,926.27	6,077.07	6,222.67	6,383.87	6,543.33	6,708.00	Monthly
34	31.76	32.56	33.38	34.19	35.06	35.90	36.83	37.75	38.70	Hourly
35	66,892.80	68,556.80	70,241.60	72,009.60	73,840.00	75,691.20	77,563.20	79,497.60	81,515.20	Annual
35	5,574.40	5,713.07	5,853.47	6,000.80	6,153.33	6,307.60	6,463.60	6,624.80	6,792.93	Monthly
35	32.16	32.96	33.77	34.62	35.50	36.39	37.29	38.22	39.19	Hourly
36	67,724.80	69,430.40	71,115.20	72,945.60	74,672.00	76,627.20	78,520.00	80,496.00	82,513.60	Annual
36	5,643.73	5,785.87	5,926.27	6,078.80	6,222.67	6,385.60	6,543.33	6,708.00	6,876.13	Monthly
36	32.56	33.38	34.19	35.07	35.90	36.84	37.75	38.70	39.67	Hourly
37	68,556.80	70,241.60	72,009.60	73,840.00	75,691.20	77,563.20	79,497.60	81,515.20	83,553.60	Annual
37	5,713.07	5,853.47	6,000.80	6,153.33	6,307.60	6,463.60	6,624.80	6,792.93	6,962.80	Monthly
37	32.96	33.77	34.62	35.50	36.39	37.29	38.22	39.19	40.17	Hourly
38	69,430.40	71,115.20	72,945.60	74,692.80	76,627.20	78,540.80	80,537.60	82,513.60	84,552.00	Annual
38	5,785.87	5,926.27	6,078.80	6,224.40	6,385.60	6,545.07	6,711.47	6,876.13	7,046.00	Monthly
38	33.38	34.19	35.07	35.91	36.84	37.76	38.72	39.67	40.65	Hourly
39	70,262.40	72,051.20	73,881.60	75,691.20	77,563.20	79,539.20	81,536.00	83,553.60	85,633.60	Annual
39	5,855.20	6,004.27	6,156.80	6,307.60	6,463.60	6,628.27	6,794.67	6,962.80	7,136.13	Monthly
39	33.78	34.64	35.52	36.39	37.29	38.24	39.20	40.17	41.17	Hourly
40	71,136.00	72,945.60	74,692.80	76,627.20	78,540.80	80,537.60	82,534.40	84,552.00	86,694.40	Annual
40	5,928.00	6,078.80	6,224.40	6,385.60	6,545.07	6,711.47	6,877.87	7,046.00	7,224.53	Monthly
40	34.20	35.07	35.91	36.84	37.76	38.72	39.68	40.65	41.68	Hourly
41	72,051.20	73,881.60	75,712.00	77,604.80	79,539.20	81,536.00	83,553.60	85,633.60	87,734.40	Annual
41	6,004.27	6,156.80	6,309.33	6,467.07	6,628.27	6,794.67	6,962.80	7,136.13	7,311.20	Monthly
41	34.64	35.52	36.40	37.31	38.24	39.20	40.17	41.17	42.18	Hourly
42	72,966.40	74,692.80	76,648.00	78,540.80	80,558.40	82,534.40	84,552.00	86,694.40	88,878.40	Annual
42	6,080.53	6,224.40	6,387.33	6,545.07	6,713.20	6,877.87	7,046.00	7,224.53	7,406.53	Monthly
42	35.08	35.91	36.85	37.76	38.73	39.68	40.65	41.68	42.73	Hourly
43	73,881.60	75,712.00	77,604.80	79,539.20	81,536.00	83,574.40	85,654.40	87,734.40	89,980.80	Annual
43	6,156.80	6,309.33	6,467.07	6,628.27	6,794.67	6,964.53	7,137.87	7,311.20	7,498.40	Monthly
43	35.52	36.40	37.31	38.24	39.20	40.18	41.18	42.18	43.26	Hourly
44	74,734.40	76,648.00	78,561.60	80,558.40	82,617.60	84,593.60	86,736.00	88,878.40	91,104.00	Annual
44	6,227.87	6,387.33	6,546.80	6,713.20	6,884.80	7,049.47	7,228.00	7,406.53	7,592.00	Monthly
44	35.93	36.85	37.77	38.73	39.72	40.67	41.70	42.73	43.80	Hourly
45	75,712.00	77,604.80	79,560.00	81,577.60	83,574.40	85,654.40	87,776.00	89,980.80	92,268.80	Annual
45	6,309.33	6,467.07	6,630.00	6,798.13	6,964.53	7,137.87	7,314.67	7,498.40	7,689.07	Monthly
45	36.40	37.31	38.25	39.22	40.18	41.18	42.20	43.26	44.36	Hourly
46	76,648.00	78,561.60	80,558.40	82,617.60	84,593.60	86,736.00	88,878.40	91,104.00	93,392.00	Annual
46	6,387.33	6,546.80	6,713.20	6,884.80	7,049.47	7,228.00	7,406.53	7,592.00	7,782.67	Monthly
46	36.85	37.77	38.73	39.72	40.67	41.70	42.73	43.80	44.90	Hourly
47	77,625.60	79,560.00	81,577.60	83,595.20	85,675.20	87,776.00	89,980.80	92,268.80	94,556.80	Annual
47	6,468.80	6,630.00	6,798.13	6,966.27	7,139.60	7,314.67	7,498.40	7,689.07	7,879.73	Monthly
47	37.32	38.25	39.22	40.19	41.19	42.20	43.26	44.36	45.46	Hourly
48	78,561.60	80,579.20	82,617.60	84,635.20	86,736.00	88,899.20	91,124.80	93,412.80	95,742.40	Annual
48	6,546.80	6,714.93	6,884.80	7,052.93	7,228.00	7,408.27	7,593.73	7,784.40	7,978.53	Monthly
48	37.77	38.74	39.72	40.69	41.70	42.74	43.81	44.91	46.03	Hourly
49	79,601.60	81,577.60	83,595.20	85,675.20	87,817.60	90,001.60	92,310.40	94,556.80	96,948.80	Annual
49	6,633.47	6,798.13	6,966.27	7,139.60	7,318.13	7,500.13	7,692.53	7,879.73	8,079.07	Monthly
49	38.27	39.22	40.19	41.19	42.22	43.27	44.38	45.46	46.61	Hourly
50	80,579.20	82,638.40	84,635.20	86,756.80	88,899.20	91,124.80	93,412.80	95,784.00	98,176.00	Annual

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
50	6,714.93	6,886.53	7,052.93	7,229.73	7,408.27	7,593.73	7,784.40	7,982.00	8,181.33	Monthly
50	38.74	39.73	40.69	41.71	42.74	43.81	44.91	46.05	47.20	Hourly
51	81,598.40	83,595.20	85,675.20	87,817.60	90,001.60	92,310.40	94,598.40	96,948.80	99,403.20	Annual
51	6,799.87	6,966.27	7,139.60	7,318.13	7,500.13	7,692.53	7,883.20	8,079.07	8,283.60	Monthly
51	39.23	40.19	41.19	42.22	43.27	44.38	45.48	46.61	47.79	Hourly
52	82,638.40	84,635.20	86,756.80	88,920.00	91,145.60	93,433.60	95,784.00	98,196.80	100,630.40	Annual
52	6,886.53	7,052.93	7,229.73	7,410.00	7,595.47	7,786.13	7,982.00	8,183.07	8,385.87	Monthly
52	39.73	40.69	41.71	42.75	43.82	44.92	46.05	47.21	48.38	Hourly
53	83,616.00	85,696.00	87,817.60	90,043.20	92,372.80	94,598.40	96,969.60	99,403.20	101,940.80	Annual
53	6,968.00	7,141.33	7,318.13	7,503.60	7,697.73	7,883.20	8,080.80	8,283.60	8,495.07	Monthly
53	40.20	41.20	42.22	43.29	44.41	45.48	46.62	47.79	49.01	Hourly
54	84,676.80	86,777.60	88,920.00	91,145.60	93,433.60	95,804.80	98,196.80	100,630.40	103,168.00	Annual
54	7,056.40	7,231.47	7,410.00	7,595.47	7,786.13	7,983.73	8,183.07	8,385.87	8,597.33	Monthly
54	40.71	41.72	42.75	43.82	44.92	46.06	47.21	48.38	49.60	Hourly
55	85,696.00	87,859.20	90,043.20	92,372.80	94,640.00	96,969.60	99,444.80	101,961.60	104,436.80	Annual
55	7,141.33	7,321.60	7,503.60	7,697.73	7,886.67	8,080.80	8,287.07	8,496.80	8,703.07	Monthly
55	41.20	42.24	43.29	44.41	45.50	46.62	47.81	49.02	50.21	Hourly
56	86,777.60	88,920.00	91,166.40	93,433.60	95,804.80	98,196.80	100,651.20	103,188.80	105,768.00	Annual
56	7,231.47	7,410.00	7,597.20	7,786.13	7,983.73	8,183.07	8,387.60	8,599.07	8,814.00	Monthly
56	41.72	42.75	43.83	44.92	46.06	47.21	48.39	49.61	50.85	Hourly
57	87,859.20	90,064.00	92,393.60	94,640.00	96,990.40	99,444.80	101,961.60	104,436.80	107,057.60	Annual
57	7,321.60	7,505.33	7,699.47	7,886.67	8,082.53	8,287.07	8,496.80	8,703.07	8,921.47	Monthly
57	42.24	43.30	44.42	45.50	46.63	47.81	49.02	50.21	51.47	Hourly
58	88,940.80	91,166.40	93,475.20	95,804.80	98,217.60	100,651.20	103,188.80	105,768.00	108,472.00	Annual
58	7,411.73	7,597.20	7,789.60	7,983.73	8,184.80	8,387.60	8,599.07	8,814.00	9,039.33	Monthly
58	42.76	43.83	44.94	46.06	47.22	48.39	49.61	50.85	52.15	Hourly
59	90,064.00	92,393.60	94,660.80	96,990.40	99,444.80	101,982.40	104,478.40	107,099.20	109,761.60	Annual
59	7,505.33	7,699.47	7,888.40	8,082.53	8,287.07	8,498.53	8,706.53	8,924.93	9,146.80	Monthly
59	43.30	44.42	45.51	46.63	47.81	49.03	50.23	51.49	52.77	Hourly
60	91,166.40	93,475.20	95,846.40	98,217.60	100,713.60	103,230.40	105,788.80	108,492.80	111,176.00	Annual
60	7,597.20	7,789.60	7,987.20	8,184.80	8,392.80	8,602.53	8,815.73	9,041.07	9,264.67	Monthly
60	43.83	44.94	46.08	47.22	48.42	49.63	50.86	52.16	53.45	Hourly
61	92,393.60	94,660.80	97,011.20	99,486.40	101,982.40	104,478.40	107,099.20	109,761.60	112,548.80	Annual
61	7,699.47	7,888.40	8,084.27	8,290.53	8,498.53	8,706.53	8,924.93	9,146.80	9,379.07	Monthly
61	44.42	45.51	46.64	47.83	49.03	50.23	51.49	52.77	54.11	Hourly
62	93,496.00	95,846.40	98,238.40	100,713.60	103,230.40	105,788.80	108,492.80	111,176.00	113,921.60	Annual
62	7,791.33	7,987.20	8,186.53	8,392.80	8,602.53	8,815.73	9,041.07	9,264.67	9,493.47	Monthly
62	44.95	46.08	47.23	48.42	49.63	50.86	52.16	53.45	54.77	Hourly
63	94,702.40	97,011.20	99,486.40	102,024.00	104,561.60	107,161.60	109,824.00	112,569.60	115,315.20	Annual
63	7,891.87	8,084.27	8,290.53	8,502.00	8,713.47	8,930.13	9,152.00	9,380.80	9,609.60	Monthly
63	45.53	46.64	47.83	49.05	50.27	51.52	52.80	54.12	55.44	Hourly
64	95,888.00	98,238.40	100,755.20	103,251.20	105,809.60	108,534.40	111,196.80	113,963.20	116,812.80	Annual
64	7,990.67	8,186.53	8,396.27	8,604.27	8,817.47	9,044.53	9,266.40	9,496.93	9,734.40	Monthly
64	46.10	47.23	48.44	49.64	50.87	52.18	53.46	54.79	56.16	Hourly
65	97,052.80	99,507.20	102,024.00	104,561.60	107,161.60	109,824.00	112,569.60	115,419.20	118,268.80	Annual
65	8,087.73	8,292.27	8,502.00	8,713.47	8,930.13	9,152.00	9,380.80	9,618.27	9,855.73	Monthly
65	46.66	47.84	49.05	50.27	51.52	52.80	54.12	55.49	56.86	Hourly
66	98,280.00	100,755.20	103,251.20	105,809.60	108,534.40	111,196.80	114,025.60	116,833.60	119,766.40	Annual
66	8,190.00	8,396.27	8,604.27	8,817.47	9,044.53	9,266.40	9,502.13	9,736.13	9,980.53	Monthly
66	47.25	48.44	49.64	50.87	52.18	53.46	54.82	56.17	57.58	Hourly

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
67	99,507.20	102,044.80	104,603.20	107,182.40	109,844.80	112,611.20	115,419.20	118,289.60	121,243.20	Annual
67	8,292.27	8,503.73	8,716.93	8,931.87	9,153.73	9,384.27	9,618.27	9,857.47	10,103.60	Monthly
67	47.84	49.06	50.29	51.53	52.81	54.14	55.49	56.87	58.29	Hourly
68	100,755.20	103,272.00	105,851.20	108,555.20	111,259.20	114,025.60	116,833.60	119,787.20	122,761.60	Annual
68	8,396.27	8,606.00	8,820.93	9,046.27	9,271.60	9,502.13	9,736.13	9,982.27	10,230.13	Monthly
68	48.44	49.65	50.89	52.19	53.49	54.82	56.17	57.59	59.02	Hourly
69	102,044.80	104,603.20	107,182.40	109,844.80	112,611.20	115,440.00	118,289.60	121,284.80	124,342.40	Annual
69	8,503.73	8,716.93	8,931.87	9,153.73	9,384.27	9,620.00	9,857.47	10,107.07	10,361.87	Monthly
69	49.06	50.29	51.53	52.81	54.14	55.50	56.87	58.31	59.78	Hourly
70	103,272.00	105,851.20	108,555.20	111,259.20	114,046.40	116,875.20	119,787.20	122,761.60	125,840.00	Annual
70	8,606.00	8,820.93	9,046.27	9,271.60	9,503.87	9,739.60	9,982.27	10,230.13	10,486.67	Monthly
70	49.65	50.89	52.19	53.49	54.83	56.19	57.59	59.02	60.50	Hourly
71	104,624.00	107,224.00	109,886.40	112,632.00	115,440.00	118,310.40	121,284.80	124,342.40	127,462.40	Annual
71	8,718.67	8,935.33	9,157.20	9,386.00	9,620.00	9,859.20	10,107.07	10,361.87	10,621.87	Monthly
71	50.30	51.55	52.83	54.15	55.50	56.88	58.31	59.78	61.28	Hourly
72	105,892.80	108,576.00	111,300.80	114,046.40	116,875.20	119,808.00	122,782.40	125,860.80	129,022.40	Annual
72	8,824.40	9,048.00	9,275.07	9,503.87	9,739.60	9,984.00	10,231.87	10,488.40	10,751.87	Monthly
72	50.91	52.20	53.51	54.83	56.19	57.60	59.03	60.51	62.03	Hourly
73	107,224.00	109,886.40	112,652.80	115,460.80	118,310.40	121,305.60	124,363.20	127,483.20	130,665.60	Annual
73	8,935.33	9,157.20	9,387.73	9,621.73	9,859.20	10,108.80	10,363.60	10,623.60	10,888.80	Monthly
73	51.55	52.83	54.16	55.51	56.88	58.32	59.79	61.29	62.82	Hourly
74	108,576.00	111,300.80	114,067.20	116,937.60	119,828.80	122,782.40	125,860.80	129,043.20	132,288.00	Annual
74	9,048.00	9,275.07	9,505.60	9,744.80	9,985.73	10,231.87	10,488.40	10,753.60	11,024.00	Monthly
74	52.20	53.51	54.84	56.22	57.61	59.03	60.51	62.04	63.60	Hourly
75	109,907.20	112,652.80	115,460.80	118,331.20	121,305.60	124,363.20	127,524.80	130,665.60	133,848.00	Annual
75	9,158.93	9,387.73	9,621.73	9,860.93	10,108.80	10,363.60	10,627.07	10,888.80	11,154.00	Monthly
75	52.84	54.16	55.51	56.89	58.32	59.79	61.31	62.82	64.35	Hourly
76	111,342.40	114,067.20	116,979.20	119,828.80	122,803.20	125,881.60	129,043.20	132,288.00	135,595.20	Annual
76	9,278.53	9,505.60	9,748.27	9,985.73	10,233.60	10,490.13	10,753.60	11,024.00	11,299.60	Monthly
76	53.53	54.84	56.24	57.61	59.04	60.52	62.04	63.60	65.19	Hourly
77	112,673.60	115,502.40	118,331.20	121,326.40	124,384.00	127,524.80	130,686.40	133,910.40	137,280.00	Annual
77	9,389.47	9,625.20	9,860.93	10,110.53	10,365.33	10,627.07	10,890.53	11,159.20	11,440.00	Monthly
77	54.17	55.53	56.89	58.33	59.80	61.31	62.83	64.38	66.00	Hourly
78	114,108.80	116,979.20	119,849.60	122,803.20	125,923.20	129,064.00	132,308.80	135,657.60	139,048.00	Annual
78	9,509.07	9,748.27	9,987.47	10,233.60	10,493.60	10,755.33	11,025.73	11,304.80	11,587.33	Monthly
78	54.86	56.24	57.62	59.04	60.54	62.05	63.61	65.22	66.85	Hourly
79	115,502.40	118,372.80	121,368.00	124,384.00	127,545.60	130,686.40	133,910.40	137,300.80	140,753.60	Annual
79	9,625.20	9,864.40	10,114.00	10,365.33	10,628.80	10,890.53	11,159.20	11,441.73	11,729.47	Monthly
79	55.53	56.91	58.35	59.80	61.32	62.83	64.38	66.01	67.67	Hourly
80	117,000.00	119,849.60	122,824.00	125,923.20	129,105.60	132,308.80	135,678.40	139,068.80	142,521.60	Annual
80	9,750.00	9,987.47	10,235.33	10,493.60	10,758.80	11,025.73	11,306.53	11,589.07	11,876.80	Monthly
80	56.25	57.62	59.05	60.54	62.07	63.61	65.23	66.86	68.52	Hourly
81	118,372.80	121,368.00	124,425.60	127,545.60	130,728.00	133,972.80	137,321.60	140,774.40	144,289.60	Annual
81	9,864.40	10,114.00	10,368.80	10,628.80	10,894.00	11,164.40	11,443.47	11,731.20	12,024.13	Monthly
81	56.91	58.35	59.82	61.32	62.85	64.41	66.02	67.68	69.37	Hourly
82	119,912.00	122,865.60	125,944.00	129,105.60	132,350.40	135,678.40	139,068.80	142,563.20	146,099.20	Annual
82	9,992.67	10,238.80	10,495.33	10,758.80	11,029.20	11,306.53	11,589.07	11,880.27	12,174.93	Monthly
82	57.65	59.07	60.55	62.07	63.63	65.23	66.86	68.54	70.24	Hourly
83	121,409.60	124,446.40	127,566.40	130,748.80	133,993.60	137,321.60	140,774.40	144,289.60	147,929.60	Annual
83	10,117.47	10,370.53	10,630.53	10,895.73	11,166.13	11,443.47	11,731.20	12,024.13	12,327.47	Monthly

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
83	58.37	59.83	61.33	62.86	64.42	66.02	67.68	69.37	71.12	Hourly
84	122,865.60	125,944.00	129,126.40	132,371.20	135,699.20	139,089.60	142,563.20	146,120.00	149,739.20	Annual
84	10,238.80	10,495.33	10,760.53	11,030.93	11,308.27	11,590.80	11,880.27	12,176.67	12,478.27	Monthly
84	59.07	60.55	62.08	63.64	65.24	66.87	68.54	70.25	71.99	Hourly
85	124,446.40	127,608.00	130,748.80	133,993.60	137,363.20	140,795.20	144,310.40	147,971.20	151,673.60	Annual
85	10,370.53	10,634.00	10,895.73	11,166.13	11,446.93	11,732.93	12,025.87	12,330.93	12,639.47	Monthly
85	59.83	61.35	62.86	64.42	66.04	67.69	69.38	71.14	72.92	Hourly
86	125,964.80	129,126.40	132,371.20	135,720.00	139,152.00	142,625.60	146,120.00	149,780.80	153,545.60	Annual
86	10,497.07	10,760.53	11,030.93	11,310.00	11,596.00	11,885.47	12,176.67	12,481.73	12,795.47	Monthly
86	60.56	62.08	63.64	65.25	66.90	68.57	70.25	72.01	73.82	Hourly
87	127,608.00	130,811.20	134,014.40	137,384.00	140,816.00	144,352.00	147,971.20	151,694.40	155,480.00	Annual
87	10,634.00	10,900.93	11,167.87	11,448.67	11,734.67	12,029.33	12,330.93	12,641.20	12,956.67	Monthly
87	61.35	62.89	64.43	66.05	67.70	69.40	71.14	72.93	74.75	Hourly
88	129,147.20	132,392.00	135,720.00	139,152.00	142,646.40	146,161.60	149,822.40	153,566.40	157,372.80	Annual
88	10,762.27	11,032.67	11,310.00	11,596.00	11,887.20	12,180.13	12,485.20	12,797.20	13,114.40	Monthly
88	62.09	63.65	65.25	66.90	68.58	70.27	72.03	73.83	75.66	Hourly
89	130,811.20	134,035.20	137,384.00	140,816.00	144,352.00	147,992.00	151,694.40	155,480.00	159,390.40	Annual
89	10,900.93	11,169.60	11,448.67	11,734.67	12,029.33	12,332.67	12,641.20	12,956.67	13,282.53	Monthly
89	62.89	64.44	66.05	67.70	69.40	71.15	72.93	74.75	76.63	Hourly
90	132,392.00	135,740.80	139,193.60	142,646.40	146,182.40	149,843.20	153,566.40	157,414.40	161,283.20	Annual
90	11,032.67	11,311.73	11,599.47	11,887.20	12,181.87	12,486.93	12,797.20	13,117.87	13,440.27	Monthly
90	63.65	65.26	66.92	68.58	70.28	72.04	73.83	75.68	77.54	Hourly
91	134,035.20	137,404.80	140,836.80	144,393.60	148,033.60	151,715.20	155,500.80	159,411.20	163,342.40	Annual
91	11,169.60	11,450.40	11,736.40	12,032.80	12,336.13	12,642.93	12,958.40	13,284.27	13,611.87	Monthly
91	64.44	66.06	67.71	69.42	71.17	72.94	74.76	76.64	78.53	Hourly
92	135,761.60	139,235.20	142,667.20	146,182.40	149,843.20	153,587.20	157,435.20	161,304.00	165,422.40	Annual
92	11,313.47	11,602.93	11,888.93	12,181.87	12,486.93	12,798.93	13,119.60	13,442.00	13,785.20	Monthly
92	65.27	66.94	68.59	70.28	72.04	73.84	75.69	77.55	79.53	Hourly
93	137,425.60	140,857.60	144,414.40	148,033.60	151,736.00	155,542.40	159,432.00	163,404.80	167,440.00	Annual
93	11,452.13	11,738.13	12,034.53	12,336.13	12,644.67	12,961.87	13,286.00	13,617.07	13,953.33	Monthly
93	66.07	67.72	69.43	71.17	72.95	74.78	76.65	78.56	80.50	Hourly
94	139,235.20	142,688.00	146,224.00	149,864.00	153,608.00	157,435.20	161,345.60	165,443.20	169,561.60	Annual
94	11,602.93	11,890.67	12,185.33	12,488.67	12,800.67	13,119.60	13,445.47	13,786.93	14,130.13	Monthly
94	66.94	68.60	70.30	72.05	73.85	75.69	77.57	79.54	81.52	Hourly
95	140,857.60	144,414.40	148,054.40	151,736.00	155,625.60	159,494.40	163,446.40	167,460.80	171,704.00	Annual
95	11,738.13	12,034.53	12,337.87	12,644.67	12,968.80	13,291.20	13,620.53	13,955.07	14,308.67	Monthly
95	67.72	69.43	71.18	72.95	74.82	76.68	78.58	80.51	82.55	Hourly
96	142,688.00	146,244.80	149,926.40	153,608.00	157,456.00	161,366.40	165,443.20	169,603.20	173,825.60	Annual
96	11,890.67	12,187.07	12,493.87	12,800.67	13,121.33	13,447.20	13,786.93	14,133.60	14,485.47	Monthly
96	68.60	70.31	72.08	73.85	75.70	77.58	79.54	81.54	83.57	Hourly
97	144,476.80	148,075.20	151,756.80	155,625.60	159,494.40	163,467.20	167,481.60	171,724.80	176,051.20	Annual
97	12,039.73	12,339.60	12,646.40	12,968.80	13,291.20	13,622.27	13,956.80	14,310.40	14,670.93	Monthly
97	69.46	71.19	72.96	74.82	76.68	78.59	80.52	82.56	84.64	Hourly
98	146,244.80	149,926.40	153,628.80	157,476.80	161,366.40	165,484.80	169,624.00	173,846.40	178,276.80	Annual
98	12,187.07	12,493.87	12,802.40	13,123.07	13,447.20	13,790.40	14,135.33	14,487.20	14,856.40	Monthly
98	70.31	72.08	73.86	75.71	77.58	79.56	81.55	83.58	85.71	Hourly
99	148,075.20	151,798.40	155,646.40	159,515.20	163,467.20	167,481.60	171,745.60	176,072.00	180,398.40	Annual
99	12,339.60	12,649.87	12,970.53	13,292.93	13,622.27	13,956.80	14,312.13	14,672.67	15,033.20	Monthly
99	71.19	72.98	74.83	76.69	78.59	80.52	82.57	84.65	86.73	Hourly
100	149,968.00	153,670.40	157,518.40	161,491.20	165,505.60	169,644.80	173,867.20	178,297.60	182,728.00	Annual

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
100	12,497.33	12,805.87	13,126.53	13,457.60	13,792.13	14,137.07	14,488.93	14,858.13	15,227.33	Monthly
100	72.10	73.88	75.73	77.64	79.57	81.56	83.59	85.72	87.85	Hourly
101	151,798.40	155,688.00	159,536.00	163,488.00	167,564.80	171,787.20	176,092.80	180,502.40	184,974.40	Annual
101	12,649.87	12,974.00	13,294.67	13,624.00	13,963.73	14,315.60	14,674.40	15,041.87	15,414.53	Monthly
101	72.98	74.85	76.70	78.60	80.56	82.59	84.66	86.78	88.93	Hourly
102	153,712.00	157,518.40	161,553.60	165,526.40	169,644.80	173,867.20	178,318.40	182,811.20	187,324.80	Annual
102	12,809.33	13,126.53	13,462.80	13,793.87	14,137.07	14,488.93	14,859.87	15,234.27	15,610.40	Monthly
102	73.90	75.73	77.67	79.58	81.56	83.59	85.73	87.89	90.06	Hourly
103	155,688.00	159,577.60	163,508.80	167,585.60	171,787.20	176,113.60	180,523.20	184,995.20	189,592.00	Annual
103	12,974.00	13,298.13	13,625.73	13,965.47	14,315.60	14,676.13	15,043.60	15,416.27	15,799.33	Monthly
103	74.85	76.72	78.61	80.57	82.59	84.67	86.79	88.94	91.15	Hourly
104	157,539.20	161,574.40	165,526.40	169,665.60	173,908.80	178,318.40	182,832.00	187,345.60	192,025.60	Annual
104	13,128.27	13,464.53	13,793.87	14,138.80	14,492.40	14,859.87	15,236.00	15,612.13	16,002.13	Monthly
104	75.74	77.68	79.58	81.57	83.61	85.73	87.90	90.07	92.32	Hourly
105	159,577.60	163,529.60	167,627.20	171,808.00	176,155.20	180,544.00	185,016.00	189,612.80	194,417.60	Annual
105	13,298.13	13,627.47	13,968.93	14,317.33	14,679.60	15,045.33	15,418.00	15,801.07	16,201.47	Monthly
105	76.72	78.62	80.59	82.60	84.69	86.80	88.95	91.16	93.47	Hourly
106	161,574.40	165,568.00	169,686.40	173,929.60	178,339.20	182,852.80	187,408.00	192,046.40	196,830.40	Annual
106	13,464.53	13,797.33	14,140.53	14,494.13	14,861.60	15,237.73	15,617.33	16,003.87	16,402.53	Monthly
106	77.68	79.60	81.58	83.62	85.74	87.91	90.10	92.33	94.63	Hourly
107	163,529.60	167,648.00	171,849.60	176,176.00	180,544.00	185,078.40	189,612.80	194,459.20	199,284.80	Annual
107	13,627.47	13,970.67	14,320.80	14,681.33	15,045.33	15,423.20	15,801.07	16,204.93	16,607.07	Monthly
107	78.62	80.60	82.62	84.70	86.80	88.98	91.16	93.49	95.81	Hourly
108	165,588.80	169,748.80	173,971.20	178,360.00	182,873.60	187,428.80	192,067.20	196,851.20	201,801.60	Annual
108	13,799.07	14,145.73	14,497.60	14,863.33	15,239.47	15,619.07	16,005.60	16,404.27	16,816.80	Monthly
108	79.61	81.61	83.64	85.75	87.92	90.11	92.34	94.64	97.02	Hourly
109	167,648.00	171,870.40	176,176.00	180,564.80	185,099.20	189,696.00	194,480.00	199,305.60	204,297.60	Annual
109	13,970.67	14,322.53	14,681.33	15,047.07	15,424.93	15,808.00	16,206.67	16,608.80	17,024.80	Monthly
109	80.60	82.63	84.70	86.81	88.99	91.20	93.50	95.82	98.22	Hourly
110	169,852.80	173,992.00	178,380.80	182,873.60	187,428.80	192,108.80	196,872.00	201,864.00	206,918.40	Annual
110	14,154.40	14,499.33	14,865.07	15,239.47	15,619.07	16,009.07	16,406.00	16,822.00	17,243.20	Monthly
110	81.66	83.65	85.76	87.92	90.11	92.36	94.65	97.05	99.48	Hourly
111	171,912.00	176,196.80	180,585.60	185,099.20	189,737.60	194,542.40	199,305.60	204,318.40	209,476.80	Annual
111	14,326.00	14,683.07	15,048.80	15,424.93	15,811.47	16,211.87	16,608.80	17,026.53	17,456.40	Monthly
111	82.65	84.71	86.82	88.99	91.22	93.53	95.82	98.23	100.71	Hourly
112	173,992.00	178,422.40	182,915.20	187,470.40	192,129.60	196,892.80	201,905.60	206,939.20	212,035.20	Annual
112	14,499.33	14,868.53	15,242.93	15,622.53	16,010.80	16,407.73	16,825.47	17,244.93	17,669.60	Monthly
112	83.65	85.78	87.94	90.13	92.37	94.66	97.07	99.49	101.94	Hourly
113	176,217.60	180,668.80	185,161.60	189,758.40	194,542.40	199,347.20	204,339.20	209,539.20	214,780.80	Annual
113	14,684.80	15,055.73	15,430.13	15,813.20	16,211.87	16,612.27	17,028.27	17,461.60	17,898.40	Monthly
113	84.72	86.86	89.02	91.23	93.53	95.84	98.24	100.74	103.26	Hourly
114	178,443.20	182,936.00	187,512.00	192,150.40	196,913.60	201,926.40	206,960.00	212,056.00	217,422.40	Annual
114	14,870.27	15,244.67	15,626.00	16,012.53	16,409.47	16,827.20	17,246.67	17,671.33	18,118.53	Monthly
114	85.79	87.95	90.15	92.38	94.67	97.08	99.50	101.95	104.53	Hourly
115	180,731.20	185,182.40	189,779.20	194,563.20	199,409.60	204,380.80	209,580.80	214,801.60	220,126.40	Annual
115	15,060.93	15,431.87	15,814.93	16,213.60	16,617.47	17,031.73	17,465.07	17,900.13	18,343.87	Monthly
115	86.89	89.03	91.24	93.54	95.87	98.26	100.76	103.27	105.83	Hourly
116	182,956.80	187,553.60	192,171.20	196,976.00	201,947.20	206,980.80	212,097.60	217,443.20	222,872.00	Annual
116	15,246.40	15,629.47	16,014.27	16,414.67	16,828.93	17,248.40	17,674.80	18,120.27	18,572.67	Monthly
116	87.96	90.17	92.39	94.70	97.09	99.51	101.97	104.54	107.15	Hourly

Victor Valley Wastewater Reclamation Authority
Pay Step and Range FY 2026-2027
3.5% per MOU

Range	Step A	Step A1	Step B	Step B1	Step C	Step C1	Step D	Step D1	Step E	
117	185,203.20	189,841.60	194,584.00	199,430.40	204,422.40	209,601.60	214,822.40	220,147.20	225,700.80	Annual
117	15,433.60	15,820.13	16,215.33	16,619.20	17,035.20	17,466.80	17,901.87	18,345.60	18,808.40	Monthly
117	89.04	91.27	93.55	95.88	98.28	100.77	103.28	105.84	108.51	Hourly
118	187,595.20	192,192.00	196,996.80	201,968.00	207,001.60	212,118.40	217,464.00	222,892.80	228,425.60	Annual
118	15,632.93	16,016.00	16,416.40	16,830.67	17,250.13	17,676.53	18,122.00	18,574.40	19,035.47	Monthly
118	90.19	92.40	94.71	97.10	99.52	101.98	104.55	107.16	109.82	Hourly
119	189,904.00	194,625.60	199,492.80	204,464.00	209,622.40	214,843.20	220,230.40	225,721.60	231,337.60	Annual
119	15,825.33	16,218.80	16,624.40	17,038.67	17,468.53	17,903.60	18,352.53	18,810.13	19,278.13	Monthly
119	91.30	93.57	95.91	98.30	100.78	103.29	105.88	108.52	111.22	Hourly
120	192,192.00	197,017.60	201,988.80	207,022.40	212,201.60	217,484.80	222,913.60	228,508.80	234,208.00	Annual
120	16,016.00	16,418.13	16,832.40	17,251.87	17,683.47	18,123.73	18,576.13	19,042.40	19,517.33	Monthly
120	92.40	94.72	97.11	99.53	102.02	104.56	107.17	109.86	112.60	Hourly



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Agenda Item

TO: VWVRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM

DATE: 06/18/2026

Recommendation to approve the Non-Represented Employee's Compensation and Benefits Plan FY 2027

SUBJECT: It is recommended that the Board of Commissioners approve the Non-Represented Employee's Compensation and Benefits Plan FY 2027

Attachments

Non Rep

NON-REPRESENTED EMPLOYEES' COMPENSATION AND BENEFIT PLAN

“EXHIBIT A”



VICTOR VALLEY WASTEWATER
RECLAMATION AUTHORITY

Non-Represented Employees
Compensation and Benefits Plan

FY 2027

SECTION 1: Establishment

The Non-Represented Employees' Compensation and Benefits Plan shall be implemented on the first full pay period of FY 2027. The following sections shall remain in full force and effect until modified or terminated by action of the Victor Valley Wastewater Reclamation Authority, (VWVRA), Board of Commissioners and may be modified individually or in whole by action of the VWVRA Board of Commissioners.

SECTION 2: Provisions of Law

It is understood that this Non-Represented Employees Compensation and Benefits Plan is subject to all current and future applicable federal and state laws, federal and state regulations. If any section or provision of the agreement is in conflict or inconsistent with such above applicable laws, rules and regulations, or is otherwise held to be invalid or unenforceable by any competent jurisdiction, such section or provision shall be suspended and superseded by such applicable law or regulations, and the remainder of this resolution shall not be affected thereby.

SECTION 3: Management Structure

All employees work for the General Manager; however, they have supervisors assigned to them based upon the organizational structure included in the annual budget and as determined by the General Manager.

SECTION 4: Administrative Employees Classifications

The non-represented job classifications include all job classifications and employees not represented by a recognized employee association, as approved by the General Manager. The non-exclusive listing of classifications that are non-represented includes the full-time, part-time, temporary employees, and any other employees, to include the following full-time classifications:

Professional (Salary)	Management (Salary)	Senior Management (Salary)
Management Analyst	Operations Supervisor	Director of Engineering and Environmental Compliance
Human Resource Technician	Maintenance Supervisor	Director of Human Resources and Risk Management
Executive Assistant to the General Manager	Accounting Supervisor	Director of Finance and Procurement
Safety & Communications Officer		Director of Operations and Maintenance
Lead Accountant		

SECTION 5: Confidential Employees

Confidential employees are designated as such when an employee, in the course of his or her duties, has access to information relating to the Authority's administration of employer-employee relations. Employees designated as confidential employees may not represent any employee organization which represents other Authority employees concerning the wages, hours or other terms and conditions of employment of such other employees. The employees designated as confidential employees are as follows:

All Senior Management/Management Staff
Executive Assistant to the General Manager
PIO & Safety Coordinator
Human Resources Technician
Management Analyst
Lead Accountant

SECTION 6: Salary

1. The VVWRA Board of Commissioners shall approve and adopt all compensation schedules covering all classes of position in the competitive services, showing the minimum and maximum rates of pay. In arriving at such salary ranges, consideration shall be given to prevailing rates of pay for comparable work including consideration of conditions of work and employer paid benefits as well as basic pay; to current costs of living, considering the index affecting the Victor Valley area; and to the Agency's financial condition and policies. The compensation schedule shall be approved by the Board of Commissioners.
2. Annually, a Cost-of-Living Adjustment (COLA) will be reviewed by management and presented to the Board of Commissioners. The COLA will be based on the annualized Consumer Price Index (CPI) – All Urban Consumers (Area: Riverside-San Bernardino – Ontario), or the negotiated increase received by the Members Association, whichever is higher
3. The salary ranges will be listed in the VVWRA Employee Compensation Schedule.

This annual payment will be included in the last paycheck received in the month of June and will not be reported to CalPERS as special compensation.

4. Employees may qualify for additional compensation for a qualified degree or certification and/or incentive pay as detailed in the Employee Certification Pay Program.
5. The Authority will provide to all Administrative Association employees a 401 (a) program with an employer contribution every calendar year as follows:

Professional

- 1.0% of base salary

NON-REPRESENTED EMPLOYEES' COMPENSATION AND BENEFIT PLAN

Management

- 2.0% of base salary

Senior Management

- 3.0% of base salary

Employees also have the option to contribute an after-tax amount to the 401 (a) program via biweekly payroll deductions.

Classifications/Promotions

Purpose

Classification review is a management tool to ensure the accurate reflection of tasks and duties involved in each administrative association VVWRA position for the purpose of recruitment, retention, compensation, and organizational structuring. Whenever administrative association positions are subject to any change as a result of classification review, any Board of Commissioners' action shall be made on the recommendation of the General Manager. Any request to review a classification action shall be submitted to the Authority Assistant General Manager.

Implementation of Classification Study Results

Upgrading

An upgrading is the reclassification of a position from one classification to another classification having a higher base salary range. Whenever an employee is upgraded because of such reclassification, pursuant to the Personnel Rules, such employee's step placement in the new salary range shall be governed by the Article on "Promotions."

Downgrading

A downgrading is the reclassification of a position from one classification to another classification having a lower base salary range. When a position is downgraded, the employee may continue at the same salary rate payment where the salary rate is within the new base salary range. Where an employee receives a salary rate payment greater than the maximum of the new base salary range, the Authority General Manager or their designee, may authorize continuation of the same salary rate payment to the employee that the employee received prior to the downgrading of the position by placing the employee on an "Y" rated step, provided that the employee shall receive no future salary rate increases, including annualized cost of living increases, (CPI), until the salary range maximum of the new classification exceeds the "Y" rated step. While the employee is on the "X" step, they are not eligible for any 5% certification increase.

Salary Rate Adjustment

A salary rate (equity) adjustment is a change in the salary range assignment of an existing classification because of a classification/compensation study. Employees whose classification is assigned to a higher base salary range shall be placed on the step in the new range that is

NON-REPRESENTED EMPLOYEES' COMPENSATION AND BENEFIT PLAN

approximately a five percent (5%) salary increase, not to exceed the maximum step of the new range. The employee shall be eligible to advance to the next step, if applicable, upon completion of 1 year of service at the new range and step. Subsequent step advances shall be administered in accordance with the Salary Rates and Step Advancements and Merit Advances Articles.

Promotions

A promotion is the appointment of an employee from one classification to a classification having a higher base salary range. A promoted employee shall receive at least the entrance rate of the new range or approximately a five percent (5%) increase (i.e., mathematically closest to 5%), whichever is greater, provided that no employee is thereby advanced above the top step of the higher base salary range. At the discretion of the Authority and with the approval of the General Manager or their designee, an employee may be placed at any step within the higher base salary range. Promotions shall be effective only at the beginning of a pay period unless an exception is approved by the Assistant General Manager.

SECTION 7: 457 (a) Program/ Technology Purchase Program

The Authority will provide to all Administrative Association employees a 457 (a) program with contributions every pay period as follows:

Professional

- Up to three percent match, (3.0%) of base salary

Management

- Up to three percent match, (3.0%) of base salary

Senior Management

- Up to three percent match, (3.0%) of base salary

****Employees must contribute to the plan to receive a match. VVWRA will match the employee's contribution up to 3% of base salary.**

Holidays – Paid holidays will be paid at the same number of hours of the employee's approved work schedule. Employees working a:

- 4/10 schedule: paid holiday will be at ten (10) hours per holiday.
- 9/80 schedule: paid holiday will be at nine (9) hours per holiday.
- 5/80 schedule: paid holiday will be at eight (8) hours per holiday.

Technology Purchase Program

VVWRA offers the administrative employees the option to purchase computer hardware, software, and peripheral equipment. The specific computer hardware and peripheral equipment offered to the employees will be limited to those items that, in the sole opinion of the General Manager, are consistent with the goals of the Technology Purchase Program. The items offered may be changed from time to time as technology, vendor selection, and/or employee needs change. Employees are required to sign an "Installment Sale Contract (Security Agreement)", a copy of which is attached, which specifies the terms of the agreement and provides VVWRA with the authorization of the employee to withhold an amount from the employee's semi-monthly payroll checks to fully repay the amount of the agreement in the specified time period, but not to exceed 24 months. No interest

NON-REPRESENTED EMPLOYEES' COMPENSATION AND BENEFIT PLAN

shall be charged by VVWRA. VVWRA retains a security interest in the items purchased by the employee until such time as VVWRA has been paid in full. Employees who terminate their employment with, or are terminated by, VVWRA, will be required to make full payment upon their termination. If an employee is unable or unwilling to make full payment, the employee will be required to return the computer in good condition to VVWRA. In the event the computer system is returned, the employee will not receive any compensation or reimbursement for payments made on the computer system.

Limitation:

Each participating employee may not owe VVWRA more than \$2,500 at any time and may have only one purchase agreement in effect at a time. Further, at no time shall the sum of all amounts due from all participating employees exceed \$25,000. This Program is intended for the private, personal use of participating employees only.

SECTION 8: Health Benefits

Medical/Dental/Vision Contribution. The contribution of the VVWRA toward medical, dental, and vision insurance shall be as follows:

- Professional/Management: \$1,550.00 per month
- Senior Management: \$1,550.00 per month, any remaining portion of the allowance shall be deposited into either the 457 Plan or 401(a) Plan, up to IRS annual limits.

SECTION 9: Holidays

All full-time continuous salaried employees shall be compensated at the regular rate for the holidays per the VVWRA Board approved annual holiday schedule.

SECTION 10: Vehicle Usage/Allowance

Management employees shall provide their own vehicles to be used in the performance of their duties, and VVWRA shall provide an automobile allowance of two hundred and fifty dollars (\$250.00) per month for said use.

Senior Management shall provide their own vehicles to be used in the performance of their duties, and VVWRA shall provide an automobile allowance of five hundred dollars (\$500.00) per month for said use unless the General Manager chooses to allow the use of a VVWRA vehicle.

Employees who receive the vehicle allowance shall be responsible for paying for liability insurance as required by State law, fuel, maintenance, and repair of their own personal vehicles. Employees shall not be eligible for an assignment of a VVWRA vehicle and a vehicle allowance. However, employees who receive a vehicle allowance may request reimbursement for mileage in excess of 200 miles per event.

SECTION 11: Retiree Health Saving Plan (RHS)

VVWRA will provide Administrative Association employees with a Retiree Health Saving Plan (RHS). The RHS Plan enables employees to save in advance for costs relating to medical expenses once they retire from the California Public Employees Retirement System (CalPERS). VVWRA will contribute 0.5% of base wages on an annual basis into each employee's account with vesting occurring immediately.

SECTION 12: Three-Tiered Management Program

Employees designated as either Professional, Management, or Senior Management are not eligible for overtime pay or compensatory time for working hours over and above the normal daily work schedule. Employees so designated shall be entitled to all benefits provided to general employees and the following:

- Professional: 40 hours of administrative leave per fiscal year
- Management: 60 hours of administrative leave per fiscal year
- Senior Management: 80 hours of administrative leave per fiscal year

On the first full pay period of the fiscal year, the employee will be granted the maximum amount of administrative leave hours in a lump sum according to the employee's designation above. Employees hired after the beginning of the fiscal year, the employee will receive a lump sum of pro-rated administrative leave based on the number of pay periods remaining in the fiscal year. Any unused administrative hours will be paid to the employee at the end of the fiscal year.

New employees' accrual of administrative leave shall be prorated to the end of the fiscal year. Administrative leave is intended to be used in the fiscal year. If an employee separates from employment, however, the employee will be compensated for any accrued, but unused, administrative leave.

Darron Poulsen
General Manager

Date



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Staff Report

TO: VVWRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Xiwei Wang, Director of Finance

DATE: 06/18/2026

SUBJECT: **Recommendation to adopt Resolution 2026-14 to update the positions in the Investment Policy**

Fiscal Impact N/A

Account Code:

Funds Budgeted/ Approved:

STAFF RECOMMENDATION

It is recommended that the Board of Commissioners adopt Resolution 2026-14, updating positions in the Investment Policy.

PREVIOUS ACTION(S)

On January 19, 2023, the Board approved the revisions to the VVWRA Investment Policy.

BACKGROUND INFORMATION

During the mid-year budget review process on January 29, 2026, the Board of Commissioners approved the restructuring plan to break down the broad responsibilities of the former Director of Administration role into specialized positions that allows for deeper expertise in critical areas. Staff have modified the existing Investment Policy to reflect the new positions approved by the Board of Commissioners. These changes have been made and are further detailed in the attached Resolution 2026-14 (Exhibit 1). It is recommended that the Board of Commissioners to adopt Resolution 2026-14, updating positions in the Investment Policy.

Attachments

Exhibit 1- Resolution 2026-14 Updating Positions in the Investment Policy

EXHIBIT 1

RESOLUTION 2026-14

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY FOR THE ADOPTION OF A STATEMENT OF POLICY FOR THE INVESTMENT OF FUNDS FOR FISCAL YEAR 2026-2027

WHEREAS, Government Code Section 6509.5 directs the Victor Valley Wastewater Reclamation Authority (“VWRA”) to invest funds that are not required for the immediate necessities of VWRA in a manner consistent with the conditions set forth in Government Code Section 53601, and;

WHEREAS, Government Code Section 53601 specifies the permissible type of investments for surplus funds of local agencies, and;

WHEREAS, Government Code 53630 et seq. Further specifies procedures for the handling and deposit of all monies belonging to, or in the custody of VWRA, and;

WHEREAS, Government Code 53660 et seq. Further requires the VWRA Treasurer (“Treasurer”) to annually render to the VWRA Board of Commissioners (“Commission”) a statement of investment policy which the Commission shall consider and adopt at a public meeting, and;

WHEREAS, the Treasurer has rendered, and the Commission has reviewed, the proposed statement of investment policy.

**NOW, THEREFORE, THE COMMISSION OF THE VICTOR VALLEY
WASTEWATER RECLAMATION AUTHORITY DOES HEREBY RESOLVE AS
FOLLOWS:**

Section 1. The Statement of Investment Policy (“Policy”) attached hereto as Exhibit “A” shall be the statement of investment policy for the Victor Valley Wastewater Reclamation Authority, and;

Section 2. The Policy shall be effective upon adoption and shall continue in effect until amended by formal resolution or until the next annual reconsideration and re-adoption of the Policy by the Commission as required by Government Code Section 53646.

ADOPTED this 18th day of June 2026.

Cameron Gregg, Chair
VWRA Board of Commissioners

ATTEST:

APPROVED AS TO FORM:

Scott Nassif, Secretary
VWRA Board of Commissioners

Piero Dallarda of
Best Best & Krieger LLP, VWRA Counsel

CERTIFICATION

I, Kristi Casteel, Secretary to the Board of Commissioners of the Victor Valley Wastewater Reclamation Authority, State of California, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 2026-14, adopted by the Board of Commissioners of said Authority at its meeting of June 18, 2026.

Kristi Casteel
Secretary to the Board of Commissioners

EXHIBIT A



Victor Valley Wastewater Reclamation Authority

Department of Finance

Investment Policy

APPROVALS

Approved by: _____ Date: _____
General Manager

Approved by: _____ Date: _____
[Accounting Supervisor](#) [Director of Finance and Procurement](#)

PROCEDURE REVISION HISTORY		
Rev.	Date	Approval
1.0	10/18/18	Board Approval – Resolution No.2018-14
2.0	08/19/21	Board Approval – Resolution No.2021-07
3.0	11/17/22	Board Approval – Resolution No. 2022-14
4.0	1/19/23	Board Approval – Resolution No. 2023-02 Board Approval – Resolution No.
<u>5.0</u>	<u>06/18/26</u>	<u>Board Approval – Resolution No. 2026-14</u>

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INVESTMENT POLICY



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY



Board Approved on ~~January 19, 2023~~ June 18, 2026
Resolution 2026-~~143-~~

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VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY TREASURER'S STATEMENT OF INVESTMENT POLICY

OVERVIEW

This statement is intended to provide guidelines for the prudent investment of the Victor Valley Wastewater Reclamation Authority's (hereinafter referred to as "Authority") temporary idle ~~cash,~~ ~~and cash and~~ outline the procedures for maximizing the efficiency of the Authority's cash management system. The ultimate goal is to enhance the economic status of the Authority while safeguarding its assets.

I. POLICY

It is the Policy of the Victor Valley Wastewater Reclamation Authority to invest public funds in a prudent manner, which will provide in the following order: 1) the highest level of safety of funds, 2) liquidity of funds in order that daily cash flow demands are met, 3) the yield or investment return be maximized while conforming to all laws of the State of California regarding the investment of public funds. In addition, this policy provides guidelines for authorized investments and in accordance with Section 53646 of the California Government Code, the Authority Treasurer will annually render to the Board of Commissioners a Statement of Investment Policy.

II. DELEGATION OF AUTHORITY

The Board of Commissioners (Board) has ultimate authority with respect to investment of Authority ~~funds, and funds and~~ ensuring compliance with this Policy. The Board may delegate such authority, as it deems appropriate, to individual members, officers, or employees of the Authority.

The Board has appointed General Manager as the Treasurer of the Authority pursuant to Section 6505.6. In the absence of the Treasurer, the responsibility to direct investment transactions ~~effecting affecting~~ Authority monies will be restricted to the General Manager's delegates, acting as the Deputy Treasurer. Such delegates shall be designated by the General Manager in a writing bearing the General Manager's signature or they may be designated through a Board Resolution. In the event that the General Manager does not or cannot designate a person or persons to be in charge, the following order of succession shall apply:

- 1) ~~Director of Administration~~ Assistant General Manager
- 2) ~~Finance Supervisor~~ Director of Finance and Procurement

The Treasurer and the Deputy Treasurer have been authorized to undertake investment transactions on behalf of the Authority. The authority to undertake investment transactions on behalf of the Authority shall not pass to another individual unless specifically authorized in writing by the General Manager (Treasurer). Although the Treasurer and Deputy Treasurer have been authorized to undertake investment transactions, the clerical management (such as reporting requirements, confirmations, and record keeping) responsibility for the Authority's investments has been delegated to the Finance Department of the Authority. No person may engage in an investment transaction except as provided under the terms of this policy.

The Treasurer is responsible for ensuring compliance with the Authority's investment policies as well as for establishing systems of internal control to regulate the activities of subordinate officials.

The Treasurer, the Deputy Treasurer, the Chairman of the Board of Commissioners and representatives from the Finance Department shall review the policy on an annual basis for submission and approval by the Board of Commissioners pursuant to Section 53646.

These same members will act as the Investment Committee and meet quarterly to review the Treasurer's Quarterly Investment Report and evaluate the portfolio, the quarterly cash report and to provide general oversight and guidance concerning the investment policy. The Investment Committee is not authorized to direct investment decisions or select individual investment advisors, brokers or dealers.

III. SCOPE

The Treasurer, as defined in Section II. Delegation of Authority, is authorized to invest the Authority's funds in accordance with the applicable provisions of Articles 1 and 2 of Chapter 4 of Division 2, Part 1 of the California Government Code (the "Chapter 4") and Section 16429.¹¹ This investment policy applies to all financial assets of the Authority. These funds are accounted for in the Comprehensive Quarterly Financial Reports. All monies entrusted to the Treasurer will be pooled in an actively managed portfolio except for the employees' retirement funds, which are administered separately and the proceeds of certain debt issues, which are managed and invested by trustees appointed under indenture agreements.

IV. PRUDENCE

The actions of the Treasurer in the performance of his or her duties as a manager of public funds shall be evaluated using the prudent person standard contained in Section 53600.3 applied in the context of managing the overall portfolio:

All governing bodies of local agencies or persons authorized to make investment decisions on behalf of those local agencies investing public funds pursuant to Chapter 4 of Division 2, Part 1 of the Government Code are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency.

Investment officers acting in accordance with written procedures and the investment policy exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

V. OBJECTIVES

The primary objectives, in priority order, of the Authority investment activities shall be:

¹ All references to "Section" shall refer to the California Government Code unless specified otherwise.

A. Safety

Safety of principal is the foremost objective of the investment program. Investments of the Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The Authority shall seek to safeguard principal by a careful examination of credit risk and market risk of individual investments.

- Credit Risk - is defined as the risk of loss due to failure of an issuer of a security, shall be mitigated by investing in only very safe institutions and by diversifying the fund so that the failure of any one issuer would not unduly harm the Authority's cash flow.
- Market Risk - is defined as limiting the weighted average maturity of the Authority fund to less than five years, shall mitigate the risk of market value fluctuations due to overall changes in the general level of interest rates.
- The Authority shall invest in only those institutions that are considered very safe.

B. Liquidity

The Authority investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating expenditure requirements, which might be reasonably anticipated.

C. Return on Investment

The Authority investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary cycles, taking into account the Authority's investment risk constraints and the cash flow characteristics of the portfolio. Whenever possible, consistent with risk limitations and prudent investment principles, the Authority shall make an effort to achieve returns at the market average rate of return. The market average rate of return is defined as the average return on six month U.S. Treasury Bills (in normal markets).

VI. ETHICS AND CONFLICTS OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions on behalf of the Authority. The Treasurer, the Deputy Treasurer and all other employees who have been authorized by the Treasurer pursuant to these policies to undertake investment transaction on behalf of the Authority are required to file annual disclosure statements, State of California Form 700, Statement of Economic Interests Disclosure, as required by the Fair Political Practices Commission (FPPC), and thus disclose to the Secretary to the General Manager/Board of Commissioners any material financial interests in financial institutions that conduct business within the jurisdiction. Any such employees, shall, prior to authorizing an investment transaction with a business entity in which such employee has a financial interest that would otherwise be reportable on Schedule A-1 of California Form 700 whether or not such entity is located in or doing business in the Authority's jurisdiction at such time, disclose such financial interest to the Secretary to the General Manager/Board of Commissioners and General Counsel of the Authority. During the course of the year, if there is an event subject to disclosure pursuant to the preceding paragraph that could impair the ability of the Treasurer, the Deputy Treasurer or any other employee who has been authorized by the Treasurer pursuant to these policies to undertake investment transaction on behalf of the Authority to make prudent decisions pursuant to the standard set forth in III above, the General Counsel to the Authority, General Manager and Chairperson and Secretary to the Board will be notified in writing within 10 days of the occurrence of such event subject to disclosure.

VII. AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS

The Authority shall transact business only with issuers, banks, and registered investment security dealers, managers and advisors. The purchase of any investment, other than those purchased directly from the issuer, shall be purchased either from an institution licensed by the State of California as a broker/dealer, as defined in Section 25004 of the Corporations code, who is a member of the National Association of Securities Dealers (NASD) or a member of a Federally regulated securities exchange, a National or State-Chartered Bank, a Federal or State Association (as defined by Section 5102 of the Financial Code), or a brokerage firm designated as a Primary Government Dealer by the Federal Reserve Bank. The Treasurer shall investigate all institutions that wish to do business with the Authority, in order to determine if they are adequately capitalized, make market in securities appropriate to the Authority's needs, and agree to abide by the conditions set forth in the Authority's Investment Policy. The Treasurer shall not authorize any such institution to provide investment services to the Authority unless such institution shall have provided to the Treasurer: 1) a current audited financial statement, 2) proof of National Association of Security Dealers Certification, 3) proof of state registration, 4) completed broker/dealer questionnaire (Exhibit 1), and 5) certification of having read the Authority's investment policy and depository contracts (Exhibit 2).

The Treasurer will maintain a list of financial institutions authorized to provide investment services to the Authority and review annually the financial condition and registrations of qualified bidders. A current audited financial statement and proof of current National Association of Securities Dealer Certification and state registration are required to be on file with the Treasurer for each financial institution and broker/dealer with which the Treasurer invests funds of the Authority.

VIII. AUTHORIZED AND SUITABLE INVESTMENTS

The Sections 16429.1 and the provisions of Articles 1 and 2 of Chapter 53601, et seq. limits the investment vehicles available to local agencies. The authority's Investment Policy further restricts the permitted investments to those listed below:

- **California State Treasurer's Local Agency Investment Fund (LAIF)** - Section 16429.1 authorizes each local government agency to invest a maximum of \$40 Million in the investment program administered by the California State Treasurer. Money invested with LAIF is pooled with state money in order to earn the maximum rate of return possible in a manner consistent with sound investment practices. There is no limitation as to the percentage of the portfolio a local agency can invest in LAIF. A local agency can remit to the state treasurer any money not required for immediate needs and Section 16429.1 gives the agency the exclusive determination of the length of time its money will be on deposit.

LAIF provides daily liquidity; therefore, there is no final stated maturity for this investment category. Investments in LAIF shall not exceed \$40 million per governmental entity.

- **San Bernardino County Local Agency Investment Fund (SBCLAIF).**
- **The Investment Trust of California (CalTRUST)**, as authorized by Government Code Section 53601(p).
- **United States Treasury Bills, Notes and Bonds** or those for which the full faith and credit of the United States are pledged for payment of principal and interest. Purchase of

this category shall not exceed five years to maturity. There is no limit on the percentage of the Authority's investment portfolio that may be invested in this category of investment.

- **Insured Certificates of Deposits (CD's) of California banks**, which mature in 5 years or less, provided that the authority's purchases of such CD's shall not exceed Two Hundred Fifty thousand Dollars (\$250,000) per institution per the Troubled Assets Relief Program (TARP) of the Federal Government guidelines or any other applicable limit established by the State of California or the Federal Government. If the TARP guidelines change or are eliminated by the Federal Government, the Authority must remain within the insured dollar amount guidelines of the Federal Deposit Insurance Corporation (FDIC). The purchases of certificates of deposit pursuant to this paragraph and the following paragraph may not, in total, exceed 30% of the Authority's investment portfolio that may be invested in these categories of investments.
- **Certificates of Deposits acquired through the Certificate of Deposit Account Registry Service (CDARS)** pursuant to and in compliance with the provisions of Section 53601.8 at a financial institution that uses a private sector entity to assist in placement of such certificates of deposit. The purchases of certificates of deposit pursuant to this paragraph and the preceding paragraph may not, in total, exceed 30% of the Authority's investment portfolio that may be invested in these categories of investments.
- **Money Market Mutual Funds (MMMF)** pursuant to Section 53601(I). Such MMMF investments shall be restricted to those funds offered by diversified management companies that are registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and that have (1) attained the highest ranking or highest letter and numerical rating provided by not less than two of the following nationally recognized statistical rating organizations: Moody's, Standard & Poor's, or Fitch, and (2) retained an investment advisor registered with the Securities and Exchange Commission with not less than five years experience, with assets under management in excess of five hundred million dollars (\$500,000,000). A further restriction is that the purchase price of shares of the mutual funds shall not exceed twenty percent (20%) of the Authority's surplus funds and the purchase price of shares of any one mutual fund shall not exceed ten percent (10%) of the Authority's surplus funds.

IX. COLLATERALIZATION

Collateralization will be required on all Demand Accounts and uninsured Time Deposits. Demand Accounts and uninsured Time Deposits with financial institutions shall be collateralized at 102% of market value of principle and accrued interest or in the manner prescribed by law for depositories accepting municipal investment funds, whichever is greater.

All securities owned by the Authority will be held by an independent third party with whom the Authority has a current custodial agreement, except the collateral for time deposits in the financial institutions. Collateral for time deposits in savings and loans is held by the Federal Home Loan Bank or an approved Agent of Depository. The collateral for time deposits in banks shall be held in the Authority's name in the bank's Trust Department, or alternatively in the Federal Reserve Bank.

X. CONFIRMATION

Receipts for confirmation of purchase of authorized securities should include the following information: trade date, par value, rate, price, yield, settlement date, cusip number, description of securities purchased, agency's name, net amount due, ~~third party~~third-party custodial information. These are minimum information requirements.

Confirmations should be received by the Finance Department, thus allowing for a separation of duties between the Treasurer who places the investment and the Finance Department staff confirming the investment.

XI. SAFEKEEPING OF SECURITIES

In accordance with Section 53601, all securities owned by the Authority shall be held in safekeeping by the Authority's custodial bank or third-party bank trust department, acting for the Authority under the terms of a custody agreement. All securities will be received and delivered using standard Delivery-Versus Payment (DVP) procedures, which ensures that securities are deposited with the third-party custodian prior to release of funds. A third-party custodian as evidenced by safekeeping receipts will hold securities. Investments in LAIF or money market mutual funds are undeliverable and are not subject to delivery or third-party safekeeping. Investments in CalTRUST for all participants are under custody of a third-party custodian selected by the CalTRUST Board of Trustees.

The Authority will diversify its investments by security type and institution. Except for U.S. Treasury securities and authorized pools (LAIF, SBCLAIF and CalTRUST); no more than 50% of the entity's total investment portfolio will be invested in a single security type or with a single financial institution.

XII. GUIDELINES

When more than \$1,500,000 has been accumulated at a bank checking account, the Treasurer shall deposit such monies above \$1,500,000 with the authorized investment institutions or may gather interest quotes from financial institutions qualified to do business with the Authority, consisting of both banks and savings and loans who have a Gerry Findley Incorporated (GFI) or other equivalent rating agency used by Municipal Treasurers to evaluate banks and savings and loans, Bank Rating Evaluation of "A" or higher. Before money is invested in other than the LAIF,

quotes from six (6) or more institutions shall be obtained by the Authority. All qualified institutions from which quotes are obtained shall be insured under the FDIC or the Federal Savings and Loan Insurance Corporation (LAIF, SBCLAIF and CalTRUST are excluded from this provision).

Quotes may be taken by telephone and shall be arrayed on a quote sheet showing the date of the quote and the name of the Authority employee obtaining quotes. The quote sheet shall list the amount to be invested, the institutions from which quotes were solicited, the quoting official, and the comparative rates of simple interest offered for the money. The simple interest rate shall be listed in each case for thirty (30), sixty (60), and ninety (90), and one hundred and eighty (180) day investment periods. If other alternatives are given, the purpose of the quote sheet is to compare like with like. (LAIF, SBCLAIF and CalTRUST are excluded from this provision.)

XIII. MAXIMUM MATURITIES

To the extent possible, the Authority will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow or expressly authorized by the Board, no less than three months prior to the investment, the Authority will not directly invest in securities maturing more than five (5) years from the date of purchase.

XIV. INTERNAL CONTROL

The Treasurer shall establish an annual process of independent review by an external auditor. This review will provide internal control by assuring compliance with policies and procedures.

XV. PERFORMANCE STANDARDS

The investment portfolio will be designed to balance three primary objectives: (i) security of the invested funds; (ii) liquidity to ensure that funds are available to meet the cash flow requirements of the Authority; and (iii) return on investment. The rate of return should be no lower than the rate offered by the LAIF on the date that funds are invested.

XVI. REPORTING

Under the provision of Section 53464, the Treasurer shall render a report to the Authority's Board of Commissioners with detailed information on all investments of the Authority. The report will be submitted at least quarterly and provided to the Board in a Board agenda. The report may contain the following information on the portfolio that is subject to this investment policy:

- The type of investment, name of the issuer or custodian, date of maturity (if applicable) and return on investment for the reporting quarter;
- The report should include the costs of investment;
- Weighted average maturity period (such as a number of months to the maturity) of the investments, if applicable;
- The market value and source of the valuation;
- Compliance of investments with the investment policy; and
- Whether the liquidity of investments is consistent with the Authority's ability to meet its anticipated expenditure requirements for the next six months.

XVII. INVESTMENT POLICY ADOPTION AND ANNUAL REVIEW

The above investment policy is adopted by resolution of the Authority. According to Section 53646, the Treasurer shall review the policy on an annual basis and the Board shall consider at a public meeting and approve any modifications made thereto.

XVIII. GLOSSARY

AGENCIES: Federal agency securities

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCES (BA): ~~a~~A draft or Bill of Exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the insurer.

BID: The price offered for securities.

BROKER: A broker brings buyers and sellers together for a commission.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

CERTIFICATE OF DEPOSIT (CD): ~~a~~A time deposit with a specific maturity evidenced by a certificate. Certificate of Deposit may be issued in either negotiable or nonnegotiable form. Nonnegotiable certificates cannot be resold in the secondary market and may face penalties for early redemption whereas a negotiable CD may be resold.

COUPON: (a) The annual rate of interest that a bond issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DISCOUNT: The difference between the cost price of a security and its value at maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full value, e.g., US Treasury Bills.

DIVERSIFICATION: ~~dividing~~Dividing investment funds among a variety of securities offering independent return.

FEDERAL CREDIT AGENCIES: Agencies of Federal Government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives and exporters.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. The Federal Reserve through open-market operations currently sets this rate. This is the rate banks with excess reserves charge other banks that require overnight loans.

FEDERAL RESERVE SYSTEM: The Central Bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, DC., 12 Regional Banks and about 5,700 commercial banks that are members of the system. It is responsible for regulation monetary policy.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): The federal agency that insures bank deposits, currently up to \$250,000 per deposit.

FEDERAL HOME LOAN BANKS (FHLB): ~~the~~ The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks to its member commercial banks.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE): Securities guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations and other institutions. Security holder is protected by the full faith and credit of the US Government. Ginnie Mae securities are backed by FHA, VA or FMHM mortgages.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value.

LOCAL AGENCY INVESTMENT FUND (LAIF): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (US T-bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

PORTFOLIO: The collection of securities held by an investor.

PRUDENT PERSON RULE: An investment standard currently set forth in Section 53600.3. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the state – the so-called legal list. In other states the trustee may invest in a surety if it is one, which a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital would buy.

PRIMARY DEALER: A group of government securities dealers that submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC) registered securities broker-dealers, banks and a few unregulated firms.

RATE OF RETURN: For fixed-rate securities, it is the coupon or contractual dividend rate divided by the purchase price, which is also the current yield.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value or not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

TREASURY BILLS OR T-BILLS: A non-interest bearing discount security issued by the US Treasury to finance the national debt. Most bills are issued to mature in three months, six months or one year.

TREASURY BOND: Long-term US Treasury securities having initial maturities of more than ten years.

TREASURY NOTES: Intermediate term coupon bearing US Treasury securities issued as direct obligations of the US Government and having initial maturities of from one to ten years.

YIELD: The rate of annual income return on an investment, expressed as a percentage.



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Staff Report

TO: VVWRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Ray Lopez, Maintenance Supervisor

DATE: 06/18/2026

SUBJECT: **Recommendation to the Board of Commissioners to authorize the General Manager to approve a 1-year extension to the current HVAC maintenance agreement with FHA Services Inc. The Regional Plant is \$116,004 and each Subregional is \$12,096 for an amount not to exceed \$140,196 for the next fiscal year upon final legal review and approval of the contract.**

Fiscal Impact	Yes
Account Code:	01-02-535-6060-9999; 01-54-535-6060-9999; 01-55-535-6060-9999
Funds Budgeted/ Approved:	Yes

STAFF RECOMMENDATION

Staff recommends that the Board of Commissioners authorize the General Manager to approve a one-year extension of the existing HVAC maintenance services agreement with FHA Services Inc., in an amount not to exceed \$140,196 for the next fiscal year, subject to final legal review and approval of the contract.

PREVIOUS ACTION(S)

On September 28, 2023, the VVWRA Board of Commissioners awarded a three-year HVAC maintenance services contract to FHA Services Inc. following a competitive Request for Proposals process. VVWRA is now approaching the end of the initial three-year contract term.

BACKGROUND INFORMATION

VVWRA's Regional Plant contains more than 50 HVAC units, and each of the two subregional facilities contains an additional nine units. These systems require monthly and quarterly preventive maintenance to ensure reliable operation. HVAC equipment is essential for maintaining appropriate temperatures for critical electrical motor control equipment, SCADA systems, the laboratory, and administrative areas. Failures can damage critical assets, resulting in repair or replacement costs in the tens of thousands of dollars. In more severe cases, an HVAC failure could create operational issues that may affect VVWRA's ability to comply with its operating permits.

VVWRA requires a highly qualified HVAC service provider that understands the critical nature of these systems and the operational challenges of a wastewater treatment environment. The Authority's HVAC units do not operate under typical office or warehouse conditions. They must

perform reliably in environments with elevated moisture levels and airborne particulates that can interfere with normal operation. Materials generated by VVWRA's treatment processes, combined with dust associated with American Organics' green waste operations, create conditions that require frequent and thorough preventive maintenance.

On September 28, 2023, the VVWRA Board of Commissioners awarded FHA Services Inc. a three-year HVAC maintenance services contract following a competitive Request for Proposals process. The original contract included two optional one-year extensions, provided that the level of service remained satisfactory and any increase in service costs did not exceed the applicable Consumer Price Index adjustment. Staff is recommending that VVWRA exercise the first optional one-year extension under the terms previously approved by the Board.

During the current three-year contract term, VVWRA has not experienced the significant HVAC failures that occurred in prior years. When issues arise, FHA Services identifies and addresses them promptly before they develop into equipment failures or more costly repairs. Based on the contractor's performance and the continued need for reliable HVAC maintenance, staff recommends that the Board of Commissioners authorize the General Manager to approve a one-year extension of the existing HVAC maintenance services agreement with FHA Services Inc., subject to final legal review and approval of the contract.

The proposed one-year extension includes \$116,004 for the Regional Plant and \$12,096 for each of the two subregional facilities, for a total amount not to exceed \$140,196 for the next fiscal year.

Attachments

Exhibit 1
Exhibit 2
Exhibit 3



Victor Valley Wastewater Reclamation
PO Box 370
Adelanto, CA 92301

(760) 246-2889
info@fhaservices.com

ESTIMATE	#3992
ESTIMATE DATE	Jun 3, 2026
SERVICE DATE	Jun 3, 2026
EXPIRATION DATE	Jul 3, 2026
TOTAL	\$116,004.00

SERVICE ADDRESS

VVW - Routine Maintenance
20111 Shay Rd
Victorville, CA 92394

CONTACT US

12175 Pawnee rd.
Apple Valley, CA 92308

(760) 247-5126
info@fhaservices.com

Service completed by: Kyle Ferree

ESTIMATE

Option #1 Service completed by: Kyle Ferree

Services	qty	unit price	amount
-48 hours monthly routine maintenance: July 1st 2026 - June 30th, 2027. -This price includes: HVAC Units on all buildings- Air Filters, Belts, Coil Cleaning Chemicals.	12.0	\$9,667.00	\$116,004.00
Please Note: Blower Building units will be filter change/ cleaning only. Evaporative cooler pads to be priced out separate at current pricing + labor.			
PREVAILING WAGE PRICING- -Service Call Fee: \$99.00 -Diagnostic Labor Fee: \$150.00 -Hourly Labor Fee: \$150.00 -Afterhours Callout Fee: \$198.00 -Hourly OT Fee: \$198.00 -All diagnosed repairs will be priced out using flat rate pricing and quote will be sent to VVWRA. Upon approval and receipt of PO, repairs will be completed and billed accordingly.	1.0	\$0.00	\$0.00
A/C tune up includes: • Check, clean, and lubricate fan motors • Check refrigerant levels & pressure • Check system airflow • Check & adjust thermostat • Check filter system (clean / replace filter) • Inspect wiring, contacts, capacitors & relays • Inspect evaporator coil • Inspect and clean condenser • Inspect condensate drain • Inspect outdoor disconnect • Inspect condenser fan motor & blades • Inspect compressor at startup • Verify proper voltage and amp draw at components	1.0	\$0.00	\$0.00
Furnace tune-up includes • Check thermostat • Inspect heat exchanger • Check, clean, and lubricate fan motors • Check blower motor amps • Check filter system (clean / replace filter)			

- Check & clean pilot burner / flame rod
- Check safety controls and switches
- Check & adjust heat rise
- Test for carbon monoxide/ Perform combustion analysis
- Inspect gas piping
- Inspect flue venting system
- Clean burners and assembly
- Check & clean condensate pump / lines
- Inspect & adjust electrical connections
- Check system airflow

Services subtotal: \$116,004.00

Subtotal	\$116,004.00
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Tax (0 0%)	\$0.00
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Total	\$116,004.00
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Thank you for trusting FHA Services, Inc. with all of your HVAC needs.



Victor Valley Wastewater Reclamation
PO Box 370
Adelanto, CA 92301

 (760) 246-2889
 info@fhaservices.com

ESTIMATE	#3993
ESTIMATE DATE	Jun 3, 2026
SERVICE DATE	Jun 3, 2026
EXPIRATION DATE	Jul 3, 2026
TOTAL	\$12,096.00

SERVICE ADDRESS

HSR - Quarterly Maintenance
10567 Appaloosa Ave
Hesperia, CA 92345

CONTACT US

12175 Pawnee rd.
Apple Valley, CA 92308

 (760) 247-5126
 info@fhaservices.com

Service completed by: Kyle Ferree

ESTIMATE

Option #1 Service completed by: Kyle Ferree

Services	qty	unit price	amount
-16 hours quarterly routine maintenance: July 2026, October 2026, January 2027 & April 2027. -This price includes: HVAC Units on all buildings- Air Filters, Belts, Coil Cleaning Chemicals.	4.0	\$3,024.00	\$12,096.00

Services subtotal: \$12,096.00

Total **\$12,096.00**

Thank you for trusting FHA Services, Inc. with all of your HVAC needs.



Victor Valley Wastewater Reclamation
PO Box 370
Adelanto, CA 92301

 (760) 246-2889
 info@fhaservices.com

ESTIMATE	#3994
ESTIMATE DATE	Jun 3, 2026
SERVICE DATE	Jun 3, 2026
EXPIRATION DATE	Jul 3, 2026
TOTAL	\$12,096.00

SERVICE ADDRESS

AVSR - Quarterly Maintenance
21060 Otoe Rd
Apple Valley, CA 92307

CONTACT US

12175 Pawnee rd.
Apple Valley, CA 92308

 (760) 247-5126
 info@fhaservices.com

Service completed by: Kyle Ferree

ESTIMATE

Option #1 Service completed by: Kyle Ferree

Services	qty	unit price	amount
-16 hours quarterly routine maintenance: July 2026, October 2026, January 2027 & April 2027. -This price includes: HVAC Units on all buildings- Air Filters, Belts, Coil Cleaning Chemicals.	4.0	\$3,024.00	\$12,096.00

Services subtotal: \$12,096.00

Total **\$12,096.00**

Thank you for trusting FHA Services, Inc. with all of your HVAC needs.



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Staff Report

TO: VWVRA Board of Commissioners

FROM: Darron Poulsen, General Manager

SUBMITTED BY: Latif Laari, Director of Engineering & Environmental Compliance

DATE: 06/18/2026

SUBJECT: **Recommendation to authorize the General Manager to award a Contract to Dudek for the Interceptor Risk Analysis and Hydraulic Modeling Project**

Fiscal Impact Yes

Account Code: 01-02-000-9000-9999-R146

Funds Budgeted/ Approved: Yes

STAFF RECOMMENDATION

It is recommended that the Board of Commissioners authorize the General Manager to award a professional services contract to Dudek for the VWVRA Interceptor Risk Analysis and Hydraulic Modeling Project, in an amount not to exceed \$237,736, and execute the agreement, subject to legal review.

PREVIOUS ACTION(S)

- On September 20, 2018, the Board approved a contract with Dudek Engineering to begin work on the Interceptor Capacity Study in the amount of \$127,810.
- On July 16, 2020, the Board approved an amendment to Dudek's existing contract to add the final phase of the Interceptor Risk Analysis study in the amount of \$173,600.
- On October 28, 2021, the Board approved a new contract with Dudek to perform a Regional Inflow and Infiltration Study in an amount not to exceed \$145,000.

BACKGROUND INFORMATION

VWVRA released Request for Proposals for the Interceptor Hydraulic Modeling and Risk Analysis Update on February 12, 2026, with proposals due on April 15, 2026. The RFP stated that the project would update the Authority's 2021 Interceptor Risk Analysis using 2026 flow monitoring data, an updated and recalibrated hydraulic model, refined member agency growth projections, and a prioritized capital improvement program for 10-year and 20-year planning horizons.

The scope of work includes project management, data collection and review, conversion of the existing InfoSewer model to AquaTwin Sewer or similar software, calibration of the model using updated 2026 flow monitoring data, development of growth projections, capacity and risk analysis under six flow scenarios, preparation of a prioritized capital improvement program, and preparation of a final technical report and Board-level executive summary.

This work is a direct continuation of prior interceptor planning efforts performed for VVWRA. Dudek previously supported the Authority's Interceptor Capacity Study and 2021 Interceptor Risk Analysis, developing and calibrating the hydraulic model, evaluating current and projected dry- and wet-weather flows, and identifying capacity deficiencies and risk-based capital improvements. Dudek also supported the Authority's subsequent Regional Inflow and Infiltration Study, giving the firm detailed familiarity with VVWRA's interceptor system, flow monitoring records, planning assumptions, and previous capital improvement recommendations.

Proposal Review:

VVWRA received three proposals in response to the RFP: Dudek (**Exhibit 1**), Carollo Engineers, and West Yost Associates. Consistent with the RFP, proposals were evaluated on project understanding and approach, relevant technical experience, key staff qualifications and availability, schedule and project management, use of and continuity with the 2021 analysis, deliverables and data management, and cost proposal and value.

Based on the completed evaluation summary, Dudek received the highest overall score, followed by Carollo and then West Yost. Evaluation comments noted that Dudek offered the strongest continuity advantage because the firm completed the 2021 Interceptor Risk Analysis and proposed the same core team to perform the 2026 update. The evaluation also found this continuity is especially important because the current assignment is fundamentally an update, recalibration, and extension of prior work rather than a stand-alone planning study.

Basis for Recommendation:

Staff recommends awarding the contract to Dudek, as the firm is the most qualified to perform this work and submitted the proposal most advantageous to the Authority based on the published evaluation criteria. Dudek's proposal demonstrated a strong understanding of the project, continuity with the 2021 Interceptor Risk Analysis, and a clear approach to updating the hydraulic model and translating results into a prioritized capital improvement program.

Dudek's prior work for VVWRA reduces project startup time and risk, as the firm is already familiar with the interceptor system configuration, existing model structure, flow monitoring data, risk framework, and capital planning context developed during earlier phases. The proposal also confirms that the same core team that led the 2021 Interceptor Risk Analysis will perform this update, ensuring consistency in methodology, documentation, and interpretation of changes between 2021 and 2026 conditions.

Awarding the contract in May 2026 will allow VVWRA to begin work in July 2026, at the start of fiscal year 2027, enabling the Authority to efficiently update its interceptor planning basis using current flow monitoring data and refined growth assumptions; reassess previously identified projects such as the Hesperia Parallel Interceptor, Upper Narrows improvements, Lower Narrows realignment and lift station concepts, junction structure reconstructions, and metering station rehabilitation; and further develop a defensible, risk-based capital improvement program for future implementation

Conclusion:

It is recommended that the Board of Commissioners award a professional services contract to Dudek for the VVWRA Interceptor Risk Analysis and Hydraulic Modeling Project, in an amount not to exceed \$237,736, and authorize the General Manager to execute the agreement, subject to legal review.

Attachments

Exhibit 1 Dudek's Proposal



VWRA



PROPOSAL

VWRA INTERCEPTOR HYDRAULIC MODELING AND RISK ANALYSIS UPDATE

VICTOR VALLEY WATER RECLAMATION AUTHORITY

APRIL 15, 2026

3600 Lime Street, Building 2 / Riverside, CA 92501 / 951.300.2100

DUDEK

1. Executive Summary

April 15, 2026

Latif Laari
Victor Valley Wastewater Reclamation Authority
20111 Shay Road
Victor Valley, California 92394

Subject: Proposal for VVWRA Interceptor Hydraulic Modeling and Risk Analysis Update

Dear Mr. Laari:

Dudek brings proven experience delivering wastewater planning, hydraulic modeling, and capital improvement strategies for public agencies throughout California, with a long history of direct support to the Victor Valley Wastewater Reclamation Authority (VVWRA or Authority). Our team has completed interceptor capacity studies, risk analyses, system modeling, and long-range planning efforts that align closely with the Authority's objectives of protecting system reliability, managing growth, and prioritizing cost-effective capital investments. We provide practical, data-driven solutions that support regulatory compliance, operational resilience, and defensible long-term planning.

Continuity with the 2021 Interceptor Risk Analysis. Dudek served as the lead consultant for VVWRA's **2021 Interceptor Risk Analysis**, which established the hydraulic model, risk evaluation framework, performance criteria, and initial capital improvement recommendations that this Request for Proposals (RFP) is intended to update and extend. The proposed project team for this effort is the **same core team that performed the 2021 analysis**, providing direct continuity in technical judgment, modeling assumptions, data interpretation, and documentation. This continuity allows Dudek to efficiently integrate updated 2026 flow monitoring data, recalibrate and convert the existing hydraulic model, and perform comparative analyses that are consistent with the prior study while reflecting current and future system conditions.

Grounded in the Victor Valley Region. Dudek has supported VVWRA for more than a decade and understands the regional infrastructure, governance structure, and planning context that influence Authority decision-making. Our familiarity with the interceptor system, historical and current flow conditions, and prior studies allows us to build efficiently on existing work while maintaining continuity in assumptions, methodologies, and documentation. This regional knowledge informs recommendations that reflect local growth patterns, system constraints, and operational realities.



**DUDEK
AT A GLANCE**

- Multidisciplinary environmental and engineering services
- 21** OFFICES
- 45+** YEARS IN BUSINESS
- TOP 125**
US ENVIRONMENTAL FIRMS
Engineering News-Record 2024
- 1,000+** EMPLOYEES
- 100% Employee-Owned
- TOP 54**
CA DESIGN FIRM
Engineering News-Record 2023
- TOP 51**
TRENCHLESS DESIGN FIRM



Experience with Integrated Planning and Analysis. A defining strength of Dudek's approach is our ability to evaluate wastewater infrastructure within a broader, systemwide planning framework. We have delivered numerous Master Plans, capacity studies, and risk-based analyses that integrate hydraulic modeling, flow monitoring data, facility evaluation, and asset condition considerations. Our multidisciplinary teams apply consistent, transparent methods to identify vulnerabilities, assess performance under future scenarios, and develop prioritized capital improvement programs (CIPs) that balance near-term needs with long-term objectives.

From Analysis to Implementation. Dudek combines boutique-level client service with the depth of a statewide practice. Our engineers, modelers, planners, geographic information system (GIS) specialists, and construction support staff deliver clear, defensible work products that are ready to advance into design and implementation. By focusing on actionable recommendations, phased improvements, and realistic cost and schedule considerations, Dudek helps the Authority translate technical analysis into informed decisions that support reliable operation of the interceptor system over time.

We appreciate the opportunity to partner with the Authority on this important project. Please contact **Elizabeth Caliva, PE**, at ecaliva@dudek.com or **760.479.4114** with any questions.

Sincerely,



Joseph Monaco
President and CEO

Elizabeth Caliva, PE
Project Manager

Joseph Monaco is authorized to sign on behalf of Dudek. He is authorized to execute legal documents on behalf of Dudek. Dudek acknowledges the receipt of all addenda, including addendum No. 1 issued on 3/16/2026 and No. 2 issued on 3/27/2026.



2. Table of Contents

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APPENDIX

A	Full Proposed Schedule Detail
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3. Identification of Proposer

Dudek is a **100% employee-owned**, California-based environmental and engineering consulting firm with more than 1,000 professionals nationwide and deep experience supporting public wastewater agencies. Dudek provides comprehensive in-house services spanning master planning, hydraulic modeling, risk and capacity analysis, design support, permitting, construction management, and inspection. Our work for water and wastewater agencies emphasizes practical, cost-effective solutions that balance regulatory requirements, budget constraints, and long-term system performance.

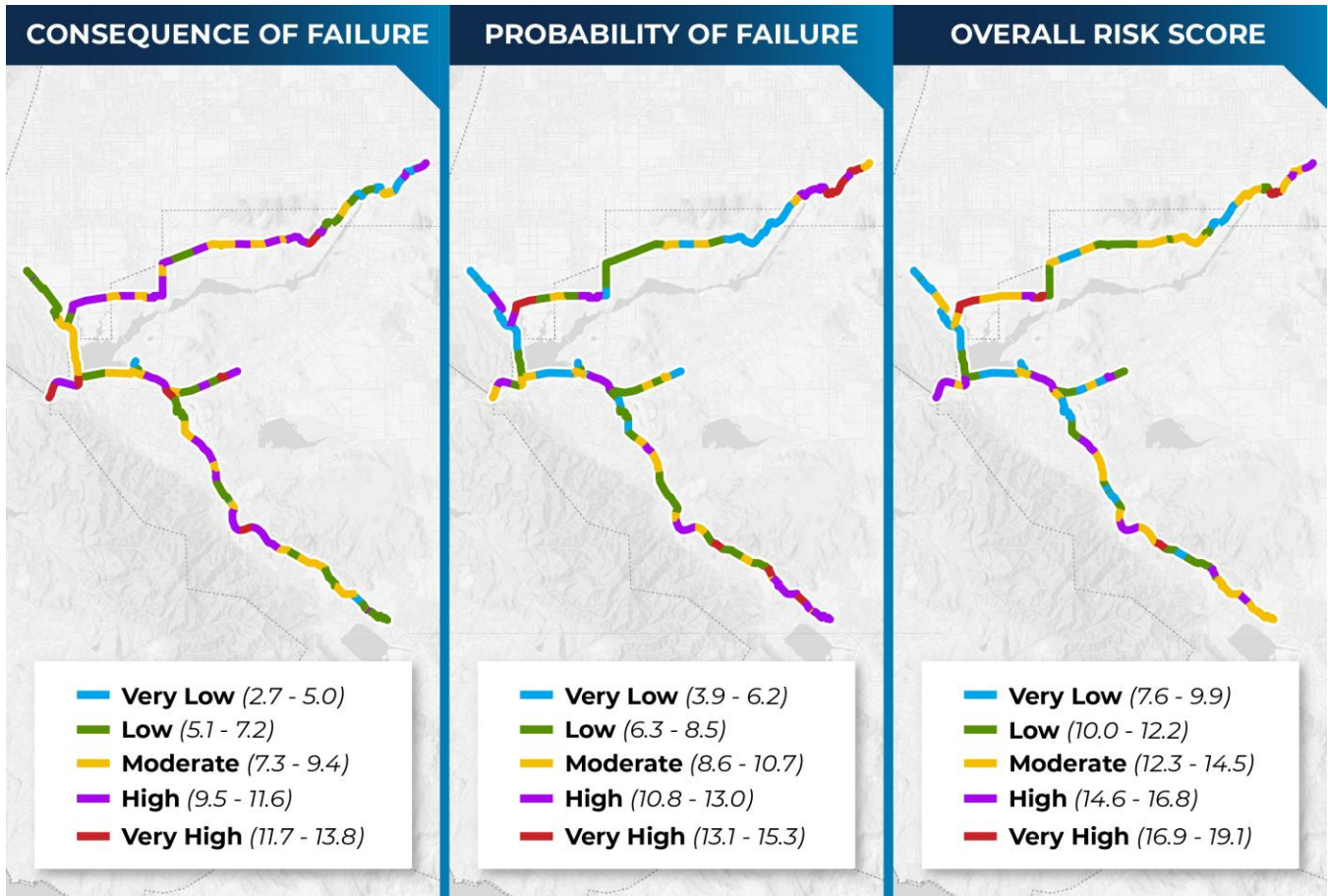
Dudek has **decades of experience delivering interceptor system planning and analysis**, including GIS-based hydraulic modeling, flow monitoring evaluation, infiltration and inflow assessment, and risk-based capital planning. Our multidisciplinary teams integrate engineering, modeling, geographic information system (GIS), asset management, and operational expertise to evaluate system performance under existing and future conditions and to identify prioritized improvements that reduce risk and improve reliability. This approach supports development of defensible, implementable capital improvement programs (CIPs) that align with agency planning horizons and operational realities.

Local and Regional Experience. Dudek has supported the Victor Valley Wastewater Reclamation Authority (VWVRA or Authority) on numerous planning, modeling, and engineering initiatives and understands the regional infrastructure, governance structure, and long-term planning context that influence Authority decision-making. Our familiarity with the VWVRA interceptor system, historical and current flow data, and prior studies allows us to efficiently build on existing work and maintain continuity in assumptions, methodologies, and documentation.

Integrated Utility Planning Expertise. A defining strength of Dudek's approach is our ability to evaluate wastewater infrastructure within the broader context of regional utility systems. We routinely prepare integrated Master Plans and system studies that assess capacity, condition, and risk; evaluate operational and capital alternatives; and establish phased improvement programs. By applying consistent, data-driven methods that combine hydraulic modeling, facility evaluation, and risk-based prioritization, Dudek helps agencies develop clear, internally consistent plans that are ready to guide decision-making through design and implementation.

Dudek Provides a Variety of Multidisciplinary Services:

- Master Planning
- Feasibility Studies
- Infrastructure Planning and Design
- Hydrogeologic Services
- Groundwater Sustainability Plans
- Construction Management and Inspection
- Water and Wastewater Treatment Evaluation
- Hydrologic and Hydraulic Monitoring
- Pipeline Design
- Reservoir Design and Rehabilitation
- Lift Station and Pump Station Design
- Municipal Infrastructure Design
- Site Assessments, Including Groundwater Sampling and System Evaluations



Example risk graphic developed by Dudek for the Santa Ana Watershed Project Authority Brine Line Criticality Analysis

Table 1 presents the required information specified in the Request for Proposals (RFP).

Table 1. Required Information

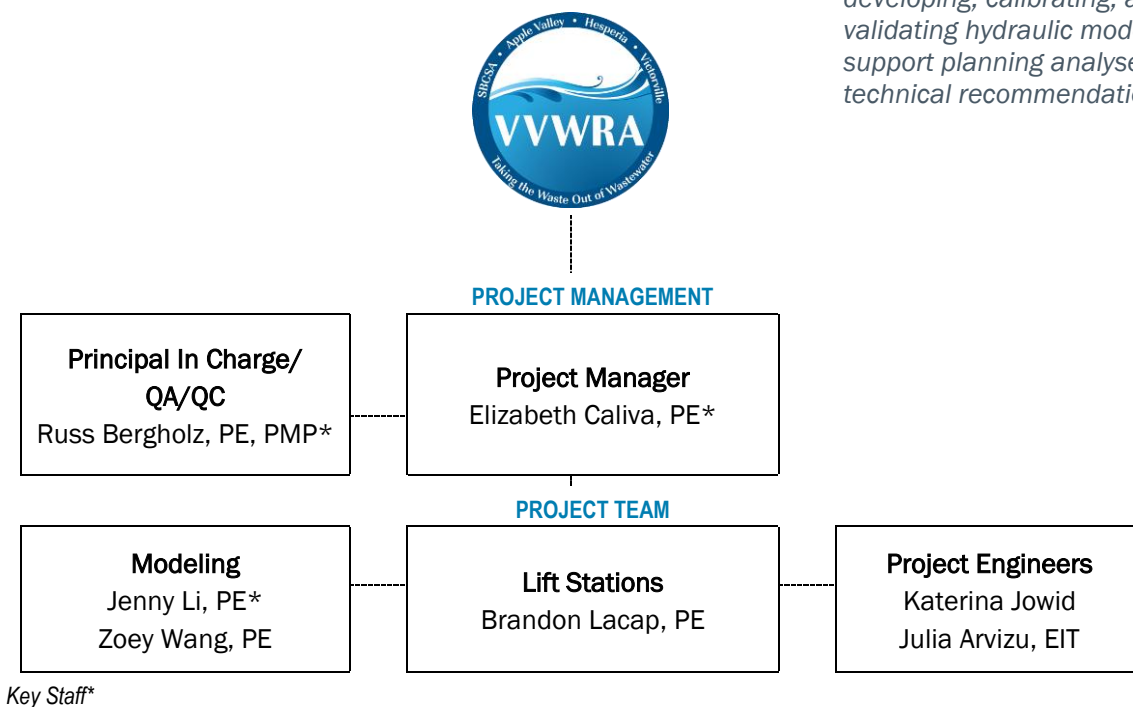
RFP Prompt	Response
Legal Name and Address	Dudek, 687 South Coast Highway 101, Suite 110, Encinitas, California 92024
Legal Form of Company	S-Corporation
Parent Company	N/A
Name, Title, Address, and Telephone Number of Main Contact	Elizabeth Caliva, PE, Project Manager, 687 South Coast Highway 101, Suite 110, Encinitas, California 92024, 760.479.4114
California Business License Number	C1210012

4. Staffing Resources

a. Firm Staffing and Key Personnel

Our team includes experienced professionals with strong backgrounds in project management, engineering, hydraulic modeling, and quality assurance. **Figure 1** illustrates the proposed seven staff members who will work on this project; however, Dudek can nimbly draw from over 1,000 staff across multiple disciplines, as needed, to get the job done on time and within budget. Brief team biographies for key personnel follow, as well as other team qualifications in **Table 2**. Full resumes are available upon request.

Figure 1. Dudek Team Organization



DUDEK STAFF PRINCIPALLY RESPONSIBLE FOR THIS PROJECT

Elizabeth Caliva, PE, Project Manager will be responsible for planning work and managing the scope, schedule, and budget.

Russ Bergholz, PE, PMP, Principal in Charge will be responsible for providing executive oversight of the QA/QC program, ensuring all deliverables meet VVWRA standards, regulatory requirements, and Dudek's internal quality protocols.

Jenny Li, PE, Modeling Technical Lead will be responsible for developing, calibrating, and validating hydraulic models to support planning analyses and technical recommendations.



Elizabeth Caliva, PE
PROJECT MANAGER

Education

University of California, Berkeley
MS, Water Resources and Water
Quality Engineering
BS, Environmental
Engineering

Certifications

Professional Civil Engineer (PE),
CA No. 64331

Professional Affiliations

WaterReuse Association

Relevant Projects/Experience

- *Interceptor Risk Analysis | VVWRA*
- *Regional Inflow and Infiltration Study | VVWRA*
- *Sanitary Sewer Master Plan Update | CITY OF PALMDALE*
- *Water and Sewer Master Plan Updates and Rate Studies | CITY OF EL CENTRO*
- *Sewer Master Plan Update | CITY OF CORONA*
- *Wastewater Master Plan | CITY OF LAGUNA BEACH*
- *Sewer Master Plan and GIS Update | CITY OF CHINO*



Russ Berholz, PE, PMP
PRINCIPAL IN CHARGE / AQ/QC

Education

University of California, Davis
BS, Civil Engineering

Licenses and Certifications

Professional Civil Engineer (PE),
CA No. 59395

Project Management Institute
(PMP) No. 1472209

Professional Affiliations

American Public Works Association
California Water Environment
Association
Water Environment
Federation

Relevant Projects/Experience

- *Interceptor Risk Analysis | VVWRA*
- *Regional Inflow and Infiltration Study | VVWRA*
- *Water and Sewer Master Plan Updates and Rate Studies | CITY OF EL CENTRO*
- *Wastewater Master Plan | CITY OF LAGUNA BEACH*
- *Sewer Master Plan and GIS Update | CITY OF CHINO*



Jenny Li, PE
MODELING TECHNICAL LEAD

Education

University of California,
Los Angeles
BS, Civil and Environmental
Engineering

Certifications

Professional Civil Engineer (PE),
CA No. 97684

Relevant Projects/Experience

- *Interceptor Risk Analysis | VVWRA*
- *Regional Inflow and Infiltration Study | VVWRA*
- *Sanitary Sewer Master Plan Update | CITY OF PALMDALE*
- *Water and Sewer Master Plan Updates and Rate Studies | CITY OF EL CENTRO*
- *Sewer Master Plan Update and Program Environmental Impact Report | CITY OF CORONA*

Table 2. Support Team Qualifications

Personnel Name, Role, Years of Experience	Education and Certifications	Relevant Project Experience
Brandon Lacap, PE Lift Stations 15 Years' Experience	▪ BS, Civil Engineering ▪ PE, CA No. C87211	▪ Wastewater Master Plan Update, Olivenhain Municipal Water District ▪ Wastewater Master Plan, City of Laguna Beach ▪ Water and Sewer Master Plans, City of El Centro
Zoey Wang, PE Modeling 11 Years' Experience	▪ MS, Civil and Environmental Engineering ▪ BS, Hydrology and Water Resources Engineering ▪ PE, CA No. C87599	▪ Water and Sewer Master Plans and Rate Studies, City of El Centro ▪ Sewer Master Plan Update, City of Compton ▪ Wastewater Master Plan, City of Laguna Beach
Katerina Jowid Project Engineer 4 Years' Experience	▪ MS, Environmental Engineering ▪ BA, Environmental Science and Engineering	▪ Sanitary Sewer Master Plan Update, City of Palmdale ▪ Wastewater Master Plan, City of Laguna Beach ▪ Sewer Rehabilitation Planning, City of Los Angeles
Julia Arvizu, EIT Project Engineer 3 Years' Experience	▪ BS, Civil Engineering ▪ EIT CA, No. 178986	▪ Water and Sewer Master Plans and Rate Studies, City of El Centro ▪ 16-inch Transmission Main Project, Ramona Municipal Water District ▪ SSMP Updates and Audits, County of San Bernardino

b. Subcontractors/Subconsultants

Dudek will be providing all services in-house without the use of subcontractors or subconsultants.



Dudek offers collective expertise and the ability to successfully deliver on your objectives.



5. Fiscal Stability



BMO BANK N.A.
4400 MacArthur Blvd, Ste 600
Newport Beach, CA 92660

October 23, 2024

Re: Bank Reference

To Whom It May Concern:

The purpose of this letter is to confirm Dudek has maintained a commercial relationship at BMO Bank N.A. since 2021.

- Line of Credit: XXX0002, high 7 figure commitment and availability

Feel free to provide this Bank Reference letter to any of your clients and vendors you feel appropriate.

Should you or anyone in receipt of this letter have any questions, my contact information is below.

Thank You,

Stephanie Flores

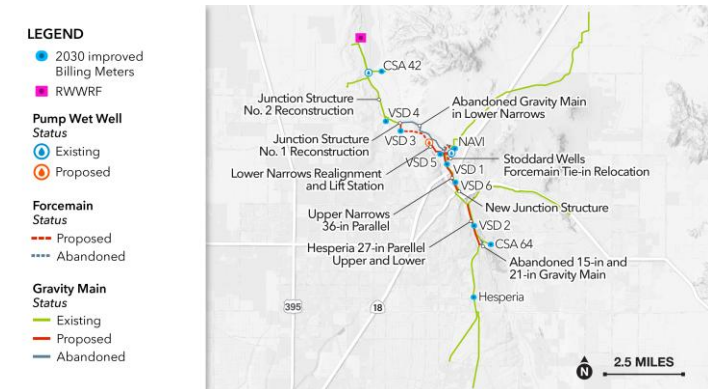
Stephanie Flores
Commercial Banking Client Delivery Specialist
(949) 247-5686
stephanie.flores@bmo.com

6. Experience and Technical Competence

a. Experience

i. Dudek is Well-Positioned to Meet the Goals and Fulfill the General Functions of the RFP

Dudek is exceptionally well positioned to meet the goals and fulfill the general functions of VVWRA's Interceptor Hydraulic Modeling and Risk Analysis Update. Dudek served as the lead consultant for VVWRA's **2021 Interceptor Risk Analysis (Phase 1)**, which established the foundational hydraulic model, risk framework, performance criteria, and initial set of prioritized capital improvement recommendations that form the basis for the current update effort. As a result, Dudek brings direct institutional knowledge of the interceptor system configuration, modeling assumptions, flow data interpretation, risk evaluation methodology, and CIP development approach that the RFP explicitly seeks to update and extend.



Dudek has supported VVWRA for over a decade.

Building on more than a decade of experience supporting VVWRA with interceptor planning, hydraulic modeling, risk analysis, and capital improvement planning, Dudek has a comprehensive understanding of the Authority's system, data resources, and long-term planning objectives. This experience allows Dudek to efficiently integrate updated 2026 flow monitoring data, recalibrate and convert (or rebuild) the existing hydraulic model, and perform comparative analyses that maintain continuity with the 2021 study while reflecting current and future system conditions. Dudek's expertise in large-diameter interceptor modeling, flow monitoring analysis, and risk-based capacity assessment enables the delivery of defensible, transparent, and actionable results that directly support informed decision-making and refinement of VVWRA's 10- and 20-year CIP.

Dudek is fully capable of utilizing **AquaTwin Sewer** and comparable hydraulic modeling platforms and has extensive experience with model conversion, calibration, and documentation to support long-term agency use.

ii. Past Experience of Staff

The proposed Dudek project team is the **same core team that led and executed VVWRA's 2021 Interceptor Risk Analysis (Phase 1)**. As a result, key staff bring direct familiarity with the interceptor system configuration, hydraulic model structure, flow monitoring datasets, calibration approach, risk evaluation framework, and capital prioritization methodology that the RFP is intended to update and extend.

Team members have hands-on experience developing, calibrating, and applying large-diameter interceptor hydraulic models using permanent and temporary flow monitoring data to evaluate dry- and wet-weather performance, future growth conditions, and system vulnerabilities. This experience includes direct involvement in translating technical modeling and risk assessment results into defensible, clearly documented capital

improvement recommendations and planning-level cost estimates, while maintaining consistency with previously adopted assumptions and performance criteria. By retaining the same project team from Phase 1, Dudek is able to efficiently perform comparative analyses between the 2021 and 2026 conditions, minimize rework, and ensure continuity in technical judgment, documentation, and decision-support outputs. Collectively, the proposed staff's experience aligns directly with the scope, objectives, and evaluation criteria of the RFP. **This continuity of staff supports a streamlined project startup, consistent interpretation of results, and a defensible evolution of VVWRA's interceptor risk profile and CIP.**

iii. Years in Business

Dudek was founded in 1980 and has conducted business continuously for more than **45 years**. The firm has well over 4 years' experience providing the required scope of services for public clients, including wastewater agencies, water districts, and regional authorities throughout California, **including long-standing work for the Authority.**

iv. Five References

The following references can speak directly to Dudek's experience. Each reference has firsthand knowledge of our work on interceptor planning, hydraulic modeling, risk analysis, and CIP development comparable in scope and complexity to the services requested in the RFP.

Table 3. Consultant References

Dates of Service and Contract Amount	Organization Name and Contact Name	Contact Information (Telephone Number and Email)
Interceptor Capacity Study (2019) and Interceptor Risk Analysis (2020)		
9/2018–7/2021 \$301,410	VVWRA Latif Laari, Environmental Compliance Manager	760.246.8638 llaari@vvwra.com
Description of Work Performed Dudek developed and calibrated a new hydraulic model of VVWRA's interceptor system, evaluated current and projected flows, and identified system deficiencies to support the creation of a new financial rate model. The project resulted in over \$120 million in project needs to accommodate 2030 PWWF estimates. As a result of the analysis, the Authority embarked on a regional inflow and infiltration (I&I) study to evaluate where I&I can be reduced to improve system capacity prior to commencing costly system upgrades. Dudek supported the Authority and its member agencies with the 3-year Regional I&I Study between 2021 and 2024.		
Wastewater Master Plan		
8/2024–12/2025 \$822,451	City of Laguna Beach Ulises Escalona, Senior Project Manager	949.497.0792 uescalona@lagunabeachcity.net
Description of Work Performed Dudek recently completed this project that included field surveying, lift station and stormwater diversion structure condition assessments, flow metering, and developing a sewer hydraulic model to assess the capacity and condition of the City's 97-mile collection system and 26 lift stations. The project resulted in a prioritized, phased 20-year CIP based on these assessments, and the City gained a strategic, data-driven roadmap to guide short- and long-term infrastructure investments.		
Sewer Master Plan Update and Program Environmental Impact Report		
6/2024–Ongoing \$899,335	City of Corona Alan Zhang, CIP Supervisor	951.773.1104 alan.zhang@coronaca.gov
Description of Work Performed Dudek is serving as the prime consultant for the City of Corona's Sewer Master Plan Update, the first comprehensive update since 2005. The work includes systemwide hydraulic modeling of approximately 440 miles of gravity sewer, evaluation of 15 lift stations and 3 wastewater reclamation facilities, and detailed condition and capacity assessments to address aging infrastructure and projected growth. Dudek is		

Table 3. Consultant References

Dates of Service and Contract Amount	Organization Name and Contact Name	Contact Information (Telephone Number and Email)
developing a prioritized, phased CIP and preparing a program-level environmental document to streamline implementation of recommended improvements and support long-term system reliability and regulatory compliance.		
Sewer Risk Assessment		
10/2023–1/2025 \$275,140	City of Encinitas Elmer Alex, Principal Engineer	760.633.272 ealex@encinitasca.gov
Description of Work Performed Dudek prepared the City of Encinitas Sewer Risk Assessment and Improvement Implementation Plan, compiling and analyzing systemwide condition and performance data to develop a multivariable likelihood-and-consequence-of-failure model. The effort resulted in a prioritized, geographically grouped 10-year CIP with detailed cost estimates to guide proactive rehabilitation, asset management, and long-term budgeting.		
Water and Sewer Master Plans and Cost of Service Rates Study		
8/2024–Ongoing \$1,239,186	City of El Centro Abraham Campos, Public Works Director/City Engineer	760.336.8520 acampos@cityofelcentro.org
Description of Work Performed Dudek is assisting the City of El Centro with its first water and sewer Master Plans in over 17 years, focusing on realistic growth projections and aging infrastructure assessments and developing a prioritized 20-year CIP. While the Master Plans are completed, the Rate Studies are ongoing.		

v. Local Experience and Knowledge of Authority's Operations

Dudek provides immediate continuity and system knowledge based on prior Authority model updates and risk analysis.



b. Project Specific Experience

i. Three Most Relevant Service Contracts Within the Past Five Years

The following project descriptions demonstrate our proven performance in delivering cost-effective, successful projects.

INTERCEPTOR CAPACITY STUDY AND INTERCEPTOR RISK ANALYSIS

Client: VVWRA

Dudek's Role: Prime Consultant

Dollar Value of Services: \$301,410

Dollar Value of Fee: \$301,410

Description of Services: Dudek supported VVWRA with an Interceptor Capacity Study and subsequent Interceptor Risk Analysis to evaluate system performance, accommodate projected growth, and inform long-term capital planning. Dudek developed and calibrated a hydraulic model to assess dry- and wet-weather conditions, identify capacity constraints, and prioritize interceptor improvements using a risk-based framework. The study identified more than \$120 million in needed improvements to reliably convey projected peak wet-weather flows and directly supported VVWRA's capital planning and rate-setting efforts. Findings also led to initiation of a regional I&I reduction program, which Dudek continued to support through a multi-year Regional I&I Study.

Staffing: Elizabeth Caliva (Project Manager), Russ Bergholz (Principal in Charge), Jenny Li (Hydraulic Modeling), Brandon Lacap (Condition Assessment)

Duration of Providing Services: September 2018–July 2021

Relationship to Client: Dudek served as VVWRA's prime consultant and trusted technical advisor for the Interceptor Capacity Study and Risk Analysis, working closely with Authority staff to align technical findings with operational and planning priorities. Dudek's role continued through the subsequent Regional I&I Study, providing continuity from system evaluation through implementation planning.

Contact Name, Position, Entity Telephone, Fax, and Email Address: Latif Laari, Environmental Compliance Manager, VVWRA, 760.246.8638, Fax: N/A, llaari@vwwra.com



SEWER MASTER PLAN UPDATE AND PROGRAM ENVIRONMENTAL IMPACT REPORT

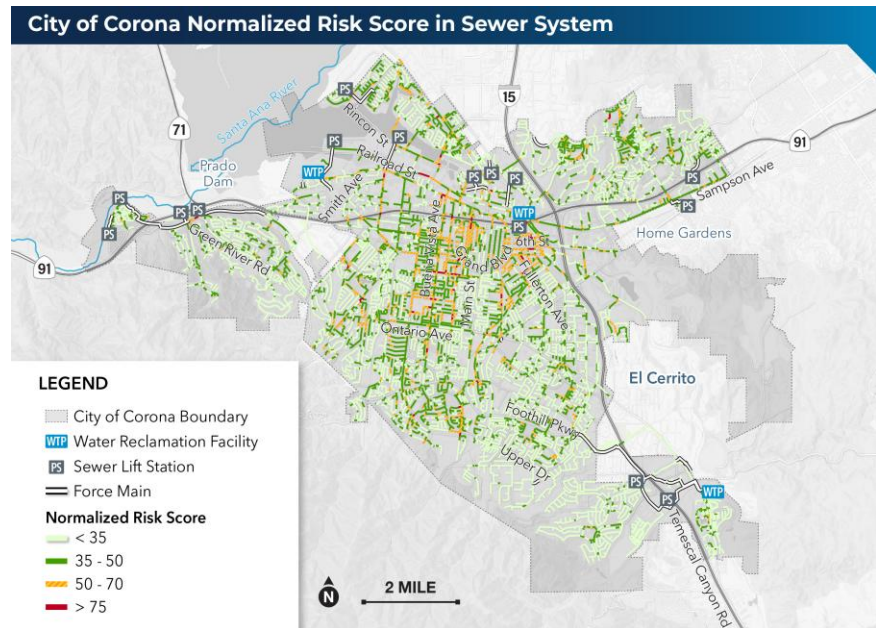
Client: City of Corona

Dudek's Role: Prime Consultant

Dollar Value of Services: \$899,335

Dollar Value of Fee: \$899,335

Description of Services: The City of Corona is updating its Sewer Master Plan for the first time since 2005 to address aging infrastructure and continued growth. Dudek is serving as the prime consultant for the 2025 Sewer Master Plan Update, providing capacity analysis, condition assessment of pipelines and lift stations, and preparation of a program environmental impact report (EIR) to support streamlined implementation. The updated plan will deliver a phased roadmap for capital improvements to support reliable service and long-term system performance.



Dudek created this graphic to easily communicate risk score to the City.

Staffing: Elizabeth Caliva (Project Manager), Russ Bergholz (Principal in Charge, QA/QC), Jenny Li (Hydraulic Modeling and Analysis), Shannon Brown (Pipeline Condition Assessment/Risk Modeling), Brandon Lacap (Lift Station Evaluations), Joe Schneider (Electrical, Instrumentation and Controls), Katerina Jowid (Project Engineer), Ken Muntz (Condition Assessment), Matt Hayden (Condition Assessment), Rachel Struglia (Program EIR)

Duration of Providing Services: June 2024–Ongoing

Relationship to Client: Dudek is serving as the City of Corona's prime consultant for the Sewer Master Plan Update and program EIR, providing project management, hydraulic modeling, condition assessment, and development of a phased CIP. Dudek works closely with City staff to deliver technically defensible, regulatory-compliant recommendations that support long-term system performance and growth.

Contact Name, Position, Entity Telephone, Fax, and Email Address: Nathan Armendariz, Project Manager, City of Corona, 951.279.3512 , Fax: N/A, nathan.armendariz@coronaca.gov

WATER AND SEWER MASTER PLANS AND COST OF SERVICE RATES STUDY

Client: City of El Centro

Dudek's Role: Prime consultant

Dollar Value of Services:

\$1,239,186

Dollar Value of Fee:

\$1,239,186

Description of Services: The

City of El Centro is updating its Water and Sewer Master Plans for the first time in

over 17 years to address

aging infrastructure and more realistic growth projections. Dudek is serving

as the prime consultant, leading planning, modeling,

condition assessment, and

development of a prioritized

20-year CIP, with subconsultants supporting flow metering, asset condition assessment, and rate development.

The updated plans will provide the City with a practical, data-driven roadmap that improves system reliability and

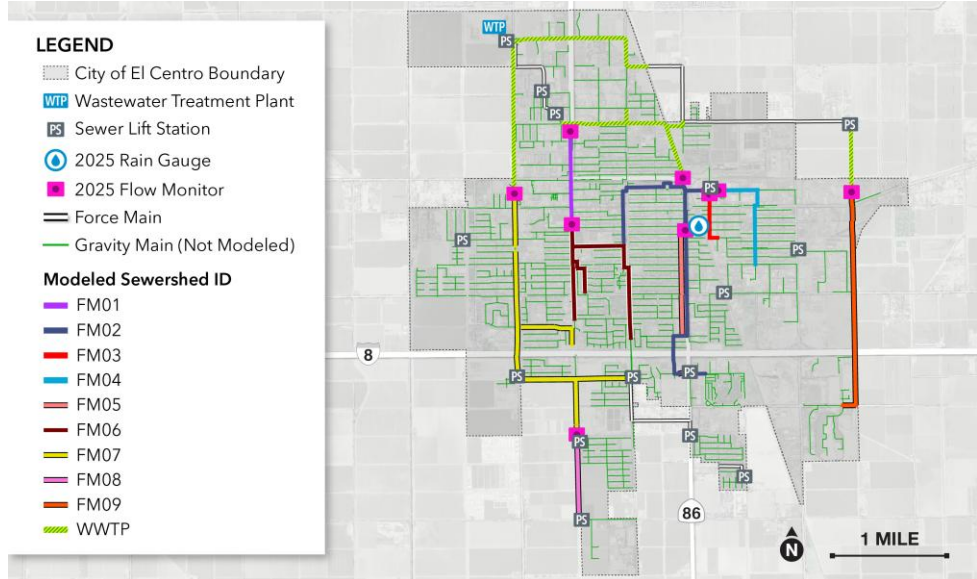
supports long-term financial sustainability.

Staffing: Elizabeth Caliva (Project Manager/Sewer Lead), Greg Ripperger (Deputy Project Manager/Water Lead), Russ Bergholz (Principal in Charge/QA/QC Lead), Jenny Li (Sewer Hydraulic Modeling and Analysis), Zoey Wang (Potable Water Hydraulic Modeling and Analysis), Brandon Lacap (Condition Assessment), Joe Schneider (Electrical/I&C), Julie Arvizu (Public Outreach/Strategic Communications), Katerina Jowid (Project Engineer), Ken Muntz (Field Investigation/Condition Assessment Specialist)

Duration of Providing Services: August 2024–Ongoing (Master Plans Completed; Rate Studies Ongoing)

Relationship to Client: Dudek is serving as the City of El Centro's prime consultant for development of the Water and Sewer Master Plans and Cost-of-Service Rates Study, providing project management, technical analysis, and delivery of planning, modeling, and CIP components. Dudek works closely with City staff to ensure recommendations are implementable and aligned with long-term operational and financial objectives.

Contact Name, Position, Entity Telephone, Fax, and Email Address: Abraham Campos, PE, City Engineer, City of El Centro, 760.337.5182, Fax: N/A; acampos@cityofelcentro.org



We create graphics as part of master planning to succinctly convey complex ideas.

ii. Contract Terminations

Failure to Enter a Contract Once Selected

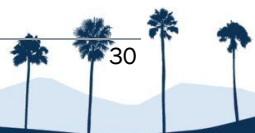
To the best of our knowledge, out of the thousands of contracts we have been awarded, we can recall only two instances in which Dudek was selected or awarded a contract but did not proceed with contract execution:

- In one instance, the procuring entity required inclusion of a unique provision that would have prevented Dudek from assisting any clients holding a property interest in a specified geographic area, regardless of whether the services to be performed were related to that property in the specific geographic area. As this provision conflicted with our obligations to existing clients and imposed overly broad limitations on future engagements, we were unable to proceed with contract execution.
- In the second instance, Dudek attempted to negotiate standard terms to ensure a balanced contract. The client refused to engage in negotiation, and the contract was not finalized

c. Technical Competence

i. In-House Resources and ii. Ability to Draw Upon Multidisciplinary Staff

Dudek combines secure, in-house, QA/QC-driven analyses with an integrated multidisciplinary team to deliver coordinated, implementation-ready solutions.



7. Proposed Method to Accomplish the Work

Project Understanding and Approach

Dudek understands that the Authority is seeking to update its Interceptor Risk Analysis to reflect current system conditions and support long-term capital planning. This effort represents the next phase of the interceptor planning framework established through the **2021 Interceptor Risk Analysis led by Dudek** and is intended to build directly on that work. The update includes integrating updated 2026 flow monitoring data, converting the existing InfoSewer model to the AquaTwin Sewer platform, and recalibrating the model to reflect current dry- and wet-weather flow conditions. The updated model will be used to evaluate both existing and future capacity under a range of flow scenarios, incorporating revised performance criteria and asset condition data to assess system risk and identify priority improvements.

Dudek's approach emphasizes **continuity, technical rigor, and collaboration**. The proposed project team is the same **core team that performed the 2021 analysis**, providing direct continuity in system understanding, modeling structure, calibration approach, and risk evaluation methodology. This continuity allows Dudek to efficiently update the hydraulic model, perform defensible comparisons between the 2021 and 2026 conditions, and reevaluate system performance using the most current data while maintaining consistency with previously adopted assumptions and documentation. Dudek will work closely with VVWRA to refine evaluation criteria, consider operational flexibility, and develop a prioritized list of capital improvement projects that reflects both updated system needs and long-term planning goals. Final deliverables will include a comprehensive technical report and a virtual presentation to the VVWRA Board, ensuring transparency, reproducibility, and alignment with the Authority's objectives.

Scope of Work

Task 1 Project Management

In addition to general project administration, QA/QC, and budget control, this task includes coordination and facilitation of one project kickoff meeting, 12 project status meetings, and one final presentation to the VVWRA Board. All meetings are assumed to be held virtually via Microsoft Teams or Zoom. Dudek will provide proactive coordination, clear documentation, and regular communication to support schedule adherence, timely issue resolution, and overall project transparency throughout the study.

Deliverables:

- Agenda and meeting notes, schedule updates, monthly progress reports, invoices, and VVWRA Board presentation materials

Task 2 Data Collection and Review

Dudek will collect and review flow monitoring data provided by the Authority, including influent flow measurements at the treatment plant, agency-specific tie-in meters, and permanent flow meters distributed throughout the interceptor system. Consistent with the methodology established during the **2021 Interceptor Risk Analysis**, this data will be analyzed to develop representative dry- and wet-weather flow curves and updated peaking factors that form the basis for hydraulic model calibration and capacity evaluation.

Newly collected flow monitoring data will be directly compared to the **2021 baseline dataset** to identify significant changes in flow patterns, trends, and system behavior that may affect updated capacity and risk findings. This comparison will consider known system changes since 2021, including collection system improvements by member agencies, implementation of subregional treatment plants, and changes in recycled water operations that influence interceptor loading. The Authority is expected to install additional flow meters and conduct monitoring over a period of approximately six months or more. Data from this monitoring effort will serve as the foundation for updating the hydraulic model and risk analysis.

Assumptions:

- Consistent with the RFP, updated flow monitoring data sufficient to support model calibration (approximately six months of data) is anticipated to be available beginning in July 2026. Dudek's schedule and approach assume calibration activities will commence upon availability of this dataset.

Task 3 Model Conversion and Calibration

This task includes conversion of the Authority's existing InfoSewer hydraulic model, originally developed and calibrated as part of the 2020 Model Update and Calibration project and subsequently utilized for the 2021 Interceptor Risk Analysis, to the AquaTwin Sewer platform. Following model conversion, Dudek will recalibrate the model using updated 2026 flow monitoring data to reflect current dry- and wet-weather conditions. Calibration will focus on achieving agreement within approximately $\pm 10\%$ of observed flow conditions, consistent with the RFP requirements. Maintaining continuity with the prior model structure and assumptions, Dudek will ensure that updates are clearly documented and that changes between the 2021 and 2026 models are transparent and reproducible, supporting direct comparison of results across planning horizons.

Assumptions:

- Model conversion assumes existing software files are accessible at the time of project execution. If the original platform is no longer functional due to discontinued vendor support, Dudek will rebuild the model in AquaTwin Sewer using the Authority's GIS and supporting datasets.

Task 4 Growth Projections and Subregional Plant Impacts

Dudek will develop future flow projections to support the updated interceptor capacity and risk analysis. This task includes coordination with each of the Authority's four member agencies through individual workshops to gather updated growth projections, supplemented by review of General Plans, Sewer Master Plans, and other relevant planning documents. Using this information, Dudek will develop near-term (10–15 year) and buildout (20–30 year) flow projections for each member agency. These projections will define the future flow scenarios evaluated as part of Task 5. The analysis will also incorporate operational impacts of subregional treatment plants, including existing and anticipated recycled water diversions, cancellation of previously proposed facilities, and other changes affecting interceptor loading, ensuring that future scenarios accurately reflect expected system demands.

Assumptions:

- The fee assumes one 2-hour virtual workshop with each member agency to gather agency input on growth projections. Member agency planning data is provided in a timely manner.

Task 5 Capacity and Risk Analysis

Using the recalibrated hydraulic model (Task 3) and updated flow projections (Task 4), Dudek will evaluate interceptor system capacity and performance under six flow scenarios representing existing, near-term, and buildout peak dry- and wet-weather conditions. Results will be evaluated in direct comparison to the findings of



the **2021 Interceptor Risk Analysis** to identify changes in system performance, emerging constraints, and evolving risk drivers. Performance criteria will be developed collaboratively with the Authority and may extend beyond traditional depth-to-diameter (d/D) thresholds to allow a nuanced evaluation of short-term surcharging and operational flexibility, consistent with the Authority's risk tolerance and planning objectives.

In addition to hydraulic performance, Dudek will integrate available asset condition, location, and age data to assess risk and prioritize areas of concern. The analysis will result in refined and updated capital improvement recommendations, including reevaluation of projects identified in the 2021 study and identification of new improvements where warranted. Dudek will work closely with the Authority to ensure recommendations are cost-effective, defensible, and aligned with long-term system planning goals.

Task 6 Project Prioritization and CIP

Building on Task 5, Dudek will develop a prioritized list of capital improvement projects to address identified capacity constraints and system risks. Each recommended project will include a planning-level cost estimate and be evaluated based on risk reduction potential, system performance benefits, and alignment with the Authority's long-term planning objectives. The prioritized project list will be structured to support integration into the Authority's **10- and 20-year CIP**, including consideration of phasing, sequencing, and trigger points for implementation.

Task 7 Report Preparation

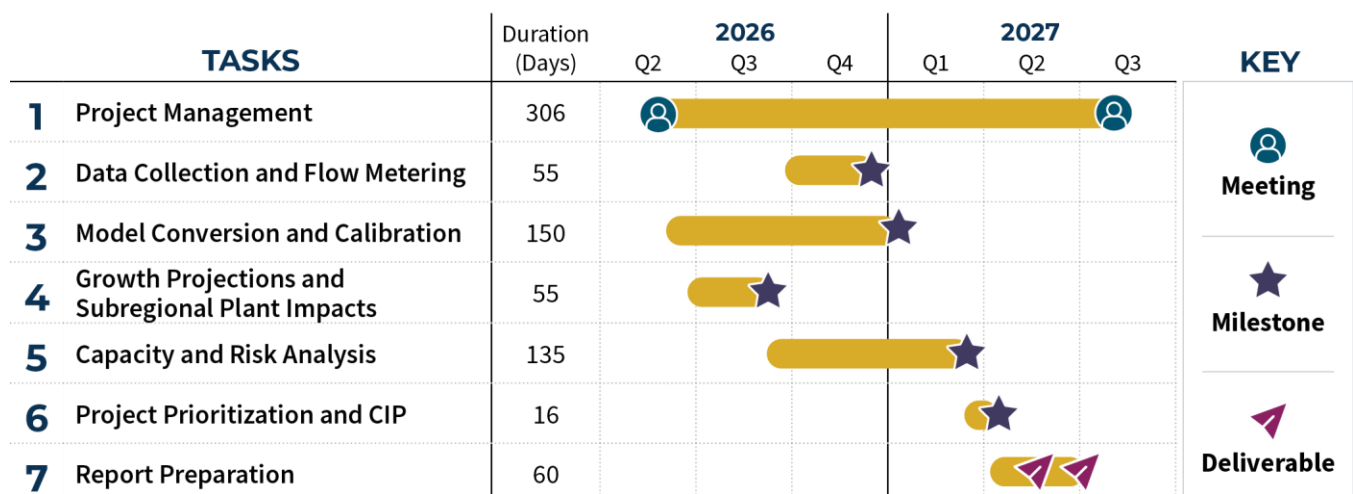
Dudek will prepare a comprehensive technical report documenting the methodology, analyses, findings, and recommendations of the Interceptor Risk Analysis 2026 Update. The report will include documentation of model updates, comparative performance evaluation, updated capacity and risk findings, and revised CIP recommendations. Supporting figures, tables, and appendices will be provided to clearly communicate results and maintain consistency with the 2021 documentation style.

Deliverables:

- Draft and Final Interceptor Risk Analysis 2026 Update (PDF), hydraulic modeling files, and supporting figures, tables, and appendices. Hard copies will be provided upon request.

Proposed Schedule

Figure 2. Dudek Proposed Schedule (full project schedule available in the Appendix)



8. Fee Proposal

Dudek Labor Hours and Rates							Total Dudek Hours	Dudek Labor Costs	Other Direct Costs	Total Fee	
Project Team Role:	PIC - QA/QC	Project Manager	Modeling	Lift Stations	Project Engineers	Admin					
Team Member:	R. Bergholz	E. Caliva	J. Li, Z. Wang	B. Lacap	K. Jowid, J. Arvizu	M. Kinney					
Billable Rate :	\$330	\$300	\$270	\$285	\$220	\$165					
Task 1	Project Management										
1.1	Budget, Schedule, Invoicing		8				8	16	\$3,718		\$3,718
1.2	Meetings (KO and 12 Status Meetings Assumed)	12	24	12	4			52	\$15,540		\$15,540
1.3	Final Board Presentation	6	8	4			4	22	\$6,119	\$200	\$6,319
Subtotal Task 1		18	40	16	4		12	90	\$25,378	\$200	\$25,578
Task 2	Data Collection and Flow Metering										
2.1	Data Collection and Review		8	8		16		32	\$8,080		\$8,080
2.2	Process VVWRA Permanent Flow Metering Data	2	4	8		40		54	\$12,820		\$12,820
2.3	Develop Calibration Curves		2	4		8		14	\$3,440		\$3,440
2.4	Peaking Factor Development		4	6		12		22	\$5,460		\$5,460
2.5	Comparison to 2020 Flow Data		2	8		12		22	\$5,400		\$5,400
Subtotal Task 2		2	20	34		88		144	\$35,200	\$	\$35,200
Task 3	Model Conversion and Calibration										
3.1	Convert Model to AquaTwin Asset		4	24		16		44	\$11,200		\$11,200
3.2	Update Model with Existing Flow Data		2	8				10	\$2,760		\$2,760
3.3	Model Calibration		4	40		8		52	\$13,760		\$13,760
Subtotal Task 3			10	72		24		106	\$27,720	\$	\$27,720
Task 4	Growth Projections and Subregional Plant Impacts										
4.1	Buildout Growth Determination			8				8	\$2,160		\$2,160
4.2	Growth Curve Development - 10-Year and Buildout	4	8	16				28	\$8,040		\$8,040
4.3	Member Agency Meetings (4 Virtual Meetings Assumed)	2	8	16				26	\$7,380		\$7,380
4.4	Subregional Plant Planned Growth & Impact	4	4	8		4		20	\$5,560		\$5,560
4.5	Develop Near-Term and Buildout Flow Scenarios	2	4	8		16		30	\$7,540		\$7,540
Subtotal Task 4		12	24	56		20		112	\$30,680	\$	\$30,680

Dudek Labor Hours and Rates								Total Dudek Hours	Dudek Labor Costs	Other Direct Costs	Total Fee
Project Team Role:		PIC - QA/QC	Project Manager	Modeling	Lift Stations	Project Engineers	Admin				
Team Member:		R. Bergholz	E. Caliva	J. Li, Z. Wang	B. Lacap	K. Jowid, J. Arvizu	M. Kinney				
Billable Rate :		\$330	\$300	\$270	\$285	\$220	\$165				
Task 5	Capacity and Risk Analysis										
5.1	Develop Performance Criteria	2	4	4				10	\$2,940		\$2,940
5.2	Existing Capacity Analysis (Wet/Dry)	2	4	16		8		30	\$7,940		\$7,940
5.3	10-Year Capacity Analysis (Wet/Dry)	2	4	16		8		30	\$7,940		\$7,940
5.4	Buildout Capacity Analysis (Wet/Dry)	2	4	16	4	8		34	\$9,080		\$9,080
5.5	Improvement Project Development Scenarios	8	16	24		16		64	\$17,440		\$17,440
Subtotal Task 5		16	32	76	4	40		168	\$45,340	\$	\$45,340
Task 6	Project Prioritization and CIP										
6.1	Project Prioritization	2	4	8	2			16	\$4,590		\$4,590
6.2	Cost Estimates	4	8	16	8	16		52	\$13,840		\$13,840
6.3	CIP Project Development (10- and 20-Year)	4	8	8	4	8		32	\$8,780		\$8,780
Subtotal Task 6		10	20	32	14	24		100	\$27,210	\$	\$27,210
Task 7	Report Preparation										
7.1	Draft Report	4	16	24	8	40	4	96	\$24,339		\$24,339
7.2	Report Graphics		4	8		24		36	\$8,640		\$8,640
7.3	Final Report	4	8	16	4	16	2	50	\$13,030		\$13,030
Subtotal Task 7		8	28	48	12	80	6	182	\$46,009	\$	\$46,009
Total Non-Optional Hours and Fee		66	174	334	34	276	18	902	\$237,536	\$200	\$237,736

9. Insurance



CERTIFICATE OF LIABILITY INSURANCE

8/28/2026

DATE (MM/DD/YYYY)
4/7/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies, LLC DBA Lockton Insurance Brokers, LLC in CA CA license #0F15767 444 W. 47th St., Ste. 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com		CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:	
INSURED 1522748 DUDEK 687 SOUTH COAST HIGHWAY 101 SUITE 110 ENCINITAS CA 92024		INSURER(S) AFFORDING COVERAGE INSURER A: Zurich American Insurance Company INSURER B: Continental Casualty Company INSURER C: INSURER D: INSURER E: INSURER F:	
		NAIC # 16535 20443	

COVERAGES **CERTIFICATE NUMBER:** 23280927 **REVISION NUMBER:** XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☒ PROJECT ☒ LOC OTHER:	Y	N	GLO0146311	8/28/2025	8/28/2026	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY	Y	N	BAP0146329	8/28/2025	8/28/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC0146330	8/28/2025	8/28/2026	☒ PER STATUTE ☐ OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	PROFESSIONAL LIABILITY INCLUDES POLLUTION	N	N	EEH591932835 INCL POLL	8/28/2025	8/28/2026	PER CLAIM \$2,000,000 AGGREGATE \$2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 RE: VVWRA, ITS MEMBERS, DIRECTORS, OFFICERS, AND EMPLOYEES ARE ADDITIONAL INSURED ON GENERAL AND AUTO LIABILITY, ON A PRIMARY, NON-CONTRIBUTORY BASIS, AS REQUIRED BY WRITTEN CONTRACT. WAIVER OF SUBROGATION APPLIES ON WORKERS COMPENSATION AS REQUIRED BY WRITTEN CONTRACT AND WHERE ALLOWED BY LAW. COVERAGE IS SUBJECT TO THE TERMS AND CONDITIONS OF THE POLICY.

CERTIFICATE HOLDER

23280927
 VICTOR VALLEY WASTEWATER
 RECLAMATION AUTHORITY
 20111 SHAY RD.
 VICTORVILLE, CA 92394

CANCELLATION See Attachments

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Joseph M. Agnello

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ACORD 25 (2016/03)

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10. Litigation

Dudek Summary of Legal Claims in Last Five Years Involving Professional Consulting Services

Elsinore Valley Municipal Water District v. Water Works Engineers, LLC, et al.

On November 12, 2021, Elsinore Valley Municipal Water District (the “District”) filed a civil complaint against Water Works Engineers, LLC (WWE) in California Superior Court, County of Riverside, for alleged design defects in a water reclamation facility. The District filed a first amended complaint against WWE on September 26, 2022, for breach of contract and professional negligence. WWE subsequently cross-claimed against the construction firm as well as Dudek (and other firms) for its role as construction manager. Dudek was not involved in the design of the project and denied any liability. The Court dismissed the cross-complaint against Dudek in 2024.

Sunhi Kim vs. Golden Rain Foundation of Walnut Creek, et al.

On November 18, 2024, Golden Rain Foundation of Walnut Creek filed a Cross-complaint against Dudek in California Superior Court, County of Contra Costa, for (1) indemnification; (2) apportionment of fault; and (3) dangerous condition on public property. Dudek was serving as the on-call arborist for the City of Walnut Creek. Dudek is evaluating filing for a motion to dismiss, and should that fail, it intends to defend itself vigorously. Dudek was and remains fully insured for all of its professional services.

Keep the Funk, Inc. v. City of Santa Barbara; City Council of the City of Santa Barbara, respondents and Carolyn Groves [Dudek]; Wright Family H Limited Partnership, real parties in interest

On January 27, 2025, a group of local artists and small businesses in Santa Barbara filed suit against the City of Santa Barbara, the City Council of Santa Barbara and real parties in interest, including Dudek’s project manager, objecting to the development of a 200-room hotel in downtown Santa Barbara. Dudek serves as a professional environmental consultant to the architect for the development. The causes of action include (1) violations of CEQA; (2) Inadequate findings; and (3) project incompatibility with Specific Plan, General Plan and Coastal Land Use Plan Policies and Requirements. In early October 2025, plaintiff filed a request to dismiss Carolyn Groves/Dudek from the complaint. The Court granted the request to dismiss the Dudek project manager from the complaint in October 2025.

Marvin Donius and Rincon Mushroom Corporation of America, Inc. v. Raul A. Ramirez, in his official capacity as a Rincon Tribal Court judge; et al

On May 27, 2025, Dudek was added to a complaint in U.S. District Court, Southern District of California for: (1) violation of U.S. Constitution 4th Amendment Rights Against Unreasonable Search & Seizure of Persons & Personal Property; (2) Violation of Due Process under 5th and 14th Amendments to U.S. Constitution-Enforcing a Tribal Contempt Order Based on an Invalid Tribal Court Judgment; (3) Lack of Jurisdiction – Enforcing Tribal Contempt Order to Seize & Destroy Personal Property on Non-Indian Fee Land; (4) Trespass; (5) Conversion; (6) Trespass to Chattel; (7) Negligence; (8) Intentional Interference with Prospective Economic Advantage; and (9) Negligent Interference with Economic Advantage. The plaintiff and defendant tribe have been involved in litigation

with one another for over 18 years. Dudek’s involvement included providing oversight of a hazardous waste assessment and removal. Dudek is represented along with the tribal defendants by Rincon’s tribal counsel. Counsel filed a motion to stay these proceedings pending resolution of a motion to modify the Tribal Court Judgment that plaintiffs filed in the Rincon Tribal Civil Court.

Kara Lynn Booker v. City of Huntington Beach, MMC, Inc., Mehta Mechanical Co., et al

On October 29, 2025, Dudek was added to an ongoing lawsuit alleging negligence, willful failure to warn, and dangerous condition of public property. Dudek’s involvement was serving as the City’s on-site administrative construction management function for a public works project. Plaintiff fell into a hole at the site, injuring herself. She claims the City and consequently Dudek were negligent. Dudek is in the process of working with insurance appointed counsel to evaluate the merits and defend itself vigorously. Dudek was and remains fully insured for all of its professional services.

Requested Edits to the Sample PSA

Dudek proposes the following modifications to the Agreement for your consideration:

- Section 2: Dudek proposes replacing “its best” with “commercially reasonable.”
- Section 3.2: Dudek proposes adding the following language to the end of the paragraph:
“Consultant will not be responsible for damages or be deemed in default for delays arising from causes beyond Consultant’s reasonable control.”
- Section 8.1: Dudek proposes adding the word “negligent” before “acts, errors or omissions” and deleting “all consequential damages.” Additionally, Dudek proposes adding the word “reasonable” before “expert witness fees.”
- Section 8.2: Dudek proposes adding the following language to the end of the paragraph:
“Notwithstanding the foregoing, with respect to any professional liability claim or lawsuit, this indemnity does not include providing the primary defense of District; provided, however, Consultant shall be responsible for District’s defense costs to the extent such costs are incurred as a result of Consultant’s negligence, recklessness, or willful misconduct.”

Additionally, Dudek proposes adding the word “reasonable” before “attorney’s fees” and “expert witness fees.”



11. Other Information

a. Record of Staffing Tasks Efficiently and Completing Projects on Time and Within Budget

Commitment to Budget and Schedule

Dudek delivers cost-effective, practical solutions by applying proven interceptor planning and hydraulic modeling expertise aligned with VVWRA's operational and long-term objectives. Our approach emphasizes right-sized technical analysis that provides clear, standards-based results while making efficient use of project funds. By focusing on transparent, defensible modeling and planning methods, Dudek produces work products that directly support capital improvement, risk reduction, and informed decision-making.

Maintaining schedule and budget discipline is central to Dudek's delivery approach.

We establish clear task sequencing, milestone schedules, and coordination points at project initiation, and track progress through regular status updates and schedule reviews. Projects are managed by experienced project managers with a demonstrated record of delivering complex wastewater planning and modeling projects **on time and within negotiated budgets**, including multi-agency and data-dependent studies similar in scope and complexity to this effort. With primarily in-house technical resources and experienced project management, Dudek ensures efficient coordination, timely delivery, and consistent communication throughout the project lifecycle.



We have a strong track record of completing projects on time and within budget.

Commitment to Providing Necessary Resources

Dudek begins each assignment with a clear understanding of the Authority's goals, system constraints, and operational priorities. **Early coordination with VVWRA staff, targeted site reconnaissance, and review of available data and prior studies are used to establish baseline conditions and inform the technical approach.** Dudek develops calibrated interceptor hydraulic models, evaluates dry- and wet-weather performance, and applies a risk- and criticality-based framework to identify high-consequence assets and prioritize improvements that deliver the greatest reliability and risk reduction.

Dudek provides the staffing and technical resources needed at every stage of the project. We develop phased, implementable capital improvement strategies that include planning-level cost estimates, sequencing

STAFF COMMITMENT AND RESOURCES (% AVAILABILITY)	
Elizabeth Caliva, PE	20%
Russ Bergholz, PE, PMP	10%
Jenny Li, PE	30%
Zoey Wang, PE	35%
Brandon Lacap, PE	25%
Katerina Jowid	40%
Julie Arvizu, EIT	40%

considerations, and readiness for design and implementation. Each major milestone is supported by internal technical review to ensure recommendations are defensible and actionable.

The project manager serves as the primary point of contact and coordinates all disciplines to maintain schedule, budget, and consistency. Regular check-ins with Authority staff, documented decisions, and up-to-date schedules and progress reports ensure efficient coordination and continuity. Dudek's depth of in-house resources allows staffing to scale as needed while maintaining technical quality, availability of key personnel, and schedule control throughout the contract.

b. Description of Community Involvement

Dudek has extensive experience supporting public agencies with community involvement efforts that promote transparency and informed decision-making. **Our approach emphasizes early coordination, clear communication, and engagement strategies scaled to project sensitivity and community needs.** Dudek routinely translates complex technical information into accessible materials and facilitates public meetings, workshops, and targeted outreach.

For diverse or geographically dispersed communities, Dudek incorporates inclusive practices, such as multilingual materials and coordination with local organizations to ensure meaningful participation.

Our in-house outreach, planning, GIS, and creative services teams work collaboratively to deliver consistent messaging, document feedback, and support agencies in advancing projects while maintaining strong community relationships.



We have a long-standing history of community involvement.



We have a long-standing history of providing you support.

c. Description of Previous Involvement with the Authority

Dudek has a long-standing history of supporting VVWRA with interceptor planning, hydraulic modeling, risk analysis, and related engineering and technical services. Our work with VVWRA includes the 2020 Model Update and Calibration, the 2021 Interceptor Risk Analysis, and subsequent interceptor

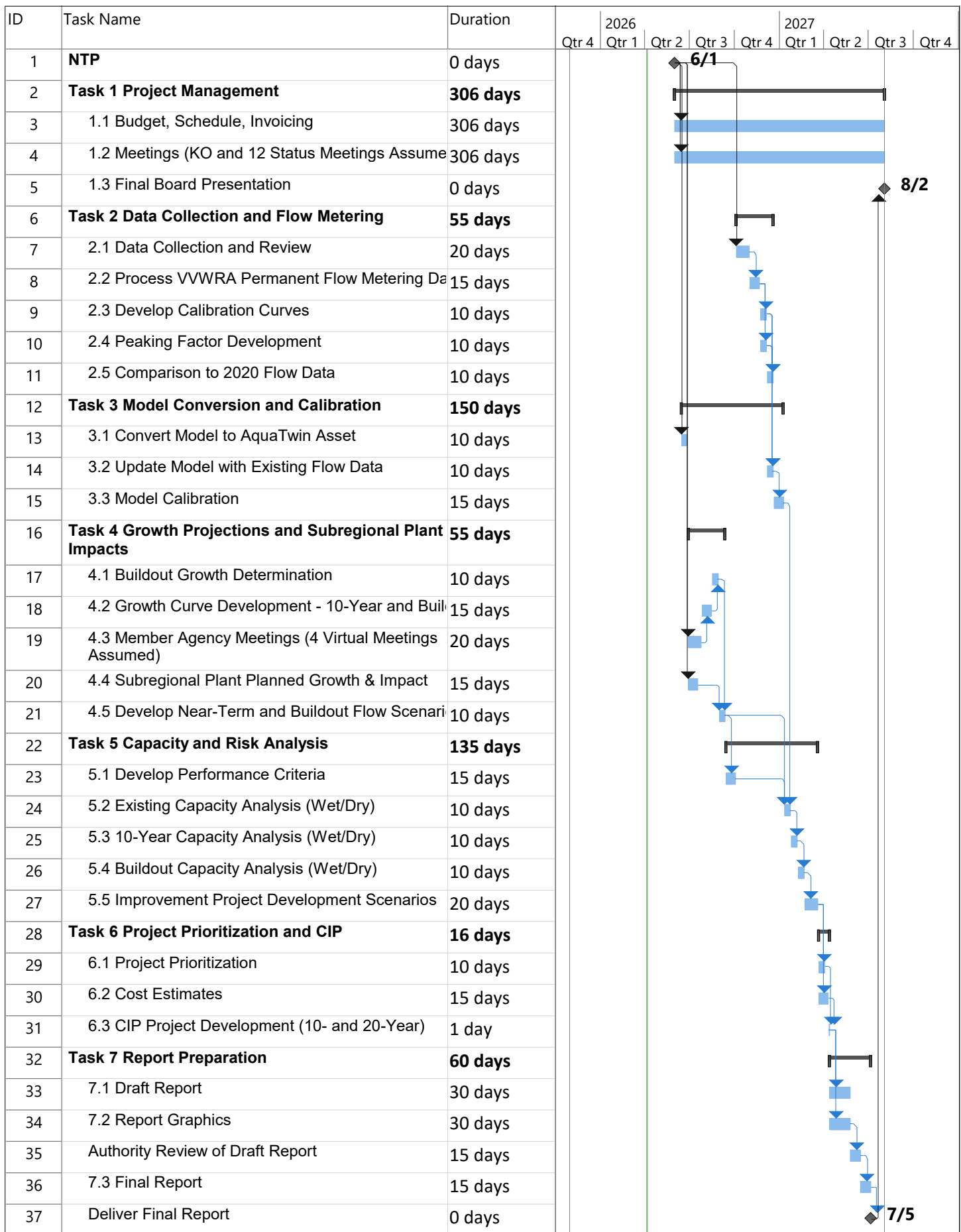
capacity, risk, and capital planning efforts, as well as regional I/I studies, design support, and construction-related services. This sustained involvement has provided Dudek with a detailed understanding of the Authority's interceptor system configuration, operational constraints, data resources, and long-term planning objectives.

Dudek's continuity across multiple generations of interceptor studies allows us to efficiently leverage existing data, hydraulic models, and previously adopted assumptions while maintaining analytical consistency and **technical defensibility**. Familiarity with VVWRA's staff, operational practices, and decision-making processes enables Dudek to deliver updates that are immediately usable by the Authority and aligned with both near-term operational needs and long-range capital improvement planning goals.



12. Appendix

Full Proposed Schedule Detail



A wireframe illustration of a mountain range, rendered in a light blue color against a dark blue background. The mountains are composed of a grid of lines, creating a 3D effect. The peaks are jagged and vary in height, with some smaller hills in the foreground and more prominent mountains in the background. The overall style is modern and digital.

DUDEK

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VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Staff Report

TO: VWVRA Board of Commissioners
FROM: Darron Poulsen, General Manager
SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM
DATE: 06/18/2026
SUBJECT: **Recommendation to adopt Resolution 2026-13 FY 2026-2027 Holiday Schedule**

Fiscal Impact N/A

Account Code:

Funds Budgeted/ Approved:

STAFF RECOMMENDATION

It is recommended that the Board of Commissioners adopt Resolution 2026-13 to establish the paid holidays for VWVRA employees during the fiscal year 2026-2027 which is consistent with the MOU with the Employees Association.

PREVIOUS ACTION(S)

It is routine for the Board of Commissioners to adopt the holiday schedule on an annual basis.

BACKGROUND INFORMATION

Each year, the Board of Commissioners approves and adopts a paid holiday schedule for VWVRA employees. The Holiday Calendar for FY 2026-2027 is recommended to be approved and adopted as shown under Resolution 2026-13.

Attachments

Holidays



VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY

Board Of Commissioners Agenda Item

TO: VWRA Board of Commissioners
FROM: Darron Poulsen, General Manager
SUBMITTED BY: Kristi Casteel, Executive Assistant to the GM
DATE: 06/18/2026

Rotation of Officers

SUBJECT: It is recommended that the Board of Commissioners approve the rotation of officers for the FY 2026-2027, effective July 1, 2026

Attachments

Officers



**Victor Valley Wastewater Reclamation Authority (VWVRA)
Board of Commissioners
Fiscal Year 2026-2027**

VWVRA Commissioners:

Name: Paul Cook, Supervisor – County of San Bernardino
Title: Board Chair
Term: 2020 to present

Alternate: Dakota Higgins

Name: Scott Nassif, Mayor– Town of Apple Valley
Title: Vice-Chair
Term: 2010 to present

Alternate: Art Bishop

Name: Tiffany Gaudin, Councilwoman – City of Victorville
Title: Secretary
Term: 2026 to present

Alternate: Corrine Mora

Name: Cameron Gregg, Mayor Pro Tem– City of Hesperia
Title: Treasurer
Term: 2025 to present

Alternate: Brigit Bennington

Note: Board positions rotate on an annual basis effective July 1st